

ANNEX

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 established by Regulation (EU) 2020/852, which lists **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: Dorval Manageurs Europe

Legal entity identifier: 969500UOQQK4KWN5AL54

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 will make a minimum of **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 40% 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 sustainable investments**



What environmental and/or social characteristics are promoted by this financial product?

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 Fund's investment objective should lead to continuous performance on these two non-financial indicators compared with its investment universe:

- **Signatory of the UN Global Compact:** the percentage of companies that have signed the UN Global Compact weighted by the weight of the companies within the scope of study.
- **Integration of CSR criteria into the remuneration of executives:** the percentage of companies that integrate non-financial criteria into the remuneration of executives weighted by the weight of the companies within the scope of study.

However, the non-financial performance of the Fund will be assessed through the publication of additional indicators in the following areas: environmental, social and governance (Fund result versus investment universe result):

- **Carbon intensity (tCO₂e/\$m of turnover):** the quantity in tonnes of Scope 1¹ and 2² carbon emissions (direct emissions) per \$1 million of turnover weighted by the weight of the companies within the scope of study. This indicator does not take into account Scope 3³ (indirect emissions).
- **Carbon emission reduction objectives:** the percentage of companies with a quantitative and explicit objective to reduce their carbon emissions weighted by the weight of the companies within the scope of study.
- **Promotion of diversity:** the percentage of companies that have implemented actions to develop diversity within their workforce weighted by the weight of the companies within the scope of study.
- **Independence rate of the Board of Directors:** the percentage of members of the Board of Directors complying with the MSCI independence criteria weighted by the weight of the companies within the scope of study.
- **ESG rating:** through the non-financial rating defined by the internal methodology developed by Dorval Asset Management weighted by the weight of the companies within the scope of study.

The investment process takes into account these different indicators in the selection of stocks and the construction of the portfolio. These different indicators are directly integrated into the non-financial rating of companies. This rating represents 30% of the final rating of a stock, directly influencing the selection and weighting of stocks and thus the construction of the portfolio. These criteria also provide the basis for engagement and shareholder dialogue in the companies invested by the Fund.

¹ Scope 1 emissions are emissions generated directly by the company and its activities

² Scope 2 emissions are emissions generated indirectly by the company as a result of its energy consumption

³ Scope 3 emissions are emissions generated indirectly during the various stages of the product's life cycle (supply, transport, use, end of life etc.)

● **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?**

As a long-term investor, Dorval Asset Management is convinced of the importance of asset management in channelling financial savings towards a more responsible and sustainable economy. Our commitment to this transition encourages and influences stakeholders in the real economy to adapt their environmental, social and governance practices; our status as a responsible investor commits us to our clients and partners, but also to the companies in which we invest.

The Fund is in line with the management company's desire to help develop meaningful solutions by investing in economic activities with an environmental and/or social objective. An issuer is considered to have a positive contribution where more than 10% of its turnover addresses an environmental and/or social objective based on MSCI, Bloomberg and internal research data.

The Fund aims to invest at least 40% of its net assets in sustainable investments⁴. These investments are in line with the management strategy and help to achieve the non-financial performance sought by this Fund.

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?**

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

Principal adverse impacts (PAIs) are taken into account at several levels both in the definition of the eligible investment universe and in the construction of the portfolio. They are available in the tool used by the management teams for stock selection.

All of the 14 main indicators that may have an adverse impact on sustainability are taken into account in Dorval Asset Management's proprietary ESG DRIVERS rating methodology via a bonus/malus system.

Moreover, the Fund excludes the following sectors: controversial arms, conventional weaponry, coal, tobacco.

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

The strict exclusion⁵ and controversy⁶ management policies ensure that investments are in line with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In practice, a company that is deemed to be non-compliant with these principles based on the data used may not be invested in.

⁴ Dorval Asset Management's definition of sustainable investment is available on its website at https://site-dorval-production.s3.fr-par.scw.cloud/uploads/Definition_investissement_durable_Dorval_AM_a66592cdc3.pdf

⁵ <https://www.dorval-am.com/investissement-responsable/notre-expertise-esg#Documentation-ESG>

⁶ <https://www.dorval-am.com/investissement-responsable/notre-expertise-esg#Documentation-ESG>

The EU Taxonomy sets out a "do no 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 management company takes into account principal adverse impacts (PAIs) on sustainability factors in the management of the Fund by applying its SRI⁷ and sector exclusion⁸ policy and/or the other pillars of its responsible investment approach. These are detailed in the management company's statement on transparency of adverse sustainability impacts (the "PAI Statement"). The proprietary ESG rating methodology takes into account the principal adverse impacts via a bonus/malus system to influence investment decisions.

NO

What investment strategy does this financial product follow?

Dorval Managers Europe has been awarded the "SRI" label and is eligible for the PEA. It seeks to capture the growth of leading European companies, as per the selection criteria of Dorval Asset Management. The Fund adopts an active management approach, guided by a rigorous socially responsible investment policy. To do this, fundamental analysis of eligible companies is combined with an environmental, social and governance (ESG) opportunities and risks approach. In making its stock selection, the management team favours stocks that combine growth prospects with a reasonable acquisition price. Moreover, based on the observation that performance is achieved when the manager/company pairing works, an additional analysis is carried out, based on qualitative and quantitative criteria relating to the manager, the management team and the governance bodies (see the Fund prospectus).

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?

The binding elements of the investment strategy can be outlined in three points:

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

⁷ <https://www.dorval-am.com/investissement-responsable/notre-expertise-esg#Documentation-ESG>

⁸ <https://www.dorval-am.com/investissement-responsable/notre-expertise-esg#Documentation-ESG>

- The Fund's ESG analysis must cover at least 90% of the portion of the assets made up of securities eligible for our SRI analysis (equity and debt securities issued by private and public issuers).
 - The non-financial rating (between 0 and 100, 100 being the best rating) is established on each of the three pillars, E, S and G. Issuers with an environmental or social rating of less than 10 or a governance rating of less than 30 are excluded, as are all issuers with an overall non-financial rating of less than 40.
- Restrictions on the investment universe with a minimum selectivity rate of 20% as required by the SRI label.

The definition of the investment universe of eligible equity securities is based on compliance with the following non-financial key principles:

- Exclusion of companies that violate Dorval Asset Management's Exclusion Policy
 - The exclusion of companies with controversial practices (including non-compliance with the UN Global Compact principles) in line with Dorval Asset Management's Controversy Management Policy
 - Exclusion of companies below the minimum amounts set in the prospectus
- Commitments regarding the non-financial objectives that the Fund aims to outperform

The Fund's investment strategy must lead to outperformance with regard to the two non-financial indicators previously defined (see What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?) These indicators are based on data from our partner MSCI and on internal research data.

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

With the SRI label, the Fund has chosen a selective approach with a 20% reduction of its ESG investable universe compared with the initial investment universe (i.e. elimination of 20% of the worst-performing stocks)

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

Since 2004, Dorval Asset Management has favoured an approach based on shareholder dialogue through pragmatic, collaborative procedures facilitated by our shareholding – which Dorval Asset Management's voting policy supports – and by our regular meetings with companies.

Within our "DRIVERS" rating methodology, the management company places particular emphasis on the following governance challenges:

- **Governance challenges:**
 - Compliance with the basic principles of corporate governance (quality of the Board of Directors – diversity, independence, skills, representation –, alignment of interests with shareholders, capital structure, respect for minority shareholders, quality of financial reporting and accounting)
 - Anti-corruption and business ethics

Dorval Asset Management's SRI strategy is also structured around a shareholder engagement policy, which reflects our desire to implement actions aimed at improving corporate practices in the E (environmental challenges), S (social challenges) and G (governance challenges) areas. This policy is based on two main pillars:

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

▪ Individual engagement

Dorval Asset Management has regular discussions with the management of the companies held in the Fund concerning their inclusion of ESG criteria.

In parallel with this regular dialogue, Dorval Asset Management undertakes its role as a shareholder to support (or oppose) resolutions in line (or in contradiction) with its voting policy. This proprietary policy is a key element of our shareholder engagement policy and reflects Dorval Asset Management's expectation that the companies in which we invest take into account sustainability risks. It is characterised by a number of core principles:

- Independence of the Board of Directors
- Diversity of the Board of Directors
- High attendance rate on the Board of Directors
- Independence of key Board committees
- Powers of the Audit Committee
- The appointment and remuneration of the statutory auditors

Taking into account environmental and social risks and challenges is an integral part of good corporate management that can create value in the long term. Dorval Asset Management therefore encourages companies to improve their practices in that regard and to document them clearly and regularly. Dorval Asset Management will systematically support resolutions in favour of the publication of information concerning the consideration of environmental, social and governance issues in the company's strategic and financial communications.

On behalf of the funds it manages (shareholders of the company in question) and having responsibility towards the unitholders of those funds, Dorval Asset Management thus considers dialogue with the company's management bodies as the starting point for its individual engagement policy. The environmental, social and governance indicators set out above and reported in the Fund's non-financial and climate reports reflect Dorval Asset Management's SRI philosophy and the main non-financial expectations that we hope to see in the companies in which we invest. In this sense, these indicators provide a basis for year-round discussion and shareholder dialogue with those companies and allow us to launch targeted campaigns on a specific non-financial "theme".

▪ Collaborative engagement

In addition to its individual engagement, Dorval Asset Management is committed to working with major players in the French and international financial markets and advocating sustainable finance alongside other shareholders of the companies in its portfolio.

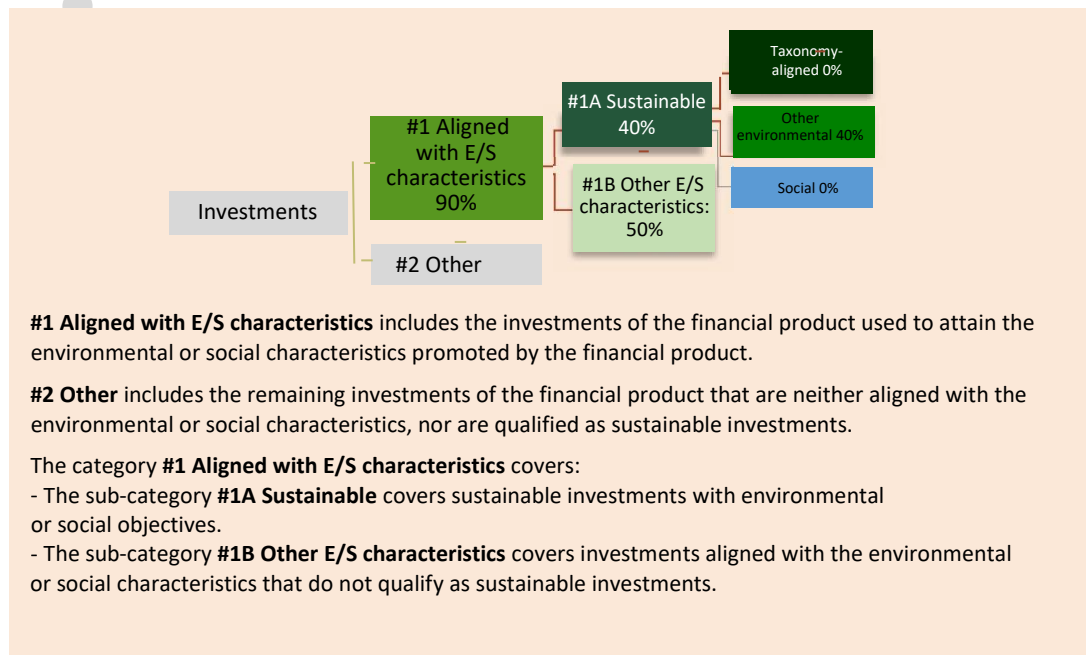


Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue arising from the green activities of the 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

What is the asset allocation planned for this financial product?



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

Dorval Asset Management's funds are authorised to use derivatives exclusively under the conditions and commitment limits set out in the prospectus.

Depending on the managers' market expectations, the Fund may use Futures or Options, traded solely on organised or regulated markets, to:

- Hedge or expose the portfolio to equity risk, with an equity exposure limit of 130% of the net assets of the Fund;
- Hedge the portfolio against currency risk.

The commitment to derivatives is limited to 130% of the net assets of the Fund.

To achieve the management objective, the Fund may invest in derivative financial instruments for the purpose of hedging or exposure to equity risk, interest rate/credit risk as well as currency risk (linked to the holding of assets denominated in foreign currencies). Funds will not use total return swaps.

However, the use of derivatives is consistent with the Fund's SRI policy and the SRI label, as they cannot be used to gain indirect exposure or underexposure to securities that are incompatible with the Fund's SRI policy.

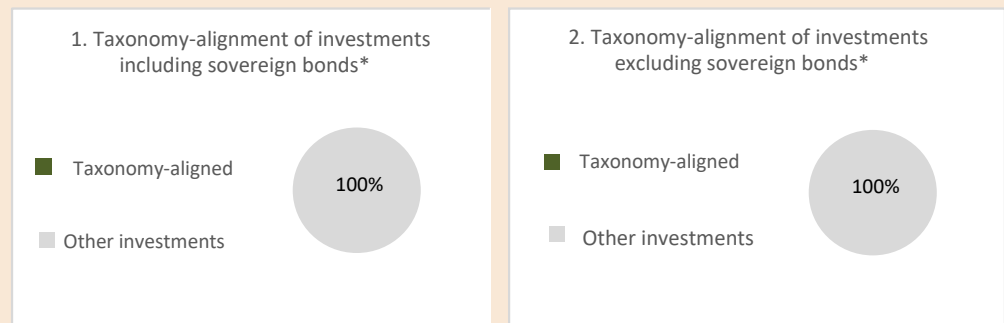
In short, derivatives do not/should not play a role in relation to the Fund's non-financial objectives.



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

The Fund's investment strategy aims to invest partially in sustainable investments without the management company being able to commit to a non-zero minimum percentage of alignment with the taxonomy.

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?

Based on currently available data, the Fund cannot commit to a minimum share of investments in transitional and enabling activities.

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

The Fund's management strategy aims to invest at least 40% of its assets in sustainable investments with an environmental objective without the management company being able to commit at present to a non-zero minimum percentage of alignment with the Taxonomy, taking into account the currently available data.

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?

Investments in the "#2 Other" category may only represent a maximum of 10% of the Fund's assets. The 10% of assets (excluding cash) that may not be subject to SRI analysis correspond, on the one hand, to UCIs managed by entities other than Dorval Asset Management and for which there may be a disparity in the ESG/SRI approaches assumed and, on the other hand, to transitorily unrated securities. The Fund may indeed invest in issuers that could, on a temporary basis, not be rated, in particular in the context of an IPO. Nevertheless, these issuers are affected by the

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.

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



application of exclusion, controversy management and shareholder engagement policies.



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

Is a specific index designated as a benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

- *How is the benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?*
- *How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*
- *How does the designated index differ from a relevant broad market index?*
- *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.dorval-am.com/fonds/dorval-manageurs-europe>