

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.

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: BDLCM Funds – BDL Transitions

Legal entity identifier: 549300MZFAKZM1008P89

Sustainable investment objective

| Did this financial product have a sustainable investment objective? | |
|---|--|
| <p>● ✘ Yes</p> | <p>● ● <input type="checkbox"/> No</p> |
| <p><input checked="" type="checkbox"/> It made sustainable investments with an environmental objective: 96.67%</p> <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <p><input type="checkbox"/> It made sustainable investments with a social objective: ___%</p> | <p><input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics 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"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <p><input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments</p> |

To what extent was the sustainable investment objective of this financial product met?



BDL Transitions (the “Sub-Fund”) invests 100% of its equity portfolio following a sustainable thematic approach: ecology & energy transition, digital transition, mobility & infrastructures transition, new economic challenges transition, health and wellbeing transition. The impact intention of the BDL Transitions fund is expressed by the correspondence between each of the five transitions (energy, digitalization, mobility & infrastructure, health, new economy) and the main SDGs on which they have a positive impact.

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

| United Nation Sustainable Development Goals | 2024 Coverage <i>(equity portfolio as of 30/09/2024)</i> | 2023 Coverage <i>(equity portfolio as of 29/09/2023)</i> |
|--|--|--|
| Primary SDG | | |
| Health: SDG#3 Good health and well-being | 16% | 14% |
| Energy transition: SDG#7 Affordable and clean energy | 37% | 26% |
| New economy: SDG#8 Decent work and economic growth | 0% | 7% |
| Digital transition: SDG#9 Industry, innovation and infrastructure | 18% | 12% |
| Mobility and infrastructure: SDG#11 Sustainable cities and communities | 29% | 9% |
| Secondary SDG | | |
| SDG#10 Reduced inequalities | 2% | 1% |
| SDG#12 Sustainable cities and communities | 11% | 13% |
| SDG#13 Responsible consumption and production | 10% | 7% |

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

| | 2024 | |
|--|-------------|---|
| | Fund | Coverage <i>(equity portfolio as of 30/09/2024)</i> |
| Respect of the normative and sector exclusion policy | Yes | 100% |
| Number of companies with controversy level = 5 | 0 | 100% |
| Exposure of invested companies to the fossil fuel | 0 | 100% |

| sector (>25% of turnover) | | |
|---|-----------|------|
| Controversial weapons exposures (>0% of turnover) | 0 | 100% |
| ESG QIRA Score | 14.64/20 | 100% |
| Sustainalytics Risk Rating | 17.89/100 | 100% |
| Number of companies with GHG reduction policy | 32/32 | 100% |

● ...and compared to previous periods?

| | 2024 | | 2023 | |
|---|-----------|--|-----------|--|
| | Fund | Coverage (equity portfolio as of 30/09/2024) | Fund | Coverage (equity portfolio as of 30/09/2024) |
| Respect of the normative and sector exclusion policy | Yes | 100% | Yes | 100% |
| Number of companies with controversy level = 5 | 0 | 100% | 0 | 100% |
| Exposure of invested companies to the fossil fuel sector (>25% of turnover) | 0 | 100% | 0 | 100% |
| Controversial weapons exposures (>0% of turnover) | 0 | 100% | 0 | 100% |
| ESG QIRA Score | 14.64/20 | 100% | 14.81/20 | 100% |
| Sustainalytics Risk Rating | 17.89/100 | 100% | 17.92/100 | 100% |
| Number of companies with GHG reduction policy | 32/32 | 100% | 31/31 | 100% |

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

Steps 1 and 2 of BDL Capital Management Sustainable Investment Policy, namely the normative and sector exclusion filters and the analysis of 16 principal adverse impacts indicators, has verified that investible companies did not cause significant environmental or social harm.

The exclusion policy makes it possible to avoid supporting the negative social and/or environmental impact of these companies by not financing certain sectors. The consideration of principal adverse impacts indicators is part of the assessment of the level of sustainability of companies.

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

As part of its responsible investment policy, BDL Capital Management relies on the mandatory PAI list published by European authorities under the SFDR Regulation. This list covers 14 PAI and also includes 2 additional indicators.

Companies whose negative impact levels are too high will not be considered sustainable (and therefore not investable).

For certain PAI, strict thresholds have been defined to exclude certain companies from the "sustainable investment". These are the following thresholds:

PAI #1.4 - Exposure of invested companies to the fossil fuel sector: if the % of revenue invested in the fossil fuel sector is strictly greater than 25%, then the investment is not sustainable.

PAI #1.10 and #1.11 UN Global and OECD: Companies in violation of the principles of the UN Global Compact are excluded.

PAI #1.14 - Exposure to Controversial Weapons: if the % of revenue invested in the controversial weapons sector is strictly greater than 0%, then the company is not investable.

PAI #2.4 - Investments in companies without Greenhouse Gas Reduction Initiatives: Companies without greenhouse gas reduction initiatives are not sustainable (and therefore not investable).

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

The OECD Guidelines and the UN Global Compact principles are relatively similar. They share the same ethical values, including human rights, labour and industrial relations, the environment and anti-corruption.

A normative exclusion filter has been applied to companies in violation of one or more of the 10 UN Global Compact principles.



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

| PAI Name | Metric (Unit) | Portfolio as of 30/09/2024 | Portfolio as of 29/09/2023 |
|-------------------------------------|---|----------------------------|----------------------------|
| GHG Emissions | Total Scope 1 + 2 (tCO ₂ eq) | 11 467.20 | 9 725.16 |
| | Total Scope 1 + 2 + 3 (tCO ₂ eq) | 117 420.52 | 65 565.66 |
| Carbon Footprint | Total Scope 1 + 2 (tCO ₂ eq/EURm) | 72.45 | 109.91 |
| | Total Scope 1 + 2 + 3 (tCO ₂ eq/EURm) | 765.44 | 795.01 |
| GHG Intensity of Investee Companies | Total Scope 1 + 2 (tCO ₂ eq/EURm) | 104.87 | 165.67 |
| | Total Scope 1 + 2 + 3 (tCO ₂ eq/EURm) | 1 909.35 | 1 334.69 |
| Fossil Fuel | (% involved) | 8.65 | 3.48 |
| Non-renewable Energy | Non Renewable Energy Consumption (%) | 61.57 | 68.28 |
| | Non Renewable Energy Production (%) | 27.04 | 21.71 |
| Energy Consumption Intensity | Agriculture, Forestry & Fishing (GWh/EURm) | - | - |
| | Construction (GWh/EURm) | 0.01 | - |
| | Electricity, Gas, Steam and Air Conditioning Supply (GWh/EURm) | 1.81 | 2.46 |
| | Manufacturing (GWh/EURm) | 0.29 | 0.65 |
| | Mining & Quarrying (GWh/EURm) | - | - |
| | Real Estate Activities (GWh/EURm) | - | - |
| | Transportation & Storage (GWh/EURm) | - | 0.37 |
| | Water Supply, Sewerage, Waste Management & Remediation (GWh/EURm) | - | - |

| | | Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles (GWh/EURm) | - | - |
|---|--------------|---|---|-----------|
| Negative affect on biodiversity | (% involved) | - | - | 7.78 |
| Emissions to Water | (t/EURm) | - | - | 2.84 |
| Hazardous Waste Ratio | (t/EURm) | 1.70 | - | 2.18 |
| UNGC Principles/OECD Guidelines Violations | (% involved) | - | - | - |
| UNGC Lack of Compliance Mechanism | (% involved) | 31.44 | - | 41.33 |
| Unadjusted Gender Pay Gap | (%) | 17.70 | - | 17.70 |
| Board Gender Diversity | (% female) | 41.61 | - | 35.62 |
| Controversial Weapons | (% involved) | - | - | - |
| Investing in companies without carbon emission reduction initiatives | (% involved) | 5.92 (1) | - | 28.50 (1) |
| Investment in investee companies without workplace accident prevention policies | (% involved) | - | - | 8.46 |

(1) The percentage indicated represents the companies not covered by Sustainalytics' analysis. Following an internal analysis (in accordance with BDL sustainable investment procedure), all the companies in the portfolio have emissions reduction initiatives in place.



What were the top investments of this financial product?

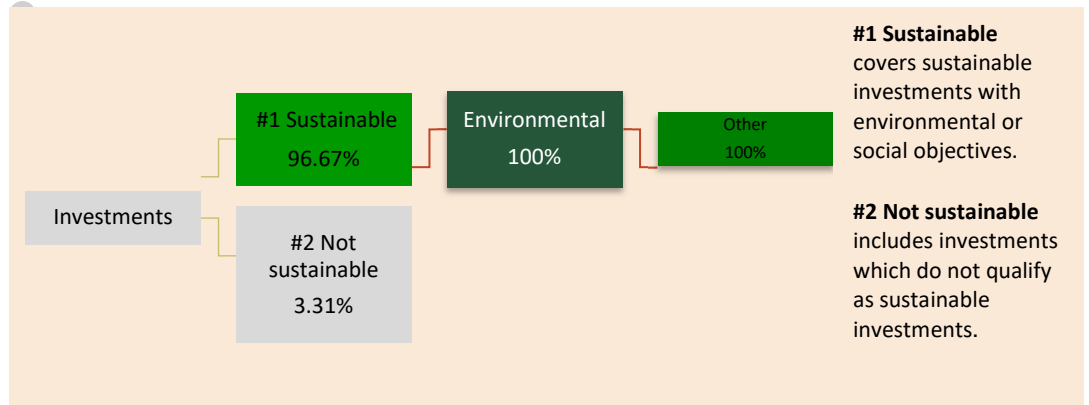
| Largest investments | Sector | % Assets | Country |
|------------------------|---------------|----------|---------------|
| E.ON | Utilities | 4.34 | Germany |
| VEOLIA ENVIRONNEMENT | Utilities | 4.01 | France |
| SAINT-GOBAIN | Industrials | 3.50 | France |
| ORSTED | Utilities | 3.34 | Denmark |
| WABTEC | Industrials | 3.30 | United-States |
| BIOMERIEUX | Health Care | 3.26 | France |
| DEMANT | Health Care | 3.25 | Denmark |
| ADVANCED MICRO DEVICES | Information | 3.23 | United-States |
| SMURFIT WESTROCK | Materials | 3.23 | Ireland |
| KNORR-BREMSE | Industrials | 3.22 | Germany |
| SIEMENS | Industrials | 3.20 | Germany |
| BUREAU VERITAS | Industrials | 3.17 | France |
| ALPHABET | Communication | 3.15 | United-States |
| VERALLIA | Materials | 3.06 | France |
| CELLNEX TELECOM | Communication | 3.02 | Spain |

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 30/09/2024.



What was the proportion of sustainability-related investments?

What was the asset allocation?



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

As of 30/09/2024, the Sub-Fund was invested at 96.69% of its net assets that have been determined as “eligible” as per the ESG process in place, hence in investments that are defined as sustainable (#1 Sustainable). Within this equity portfolio, all investments (100%) have an environmental objective.

3.31% of the net assets of the Sub-Fund are invested in investments that do not qualify as sustainable investments (#2 Not sustainable) mainly composed of cash and cash equivalent.

In which economic sectors were the investments made?

| Sectors | Value (%) |
|------------------------|--------------|
| Industrials | 35.29 |
| Utilities | 17.24 |
| Health Care | 15.28 |
| Information Technology | 10.69 |
| Materials | 9.26 |
| Communication Services | 6.18 |
| Financials | 2.72 |
| TOTAL | 96.67 |



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

The Sub-Fund invests 100% of its equity portfolio with an environmental objective not aligned with the EU Taxonomy. It has a sustainable objective but does not target investments that take into account the EU criteria for environmentally sustainable economic activities as set out in article 9 of the Taxonomy Regulation. However, it is not excluded that the Sub-Fund may be exposed to such criteria via its underlying investments. The extent to which the underlying investments of this Sub-Fund employ economic activities that qualify as environmentally sustainable under Article 3 of the Taxonomy Regulation cannot be determined as there is insufficient reported data available at the time of this Prospectus. Should the portfolio of the Sub-Fund fall within the scope of environmentally sustainable economic activities, this paragraph will be updated in accordance with article 5 of the Taxonomy Regulation.

Asset allocation describes the share of investments in specific assets.

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 economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

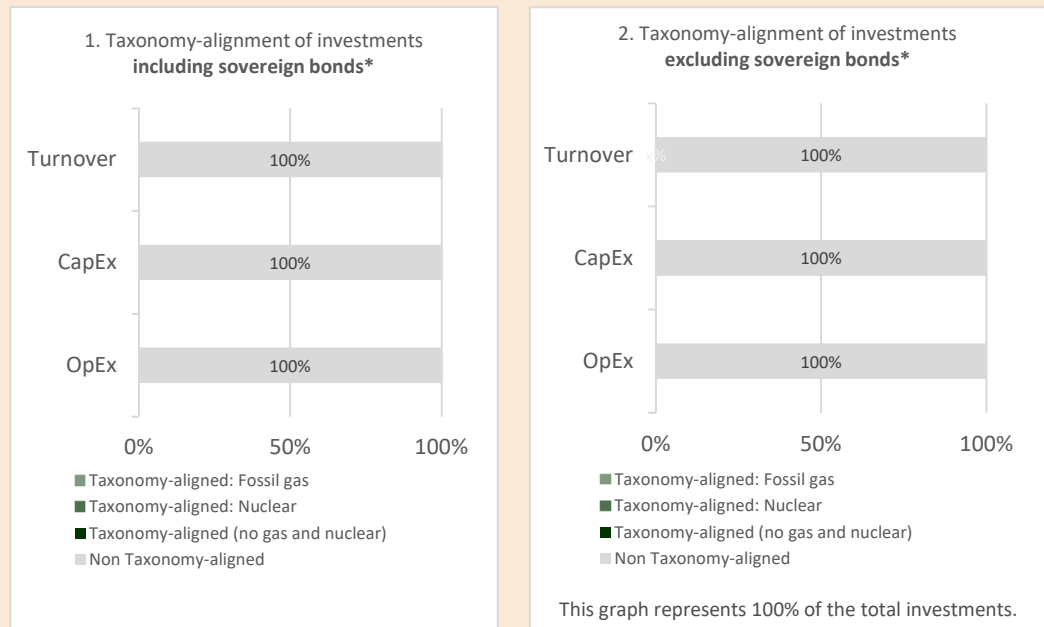
● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?**

- Yes:
 - In fossil gas
 - In nuclear energy
- No

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.


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.*



* 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?**

The share of investments made in transitional and enabling activities was 0 %.

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

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 no significant harm to 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.

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

Not applicable.



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

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 100% of the equity portfolio of the fund.



What was the share of socially sustainable investments?

The share of socially sustainable investments was 0%.



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

The “#2 Not sustainable” category primarily contains cash, bank deposits and other liquid instruments (i.e. Money Market Funds) for liquidity purposes (i.e. reimbursements of investors). The proportion and use of investments that are considered as not sustainable does not affect the delivery of the sustainable investment objective, as these investments are neutral to such objective.

The Sub-Fund does not consider any minimum environmental or social safeguards on these remaining investments.



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

The Management Company applied their active shareholder strategy based on the following elements:

- Voting at the general meeting if the Fund meets the Manager's voting policy conditions.
- Dialogue with companies.
- Engagement with companies in accordance with the Manager's engagement policy.
- Application of BDL Capital Management exclusion policy and exclusions specific to the Fund.
- Consideration of the Principal Adverse Impacts (PAI) in accordance with the Management Company PAI policy.

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?

There is no a specific index designated as a reference benchmark to meet the sustainable investment objective of the Sub-Fund

- ***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