

# iMGP Euro Select Fund

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: iMGP Euro Select Fund

Legal entity identifier: 39120078WMIQUDIXGM28

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?



Yes



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 will make a minimum of **sustainable investments with a social objective**: \_\_\_\_%



Data for the internal scoring model on the attainment of the aforementioned environmental and social characteristics at the level of the relevant investee companies are provided by external sources which will be completed by the research and direct dialogue with the issuers by the Sub-Manager and the Investment Adviser. No reference benchmark has been designated to attain the environmental and social characteristics promoted.

**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 scoring model is built around the following four pillars:

- (1) Environment: Scoring based on data provided by external sources;
- (2) Social: Scoring based on data provided by external sources;
- (3) Governance: Scoring based on internal model of the Sub-Manager completed by internal analysis and engagement; and
- (4) Controversies: Scoring based on data provided by external sources.

The Sub-Manager then applies different weights for each sector. For example, as industrial sectors have a higher weight for environment, the Sub-Manager is focusing for service companies on social issues. The Sub-Manager considers governance as a crucial component of any investment irrespective of the sector and therefore applies a constant 40% weight.

- ***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?***

Not applicable as the Fund does not make sustainable investments.

- ***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?***

Not applicable as the Fund does not make sustainable investments.

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

Not applicable as the Fund does not make sustainable investments.

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

Not applicable as the Fund does not make 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, in line with Article 7 of the Sustainable Finance Disclosure Regulation, this Fund considers the Principal Adverse Impacts (PAI) of its investment decisions.

Adverse sustainability indicator	Metric	Impact year	Explanation and Actions taken, actions planned, and targets set for the next reference period
GHG intensity of investee companies	Data available at the end of 2025	2025	Principal adverse impacts are taken into account by this Fund through the following measures: <ul style="list-style-type: none"> <li>the exclusion policy implemented by the Sub-Manager limits the exposure to certain PAI on ESG aspects by excluding sectors that have a negative impact on sustainability (ex: exclusion of controversial weapons)</li> <li>the analysis of certain indicators such as GHG intensity of investee companies to measure the alignment of the portfolio with the ESG characteristics promoted by the Sub-Manager</li> </ul>
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0%	2025	

While the ability to currently meaningfully assess these impacts may be limited by an absence or limited availability and quality of information; the Sub-Manager will continue to further develop these processes to gather, when available, information and data on PAI of their investments.

The present table summarizes the lists of the principal adverse impacts considered by this Fund in its investment process (Annex I of the Commission delegated regulation supplementing Sustainable Finance Disclosure Regulation). More information on how the Fund considers its principal adverse impacts may be found in the periodic reporting of the Fund.

☐ No

**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 investment strategy does this financial product follow?

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

In order to achieve its investment objective, the Fund will base its investments on fundamental research in the selection of individual securities for long positions. The strategy will be reviewed frequently in light of discussions the Sub-Manager may have with the management of companies in which it invests or is considering for investment. The policy of the Fund is to maintain a concentrated portfolio of equities across a range of European countries which are also in the Eurozone and sectors, subject to the investment restrictions set out in the Prospectus.

While this Fund promotes environmental characteristics within the meaning of Article 8 of the SFDR, it does not currently commit to investing in any “sustainable investment” within the meaning of the SFDR or the Taxonomy Regulation. Accordingly, it should be noted that this Fund does not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation and its portfolio alignment with such Taxonomy Regulation is not calculated. Therefore, the “do not significantly harm” principle does not apply to any of the investments of this Fund.

● ***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?***

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

More than half of the portfolio of the Fund must be invested in securities from issuers having obtained a scoring in the internal model of the Sub-Manager which is equal or higher than 5 whereby 10 is the highest score and 1 is the lowest score. For the avoidance of doubt, the internal scoring model is binding on the Sub-Manager and the Sub-Manager cannot overrule the scoring by factors or considerations not contained in the model. Under the internal scoring model, securities are assessed on multiple environmental and social characteristics, such as: carbon emissions product, carbon footprint, water stress, opportunities in renewable energy, controversial sourcing, human capital development and demographic risk, among others.

In addition, the Sub-Manager will exclude investment in companies:

- identified as producing controversial weapons,
- that it believes do not follow good governance practices through the Sub-Manager’s analysis of several proprietary governance-related matters it considers within the investment process, as further outlined below.

● ***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 investments prior to the application of the Fund’s investment strategy.

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

The assessment of Governance practices is a mix of:

(i) An objective and data-driven assessment, with a focus on minority shareholders rights, diversity, board structure and attendance as well as business ethics, anti-competitive practices, tax transparency, corruption and instability among other criteria. The Sub-Manager and the Investment Adviser are relying on data from external sources which are also scored in this regard.

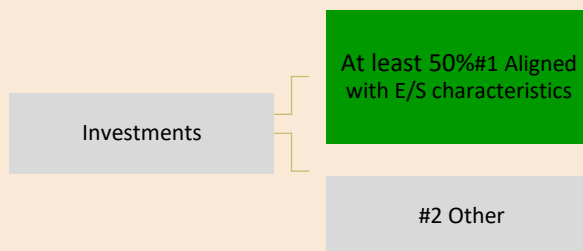
(2) An experience-driven assessment of the governance standard where the Sub-Manager with the support from the Investment Adviser is aiming to include their views on the management team and its track record, the quality of board members and the presence of large or majority shareholder and how these facts might influence the issuer's performance – in this context, the Sub-Manager and the Investment Adviser are meeting with top management of issuers.

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



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

Approximately, more than half of the portfolio of the Fund must be invested in securities from issuers having obtained a scoring in the internal model of the Sub-Manager which is equal or higher than 5. Consequently, the portfolio will be invested in securities under “#1 Aligned with E/S characteristics” and used to attain the environmental or social characteristics promoted by at least 50%. There will be no sustainable investments and the remainder of the portfolio will consist of investments which fall into the category “#2 Other”.



**#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. The minimum proportion of these investments is 50%.

**#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. These include securities that do not qualify for inclusion under #1, cash, money market instruments or similar instruments, as well as derivatives. There are no minimum environmental or social safeguards.

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

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.

The ESG performance of the Fund does not take into consideration the derivatives to measure the attainment of environmental and social characteristics promoted.



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

The Fund does not currently commit to invest in any sustainable investment within the meaning of the EU Taxonomy. However, the position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

☐ Yes:

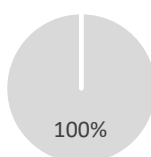
☐ In fossil gas      ☐ In nuclear energy

☒ No

*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.*

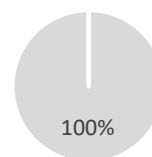
1. Taxonomy-alignment of investments including sovereign bonds\*

■ Taxonomy-aligned (no fossil gas & nuclear)  
■ Non Taxonomy-aligned



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

■ Taxonomy-aligned (no fossil gas & nuclear)  
■ Non Taxonomy-aligned



This graph represents up to 100% of the total investments\*\*

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

\*\*As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund's portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.

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

<sup>1</sup> 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 not significantly harm 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.

As the Fund does not commit to invest any sustainable investment within the meaning of the EU Taxonomy, the minimum share of investments in transitional and enabling activities within the meaning of the EU Taxonomy Regulation is therefore also set at 0%.



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

The Fund promotes environmental and/or social characteristics but does not commit to making any sustainable investments. As a consequence, the Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

 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 socially sustainable investments?**

Not applicable as the Fund does not make sustainable investments.



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

“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.

These can be (i) securities which has a scoring which is lower than 5 in the internal scoring model of the Sub-Manager, (ii) financial derivative instruments used in the context of efficient portfolio management and (iii) liquidities used for cash management purpose. There are 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?**

Not applicable: no designated benchmark for this Fund to measure whether the financial product attains the environmental or social characteristics that it promotes.

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



### **Where can I find more product specific information online?**

More product-specific information can be found on the website:  
<https://www.imgp.com/en/sustainability>