

Pre-contractual disclosure for financial products referred to in Article 9(1), (2) and (3) of Regulation (EU) 2019/2088 and Article 5 of Regulation (EU) 2020/852

Product name: IFP Global Age Fund

Legal entity identifier: 5983-4

Sustainable investment objective

Does this financial product have a sustainable investment objective?



☒ Yes



☐ No



☒ It will make a minimum of 100% **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 will make a minimum of 100% **sustainable investments with a social 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 ____% 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 promotes E/S characteristics, but **will not make any sustainable investments**

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, establishing a list of **environmentally sustainable economic activities**. For the time being, it does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



What is the sustainable investment objective of this financial product?

- The IFP Global Age has a social thematic objective and mainly invests in securities of companies that benefit from an aging world population. Those companies help seniors through their products and services to stay healthy and autonomous for longer, and address challenges of an aging society.
- The sub-fund has as environmental objective the reduction of carbon emissions with a view to achieving the long-term global warming limitation targets set by the Paris Agreement.

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

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.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

We use the following metrics to measure our investment impact on the social investment objective:

- ESG score for every investee: Each potential investment has to obtain a minimum score from our proprietary ESG screen, this helps also IFPIM to identify the strength and weaknesses of each firm. The measurement is based on publicly available company data as well as Bloomberg data on selected environmental, social and governance criteria. Examples for the social indicators used are equal opportunity, human rights, and health and safety. We also assess environmental and governance indicators like energy efficiency policy and waste reduction policy. IFPIM sustainable Policies to be found on our website: www.ifpim.lu
- SDG impact score: IFPIM proprietary SDG impact analysis qualitatively assesses the overall alignment of the company with the 17 UN Sustainable Development Goals, resulting in a SDG company impact score as well as a portfolio impact score. Measurement is based on the company's sustainability report or other publicly available data. The fund has to have a minimum impact on the following focus SDG's: Good Health and Well being (SDG 3), Responsible Consumption and Production (SDG 12). IFPIM sustainable Policies to be found on our website: www.ifpim.lu

We use the following metrics to measure the alignment with Paris global warming limits and reduction of carbon emission:

- To measure the alignment with Paris goals we assess for each of the fund holding the existence of concrete net zero goals and/or carbon reduction strategies aligned with associations like the Science Based Targets initiative (SBTi). We strive to maximize the percentage of fund holdings limiting a global warming to well below 2 degrees Celsius.
- The fund measures **absolute carbon emissions, carbon intensity and the carbon footprint** as indicators. The fund aims to demonstrate a reduction of carbon emissions expressed as lower carbon intensity compared to the general market, to contribute to limit the global warming according to the Paris agreement. Carbon intensity is calculated taking into account the carbon emissions in relation to the investee company revenues, while the carbon footprint takes into account the carbon emissions in relation to the invested amount. Carbon data (Scope 1 & Scope 2, if available Scope 3, and GHG data) are taken from publicly available sources and information systems like Bloomberg and our ESG verifier. As the companies are still not disclosing sufficient data, we rely on estimates and we compare different data providers. Carbon data may fluctuate in short term, depending on the data provider and due to the investment decisions in transitional activities, but they must satisfy the rule of "Do not do any significant harm" to the six environmental objectives defined with EU Taxonomy. IFPIM sustainable Policies to be found on our website: www.ifpim.lu

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

IFPIM takes into account the principle adverse indicators to measure and estimate the impact of investments to environmental and social sustainable investment objectives. We have internal policies in place, like norm-based screening, Impact investing aligned with UN Sustainable Development Goals, Exclusion policy that is in-line with "Do not significant harm" requirements that are also used to assess the sustainability of the investments.

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



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

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

IFPIM measures the mandatory Principle Adverse Impact indicators from SFDR and as also outlined in its investment policy. Mandatory Principle Adverse Indicators taken into account are:

- Climate and environment-related indicators: GHG emissions (Scope 1, Scope 2, Scope 3 and total GHG emissions), Carbon footprint, GHG intensity of investee companies, exposure to companies active in the fossil fuel sector, share of non-renewable energy consumption and production, energy consumption intensity per high impact climate sector, activities negatively affecting biodiversity sensitive areas, emissions to water and hazardous waste ratio.
- Social indicators: Violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, Lack of process and compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises, unadjusted gender paygap, Board gender diversity, exposure to controversial weapons.

The optional principal adverse indicators that the company assesses are the following:

- Environmental principle adverse indicator: water management policies,
- Social principle adverse indicator: lack of human rights policy

The application of this framework is designed to evidence that investments do no significant harm to any environmental or social objective and that investee companies have sound governance practices in place. We use publicly available information and information providers like Bloomberg and our ESG verifier.

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.

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

AML screening and ESG assessment that are part of the investment process may identify potential breaches to OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. IFPIM respects the foundational principles that business enterprises should respect human rights. As a part of the investment process and ESG screening, IFPIM seeks to identify the companies human rights policy and through other publicly available data or AML screening to identify potential violations of human rights.

Does this financial product consider principal adverse impacts on sustainability factors?

IFPIM applies the Principal Adverse Impacts from SFDR. The application of this framework is designed to evidence that investments do no significant harm to any environmental or social objective and that investee companies have sound governance practices in place.

What investment strategy does this financial product follow?

The IFP Global Age Fund invests in companies that will benefit from an aging world population. The fund has a sustainable investment objective in accordance with Article 9 of the Sustainable Finance Disclosure Regulation and seeks to contribute to a reduction in carbon emissions with a view to achieving the long-term global warming limitation targets set by the Paris Agreement. The fund is mainly invested in global equities, both from cyclical and non-cyclical sectors, with a focus on healthcare, financial services and consumer sectors. The sub-fund's net assets invests up to 100% in shares. The sustainable investment process is based on fundamental analysis, combining financial and non-financial criteria. Proprietary ESG analysis as well as SDG impact are completely integrated in the management process. The master class is denominated in EUR and not hedged. Objective is a medium to long term out-performance of the global equity markets (MSCI World in EUR). Its target risk is set to 'high' with a middle to long term investment horizon.



What are the binding elements of the investment strategy used to select investmentsto attain the sustainable investment objective?

The target is to select financially solid, attractively valued, well positioned, and well managed companies. The combination of in-depth financial analysis with our proprietary ESG analysis is the core of our investment process. Only the companies that successfully pass our basic and ESG score analysis are potential investments for the fund.

Basic score: each potential investment has to reach a minimum basic score of <3 (of 1-5) to guarantee the basic quality of the business. This includes qualitative and quantitative analysis of revenues and earnings history & expectation, management, valuation, competitive situation, target price calculation etc.

ESG score: each potential investment has to pass our proprietary ESG screen (i.e. score >6 of 0-12), which helps us to identify the strength and weaknesses of a firm and serves both as a risk management and performance enhancement tool for us. It is a very straightforward analysis based on company data and Bloomberg data on selected environmental, social and governance criteria. We also apply the IFP ESG exclusion policy.

SDG impact score: we also score a company according to its impact on the UN Sustainable Development goals, resulting in a SDG company impact score (the higher the better) as well as a portfolio impact score. The company impact helps us clearly analyse and understand where a company has a positive impact, within which SDGs is the positive impact being achieved, and what exactly are the companies doing to achieve the positive impact.

According to the investment process, IFPIM exits investments that do not fulfil the sustainability criteria and do harm the SDG's, have violations of sustainability factors, do not satisfy anymore the ESG score, and have controversies and other wrongdoings. We gather this information through information systems like Bloomberg, AML screening and other publicly available sources.

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

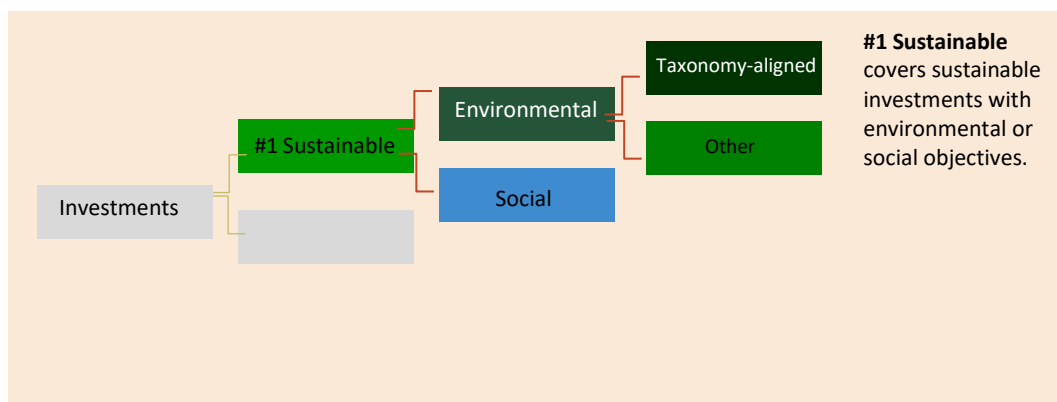
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

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.

The good governance practices are assessed through the verification that the company has an ethic policy, the number of independent directors, CEO duality, health and safety policies. Data is gathered through information systems like Bloomberg, publicly available sources or engagement with the company.

What is the asset allocation and the minimum share of sustainable investments?

The Fund invests up to a maximum of 100% in equities with a possibility to hold cash to a maximum of 49% in special situations. As the main indicator for the sustainability of the investments in our investment process is IFPIM ESG score and, since all the investments must have minimum score to be invested, 100% of the investments of the Fund are sustainable.



How does the use of derivatives attain the sustainable investment objective?

The derivatives are used only for currency hedging purposes without impact on sustainable objective.

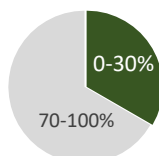
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

We expect an alignment of 0-30% with the EU environmental objectives based on availability of corporate data and estimates from ESG data providers.

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.*

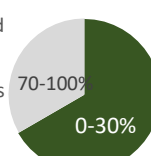
1. Taxonomy-alignment of investments including sovereign bonds*

- Taxonomy-aligned
- Other investments



2. Taxonomy-alignment of investments excluding sovereign bonds*

- Taxonomy-aligned
- Other investments



* Depending on corporate data availability



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

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



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

We expect a minimum share of 0%-30% in transitional and enabling activities, depending on corporate data availability.

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

IFPIM strives to maximize the alignment of its investments with the EU Taxonomy. We expect a minimum of 70% of investments not aligned with EU Taxonomy.

What is the minimum share of sustainable investments with a social objective?

The minimum share of sustainable investments with social objective is 100%.

What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

With the exception of cash and cash equivalents used for treasury management and derivatives used for hedging we do not expect any investments to be included under “#2 Not sustainable”. If there is no availability of data we follow PAI to make sure that the investment do not harm any sustainability objectives.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

The Fund does not use benchmark.

How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?

Not applicable

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

Not applicable.

How does the designated index differ from a relevant broad market index?

Not applicable

Where can I find more product specific information online?

More product-specific information can be found on the website: www.ifpim.lu