ANNEX II

Template 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.

Product name: Sparinvest SICAV - Global Ethical High Yield
Legal entity identifier: 5493002GYTWIB4B51790

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 (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 50% 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**

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 environmental and social characteristics promoted by the Sub-Fund are supporting the 17 Sustainable Development Goals (SDG's) through ensuring a better alignment with the goals than the benchmark by measuring both the alignment and misalignment of the investee companies. The SDG Climate Action has a specific focus, as the fund wishes to promote lower climate risks and higher opportunities. The fund wish to avoid investments in controversial weapons, tobacco, systematic violators of OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work and the International Bill of Human Rights. The characteristics relate to the application of negative screening criteria, engagement, voting and ESG-integration.

The Sub-Fund promotes environmental and social characteristics through the exclusion of companies based on the following criteria:

- Norms violation: UN Global Compact principles, the UN Guiding Principles on Business and Human Rights, ILO conventions, and OECD guidelines on multinational companies.
    - This also applies to tobacco companies (subject to minimum thresholds), where the core business is considered inherently incompatible with international norms.
- Controversial Weapons: confirmed producers or distributors of controversial weapons
- Sector exclusions:
    - Production or distribution of tobacco, alcohol, weapons, pornography or gambling. Minimum thresholds apply as described in the Exclusions and Ethical Fund Criteria.
    - Climate exclusions: Transition laggards: Companies with an >5% exposure towards thermal coal, unconventional oil and gas, arctic oil and gas, tar sands or oil sands, or other companies with significant fossil exposure and a poor record of managing transition risks

In addition to this, to promote good governance at the investee companies, voting rights are exercised at general meetings and companies that persistently fail to remedy violations of international norms and are unresponsive to engagement are excluded from the investment universe. ESG information is integrated in both qualitative and quantitative ways throughout the entire investment process, from screening and analyzing potential new investments, to calculating fair values, to making investment decisions, and building, monitoring and reporting on portfolios.

As set out in the Sustainable Investment Policy, the Sub-Fund's stewardship approach goes beyond the assessment of good governance and the monitoring of compliance with international norms, with engagement relating to company-specific ESG risks or opportunities and climate change. The Sub-Fund votes in accordance with the Voting Principles and will regularly report on progress and on engagement activity. More information on the Sub-Fund's stewardship approach and thresholds applied can be found under the section "Investing Responsibly" at Sparinvest's website.

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

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

- GHG Emissions (FinanceDenmark methodology)
    - Total GHG emissions
    - Carbon intensity
    - Carbon footprint
    - Weighted Average Carbon Intensity
- Percentage of investments falling inside the excluded categories in of the exclusion policy
- Percentage of investments that fulfill the sustainable investment definition
- Percentage of investments that are taxonomy aligned
- Average SDG alignment of the sustainable investments

All are measured against the benchmark of the Sub-Fund and reported on periodically.

Sparinvest defines 'sustainable investments' as companies or assets that abide by the Do No Significant Harm (DNSH) and minimum safeguards principle and shows good governance, while having a sustainable contribution. We define 'sustainable contribution' through a number of different indicators that show strong alignment of products or services with sustainable impact or excellent performance within board diversity or contribution to the UN Sustainable Development Goals. The approach for this definition is a "pass or fail", where passing a threshold define if the company is considered a sustainable investment.

Do no significant harm and minimum safeguards

The Do No Significant Harm (DNSH) and minimum-safeguards criteria is implemented through a list of companies that do not meet the criteria. The list is used to check all sustainable investments and any issuer on the list cannot be a sustainable investment.

DNSH

The DNSH-criteria use information on controversies, misalignment with the environmental SDG's and involvement in fossil fuel activities as part of the DNSH compliance check. The thresholds are the following:

- Controversies: Check of involvement in environmental controversies related to UN Global Compact principles and OECD guidelines on multinational companies. A breach will lead to exclusion from sustainable investments.

- Strong misalignment with the SDG's: Any strong misalignment with the SDG's and sub goals related to environment will lead to exclusion from sustainable investments. Thresholds and exemptions.

- Involvement in activities: Any company involved in fossil fuels will be excluded from sustainable investments provided the following thresholds and exceptions: Companies that have 5% or more revenue from production, distribution, delivery of equipment to or servicing of production of fossil fuels (thermal coal, oil, gas, or uranium). However, companies are investable if all of the following is met:

  - At least 90% of the company's energy sector CapEx in new capacity, on average for the three consecutive years including the last financial year, are in the renewable energy sector.

  - Revenue from renewable energy comprises at least 50% of the company's total revenue. This ratio may be calculated on average over the course of 1, 2, or 3 of the last financial years.

  - The company has no revenue from tar sand, shale oil, or shale gas, or other fracking activities and/or mining of oil shale and/or extraction in the Arctic region.

- Companies that have 5% or more revenue from the generation of power from coal, natural gas, oil, or uranium. However, companies are investable if all of the following is met:

  - At least 90% of the company's energy sector CapEx is in new capacity, on average for three consecutive years including the last financial year, are in the renewable energy sector.

  - Revenue from renewable energy comprises at least 50% of the company's total revenue from power generation or at least 50% of the company's energy production capacity is based on renewable sources. This ratio may be calculated on average over the course of 1, 2, or 3 of the last financial years.

- The company has no revenue from tar sand, shale oil, or shale gas or other fracking activities and/or mining of oil shale and/or extraction in the Arctic region.

Minimum safeguards

Any company not in compliance with the following minimum safeguards check will be excluded from sustainable investments:

- Norms violation: UN Global Compact principles, the UN Guiding Principles on Business and Human Rights, ILO conventions, and OECD guidelines on multinational companies.
- Controversial Weapons: Confirmed producers or distributors of controversial weapons defined as anti-personnel mines, cluster munitions, biological weapons, chemical weapons, depleted uranium, white phosphorus, blinding lasers and nuclear weapons outside the Nuclear Non-Proliferation Treaty. No threshold apply.
- Any company involved in production of tobacco will be excluded. No threshold apply.
- Companies that have more than 5% revenue from production or distribution of alcohol, weapons, adult entertainment, or gambling. Companies that have 5% or more revenue from distribution of tobacco.

Good governance

Governance is assessed through analysis as part of our investment selection, dialogue with companies, analysis of shareholder meeting agendas in the context of exercising voting rights, and monitoring governance related data from external ESG data provider(s).

A company with a low governance will be excluded from sustainable investments. This is defined as the lowest or second lowest ESG-rating provided by our ESG-provider. Both traditional governance metrics as well as environmental and social are used for this rating. This is applied, because governance on environment and social issues are measured in these and not necessarily in the governance score alone.

Sustainable contribution

A company can make a sustainable contribution in various ways. This can be environmental, climate-related, social or human capital-oriented economic activities, and these can either be in the form of products and services, or through the practices or conduct of the company.

Our definition tries to capture both revenue-related sustainable contribution and those related to the practices of a company. The approach is a "pass or fail" approach, where all the activities of the company is counted as sustainable, if the company pass the thresholds on contribution, governance and DNSH/minimum safeguards. The thresholds on contribution is the following:

- More than 20% of the revenue of the company is aligned with the taxonomy.
- More than 20% of the revenue of the company derives from activities that have a positive impact on sustainability as defined by our ESG-service provider.
- The company has a positive contribution to any of the 17 SDG's measured by alignment.
- The company has set a verified Science Based Target, thereby contributing to minimize climate change.

- The company has a diverse board. This is measured as a representation of the underrepresented gender by more than 40% in developed markets and 20% in emerging markets.

Taxonomy alignment
As the reported data on taxonomy eligibility and taxonomy alignment is still scarce Sparinvest use assessed third party data from our ESG-data service provider in combination with reported data. On covered bonds this is combined with reported data matching the technical screening criteria on housing, which is checked against the DNSH-criteria. Otherwise, the data used is from our ESG-data service provider. This methodology is also disclosed on the fund website disclosures as well as our data providers.

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 sustainable investments aim to contribute to achieving the UN Sustainable Development Goals, reducing carbon emissions, contribute to climate change mitigation and climate change adaption, or improving board diversity.

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?
Sustainable investments are assessed against Sparinvest's DNSH-criteria (see product specific disclosures), which exclude companies with >5% revenue exposure towards fossil fuels, tobacco, alcohol, pornography, nuclear and weapons activities, as well as companies that are strongly misaligned with the UN Sustainable Development Goals, from being assessed as 'sustainable investments'.

Do no significant harm and minimum safeguards
The Do No Significant Harm (DNSH) and minimum-safeguards criteria is implemented through a list of companies that do not meet the criteria. The list is used to check all sustainable investments and any issuer on the list cannot be a sustainable investment.

DNSH
The DNSH-criteria use information on controversies, misalignment with the environmental SDG’s and involvement in fossil fuel activities as part of the DNSH compliance check. The thresholds are the following:

- Controversies: Check of involvement in environmental controversies related to UN Global Compact principles and OECD guidelines on multinational companies. A breach will lead to exclusion from sustainable investments.

- Strong misalignment with the SDG’s: Any strong misalignment with the SDG’s and sub goals related to environment will lead to exclusion from sustainable investments. Thresholds and exemptions

- Involvement in activities: Any company involved in fossil fuels will be excluded from sustainable investments provided the following thresholds and exceptions: Companies that have 5% or more revenue from production, distribution, delivery of equipment to or servicing of production of fossil fuels (thermal coal, oil, gas, or uranium). However, companies are investable if all of the following is met:

- At least 90% of the company's energy sector CapEx in new capacity, on average for the three consecutive years including the last financial year, are in the renewable energy sector.
- Revenue from renewable energy comprises at least 50% of the company's total revenue. This ratio may be calculated on average over the course of 1, 2, or 3 of the last financial years.
- The company has no revenue from tar sand, shale oil, or shale gas, or other fracking activities and/or mining of oil shale and/or extraction in the Arctic region.

- Companies that have 5% or more revenue from the generation of power from coal, natural gas, oil, or uranium. However, companies are investable if all of the following is met:
  - At least 90% of the company's energy sector CapEx is in new capacity, on average for three consecutive years including the last financial year, are in the renewable energy sector.
  - Revenue from renewable energy comprises at least 50% of the company's total revenue from power generation or at least 50% of the company's energy production capacity is based on renewable sources. This ratio may be calculated on average over the course of 1, 2, or 3 of the last financial years.
  - The company has no revenue from tar sand, shale oil, or shale gas or other fracking activities and/or mining of oil shale and/or extraction in the Arctic region.

Minimum safeguards

Any company not in compliance with the following minimum safeguards check will be excluded from sustainable investments:

- Norms violation: UN Global Compact principles, the UN Guiding Principles on Business and Human Rights, ILO conventions, and OECD guidelines on multinational companies.
- Controversial Weapons: Confirmed producers or distributors of controversial weapons defined as anti-personnel mines, cluster munitions, biological weapons, chemical weapons, depleted uranium, white phosphorus, blinding lasers and nuclear weapons outside the Nuclear Non-Proliferation Treaty. No threshold apply.
- Any company involved in production of tobacco will be excluded. No threshold apply.
- Companies that have more than 5% revenue from production or distribution of alcohol, weapons, adult entertainment, or gambling. Companies that have 5% or more revenue from distribution of tobacco.

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?

Sparinvest incorporates information regarding principal adverse impacts on sustainability in the investment process. The negative impacts are considered in investment decisions as well as stewardship, where negative impacts are sought to be mitigated and where long-term value creation is secured.

All of the mandatory Principal Adverse Impact indicators are taken into account on the sustainability factors to the extent that the data is available. The adverse impacts are identified in three different approaches. All investments are linked to the 17 SDG's. If a company has a strong negative impact on any of the SDG's this is identified as an adverse impact and the investment cannot have a positive impact on sustainability. All investments with more than 5% revenue from fossil fuels are also identified as having an adverse impact. This also applies to any investment in violation of the UNGC principles or the OECD Guidelines for Multinational Enterprises.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:
Sparinvest conducts screening of all sustainable investments, and Companies assessed as being in violation of OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights are not assessed to be sustainable investments.

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 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, the product considers the following principal adverse impacts on sustainability factors:

- GHG Emissions.
- Carbon footprint.
- GHG intensity of investee companies.
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.
- Board gender diversity.
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

☐ No

What investment strategy does this financial product follow?

The Sub-Fund may invest in bonds of any maturity, though the targeted bonds will generally have a residual maturity of 3 to 5 years.

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

Sustainability Risks are integrated into the investment process. The ESG strategy use both exclusion of investments with specific sustainability risks as well as engagement with investments with identified principle adverse impacts. ESG integration is an integrated part of the investment process. ESG information is integrated in both qualitative and quantitative ways throughout the entire investment process, from screening and analyzing potential new investments, to calculating fair values, to making investment decisions, and building, monitoring and reporting on portfolios.

Sustainability Risks and opportunities are integrated into the investment process to mitigate the negative impacts of ESG factors on investments and to ensure long-term value creation. The integration of sustainability issues financially material to the investment is expected to have a positive influence on returns.

Information on ESG strengths and weaknesses, risks and opportunities is a significant part of the fundamental information we use to select investments, build portfolios, monitor companies and work with them using the tools of stewardship.

ESG information is integrated in both qualitative and quantitative ways throughout the entire investment process, from screening and analysing potential new investments, to calculating fair values, to making investment decisions, building and monitoring portfolios, and informing our stewardship activities.

Our investment team approaches ESG considerations alongside other fundamental considerations, seeking relevant information from company reporting and contact with the company. We consider megatrends such as climate change and other cross-sector issues that may be expected to have material impact across portfolios, as well as company-specific considerations. These could be linked to the SDG's. Depending on the context – such as the sector in which a company operates – certain ESG issues can be considerably more important than others, and we prioritise accordingly in our analysis. Our internal analysis is also informed and augmented by insights from external research providers, including specialised ESG research providers. This includes ESG research covering industry-level, country-level and thematic ESG issues and also company-specific research.

Our ESG work is based on a broad range of ESG information from both internal and external sources. Sources may include internal research, company reporting, service and data providers, screening for compliance with international standards, proxy voting research, climate data, sell-side research, media and NGO investigations. Data-points on alignment with the SDG's as well as the taxonomy is part of this.

Sparinvest invests sustainably, with a long-term mindset. We recognise that there is no such thing as 'perfect' and that sustainability is not as simple as good versus bad. Instead, we believe in the potential for positive change - whether in terms of driving investment returns or achieving societal goals.

We also recognise that investing sustainably does not end with the investment decision. In fact, that is just the beginning. Our investment philosophy is an ownership philosophy. We see equity investment, for example, as owning real stakes, in real companies. This means we have the opportunity, but also the responsibility, to be active owners, communicating with the companies in which we invest, and potentially influencing their behaviour. The aim of this cooperation is to foster long-term, sustainable corporate value.

In recognition of our role as stewards of our investors' capital and long-term interests, Sparinvest complies with the EFAMA Stewardship Code.

Our approach to sustainability feeds directly into our stewardship programme. We seek to foster the long-term value of our investments, encouraging companies both to mitigate sustainability risks and exploit sustainability opportunities. We are driven by the potential to deliver positive change both in society and in our investments, where we believe it goes hand in hand with strong long-term returns.

As investors, it is natural to have dialogue with holdings. For example, in our active, fundamental strategies, the investment teams communicate with companies as part of the investment process to bolster their understanding and highlight certain issues. We aim to continue the dialogue with our holdings after the initial investment. The ideal is to have a frank but constructive, two-way dialogue with our holdings, and we do not hesitate to give our views on key issues, whether short- or long-term, ESG or otherwise. However, we classify as "engagements" those dialogues in which we have a specific goal. We take a practical and materiality-based approach: we focus on cases where we see potential for meaningful impact on corporate value and sustainability.

Our engagements are usually either direct, collaborative or led by service providers. We often find it can be powerful to combine these methods. Generally, we seek to act as constructive partners to our investee companies, and this means we may also bring third parties into the dialogue – for example, liaising between the company and an NGO regarding best practice on the specific issue.

More details on our approach to ESG-integration, exclusion and stewardship can be found in our Policy on Sustainable Investments disclosed on our webpage. Our sources of data and due diligence on this is also described here.

- ***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?***
Qualitative and quantitative ESG integration, engagement and exclusions make up the binding elements of this Sub-Fund. The Sub-Fund is managed using ESG-data when appropriate to assess the material ESG-risks and opportunities of the issuers. ESG information is integrated in both qualitative and quantitative ways throughout the investment process, from screening and analyzing potential new investments, to calculating fair values, to making investment decisions, and building, monitoring and reporting on portfolios.

The Sub-Fund is screened every quarter to ensure the alignment with the stated sustainability characteristics of the Sub-fund.

The Fund promotes environmental and social characteristics through the exclusion of companies based on the following criteria:

  - Norms violation: UN Global Compact principles, the UN Guiding Principles on Business and Human Rights, ILO conventions, and OECD guidelines on multinational companies.

- Controversial Weapons: confirmed producers or distributors of controversial weapons.

- Sector exclusions: production or distribution of tobacco, alcohol, weapons, pornography or gambling. Minimum thresholds apply as described in the Exclusions and Ethical Fund Criteria.

- Climate exclusions:

  - Transition laggards: companies which are unaligned with the goals of the Paris Agreement and which have no strategy for transition. This includes companies with significant exposure above 5% thermal coal, unconventional oil and gas or oil or tar sands and a poor record of managing transition and climate-related risks.

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

The Sub-Fund does not aim to reduce the scope of investments prior to the application of the strategy.

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.

To promote good governance at the investee companies, voting rights are exercised at general meetings and companies that persistently fail to remedy violations of international norms and are unresponsive to engagement are excluded from the investment universe. Good Governance is assessed through analysis as part of our investment selection, dialogue with companies, analysis of shareholder meeting agendas in the context of exercising voting rights, and monitoring governance related data from external ESG data provider(s).

Furthermore, Sparinvest ensures that the investee companies follow good governanve practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.

As set out in the Sustainable Investment Policy, the Sub-Fund's stewardship approach goes beyond the assessment of good governance and the monitoring of compliance with international norms, with engagement relating to company-specific ESG risks or opportunities and climate change. The Sub-Fund votes in accordance with the Voting Principles and will regularly report on progress and on engagement activity. More information on the Sub-Fund's stewardship approach and thresholds applied can be found under the section "Investing Responsibly" at Sparinvest's website.

Asset allocation describes the share of investments in

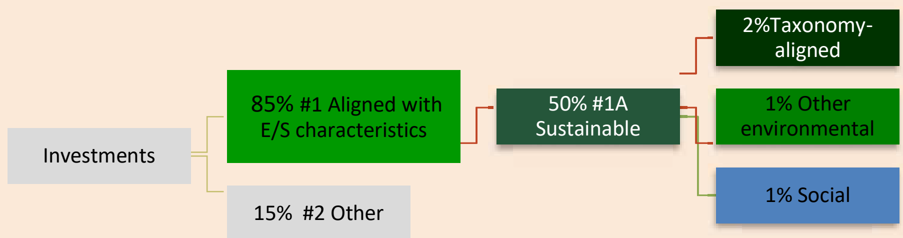
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure**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

What is the asset allocation planned for this financial product?

The Sub-Fund invests in bonds of any maturity, though the targeted bonds will generally have a residual maturity of 3 to 5 years. The Sub-Fund may also invest in other asset for hedging purposes or hold cash.

For the investments in bonds, alle are subject to the sustainability characteristics of the product. The product will make a minimum of 50% sustainable investments, with minimum:

- 2% being taxonomy aligned
- 1% beling aligned with other environmental objectives
- 1 % being aligned with social objectives



#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.

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

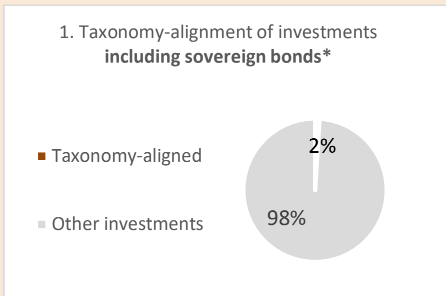
Not applicable - derivates are only used for hedging.

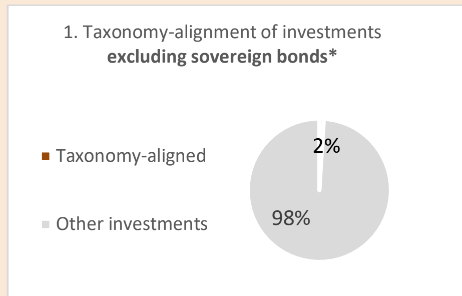
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

A part of the sustainable investments with an environmental objective will be aligned with the EU Taxonomy, and this will at minimum be 2% of the Sub-Fund.

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*

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

0%. The Sub-Fund does not have a minimum share of transitional and enabling 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.

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

1% . While an activity can contribute to several environmental and/or social objectives, double counting will be avoided for the sake of clarity.

What is the minimum share of socially sustainable investments?

1%.

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

Investments included under "#2 Other" consists of the Sub-Fund's option to hold cash for up to 15% of its total net assets. The cash can be held for liquidity or heding purposes. No safeguards apply.

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?

No.

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

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***
  N/A.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***
  N/A.

- ***How does the designated index differ from a relevant broad market index?***
  N/A.

- ***Where can the methodology used for the calculation of the designated index be found?***
  N/A.

Where can I find more product specific information online?

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

- https://www.sparinvest.lu/sfdr/
- https://www.sparinvest.lu/investing-responsibly/