

## SFDR SCHEDULE

**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:** UBAM - ANGEL JAPAN SMALL CAP EQUITY  
**Legal entity identifier:** O00000869\_00000061

**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.

## 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: %**
- ☐ 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

- ☐ 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 % of sustainable investments
- ☐ with an environmental objective in economic activities that 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?

This Sub-Fund promotes environmental characteristics by targeting a lower carbon footprint than its benchmark, the MSCI Japan Small Cap NR, paying attention to issuers' activities, greenhouse gas (GHG) emissions and climate strategy in order to maintain the Sub-Fund's weighted average carbon intensity below that of its benchmark.

This Sub-Fund also promotes social characteristics by aiming to have a better corporate sustainability than its benchmark through the exclusions of companies in breach of the United Nations Global Compact (UNGC).

The benchmark is a standard reference representing the Sub-Fund's universe but is not aligned with the environmental and social characteristics promoted by this Sub-Fund.

**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 indicator used for carbon footprint measurement is the weighted average carbon intensity, in tons of CO<sub>2</sub> per million of USD revenues.

The sustainability indicator used to assess any breach with UNGC is the UNGC Compliance Status of the company as assessed by an external data provider.

- **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?**

N/A

**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 do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective**

N/A

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

N/A

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

N/A

*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

☐ No

The following PAIs will be taken into account by the Investment Manager:

- GHG Intensity of Investee Companies (Scope 1 and 2): With the aim to limit the Sub-Fund's carbon footprint selected issuers should have limited exposure to conventional oil & gas revenues, have no exposure to revenues from unconventional oil and gas extraction and limited exposure to other revenues associated to unconventional oil and gas and have no exposure to thermal coal extraction as well as no revenues or installed capacities in power generation derived from coal, nuclear sources or oil & gas.

- UNGC Principles/OECD Guidelines Violations: Selected stock issuers should not be in breach of international standards (UN Global Compact, UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises or ILO Conventions) according to the respective analyses by external providers.

- Controversial Weapons Exposure: Selected stock issuers should not be involved in controversial and nuclear weapons.

Generally, the Investment Manager seeks to limit the main principal adverse impacts primarily through the investment research, the application of the exclusion list and of the norms-based screening. These are also taken into account via the Sub-Fund's objective of maintaining a weighted average carbon intensity lower than that of the investment universe.



## What investment strategy does this financial product follow?

This Sub-Fund invests its net assets primarily in equities and other similar transferable securities, in addition to, on an ancillary basis, warrants on transferable securities, convertible bonds or bonds with warrants on transferable securities, bonds and other debt securities, money market instruments, issued primarily by companies (i) having their registered office, or (ii) carrying on a major part of their commercial activity, or (iii) as holding companies owning predominant interests in companies with their registered office in Japan.

The ESG investment strategy is based on three pillars:

- Business activities exclusion, provided that data are available, covering harmful activities (such as controversial and conventional weapons, coal, unconventional Oil & Gas, tobacco, adult entertainment) as well as breaches of the UN Global Compact in line with the UBP Responsible Investment policy (available on <https://www.ubp.com/en/investment-expertise/responsible-investment>) – revenue thresholds may apply.
- ESG integration. ESG integration is implemented to select stocks. Stock selection derives from the analysis of both environmental, social and governance (extra-financial) factors and financial factors.

This process has two key inputs:

- Independent and forward-looking review of stocks ESG risks and opportunities relying on internal and external research. This review produces an ESG assessment.
- Independent and forward-looking review of the financial risks and opportunities relying on internal research. This review produces a financial view.
- Preference for stocks with reduced carbon footprint as well as good governance characteristics as assessed by internal research, which relies on active dialogue with companies' management as well as other sources of information. The preference for such stocks should be considered as an objective and is conditional to liquidity conditions and relative value analysis.

While this Sub-Fund seeks to promote a lower weighted average carbon intensity than the MSCI Japan Small Cap Index, the relevant data might not be available for all the stocks in which the Sub-Fund invests.

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

### ● ***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?***

Selected stock issuers should:

- not be involved in controversial weapons, nuclear weapons, tobacco production or adult entertainment production;
- have limited exposure to other weapons, thermal coal extraction, electricity generated from thermal coal, unconventional oil and gas, other tobacco revenues and other adult entertainment revenues (revenue thresholds apply).
- not be in breach of the UN Global Compact

Finally, the ESG analysis should cover 100% of the Sub-Fund's portfolio equity holdings. For companies not covered by external data providers, the analysis is conducted by the Investment Manager.

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

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

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy.

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

Good governance practices are a prerequisite for companies' performance, and it also ensures the promotion of environmental and social characteristics. The Investment Manager assesses good governance practices through its fundamental research sourced from company meetings, which is supplemented and cross-checked by ESG data from third-party service providers. Particular attention is paid to public disclosure, sound management structures, employee relations, management communication of strategy with stakeholders. Moreover, the norms-based screening ensures that global norms are respected and enables to assess the responsible conduct of businesses and potential human rights violations. Engagement is also an integral part of the investment process and encompasses all ESG aspects including governance practices.



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

## What is the asset allocation planned for this financial product?

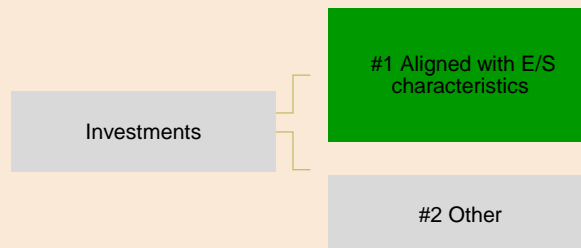
This Sub-Fund intends to have a minimum of 90% of its assets aligned with the environmental and social characteristics promoted.

On an ancillary basis, this Sub-Fund may include investments not aligned with the environmental and social characteristics promoted, such as cash and derivatives used for share class hedging. These are not expected to have an impact on environmental and social characteristics of this Sub-Fund.

There are no minimum environmental or social safeguards on the cash portion.

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.

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***

N/A

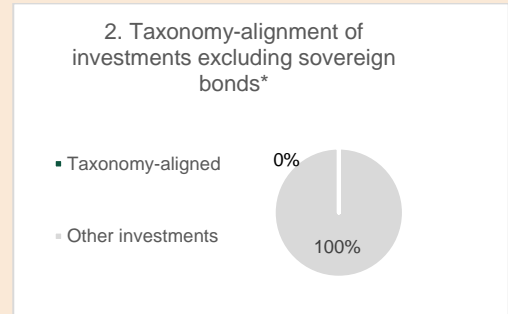
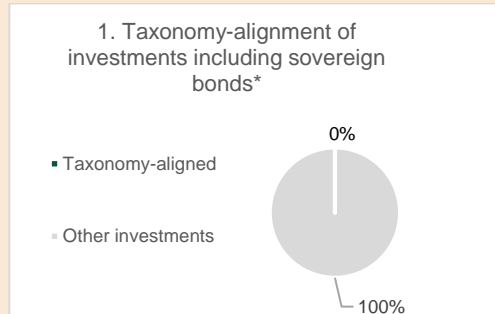


## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

**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.

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?

N/A

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?

N/A



## What is the minimum share of socially sustainable investments

N/A



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

Cash and derivatives for share class hedging. There is no 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

No

- 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

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

- *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.ubp.com/en/investment-expertise/responsible-investment>.