

(Applicable as from 8 July 2024)

Product name: FCH M&G Global Dividend
(the “Financial Product”)

Legal entity identifier:
213800WNU5YVBWIZYH83

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.

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 10 % 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**



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

The Financial Product promotes the use of an Exclusionary Approach and a Positive ESG Tilt (as defined below):

The Financial Product excludes certain potential investments from its investment universe to mitigate potential negative effects on the environment and society (“Exclusionary Approach”). Accordingly, the investment manager of the Financial Product (the “Investment Manager”) is promoting environmental and/or social characteristics by excluding certain investments that are considered to be detrimental to ESG Factors.

The Financial Product maintains a weighted average ESG rating that is higher than that of the equity market as represented by its investment universe (“Positive ESG Tilt”).

In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings. At an individual security level, the Investment Manager favours investments with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective.

No reference benchmark has been designated for the purpose of attaining the Financial Product's promoted environmental and/or social characteristics.

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 indicators selected to demonstrate the attainment of the promoted environmental and/or social characteristics are:

- Exclusionary approach: Percentage (%) of NAV held in excluded investments
- Positive ESG Tilt: Portfolio weighted average ESG score versus investment universe weighted average ESG score.

● ***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?***

The Financial Product may allocate to Sustainable Investments of any type, *i.e.* investments with an environmental, and/or a social objective. The Financial Product is not required to favour any specific type of sustainable investment.

The Investment Manager uses a series of proprietary tests based on available data to determine whether and how an investment makes positive contribution(s) towards environmental and social objectives.

● ***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?***

Sustainable investments that the Financial Product intends to make do not cause significant harm to any environmental or social sustainable investment objective as they are required to pass a series of tests, including:

1. Whether they represent significant exposure to businesses the Investment Manager considers harmful
2. Principal Adverse Impact indicators considered to render the investment incompatible with sustainable investment (violations of the UN Global Compact Principles or the OECD Guidelines for Multinational Enterprises, social violations by sovereigns such as being subject to sanctions, negative effects on biodiversity sensitive areas)
3. Other Principal Adverse Impact indicators form part of a materiality assessment to understand whether any exposures are compatible with sustainable investment

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

The Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available (i.e. not just for Sustainable Investments), which allows the Investment Manager to make informed investment decisions.

The Financial Product's consideration of Principal Adverse Impact indicators is used as part of understanding the operating practices of the investments purchased by the Financial Product.

Investments held by the Financial Product are then subject to ongoing monitoring and a quarterly review process.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment Manager's website disclosures for the Financial Product.

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

All investments purchased by the Financial Product must pass the Investment Manager's good governance tests, and in addition, Sustainable Investments must also pass tests to confirm they do no significant harm, as described above. These tests embed a consideration of the OECD Guidelines and UN Guiding Principles.

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, for Sustainable Investments, principal adverse impacts are a key part of assessing such investments do not do significant harm as explained above. For other investments the Investment Manager's research process includes consideration of Principal Adverse Impact indicators for all investments where data is available, which allows the Investment Manager to make informed investment decisions, as explained above.

Further information on the Principal Adverse Impact indicators which are taken into account by the Investment Manager can be found in the Annex to the Investment

Manager's website disclosures for the Financial Product. Information on how the principal adverse impacts were taken into account will be provided in the Financial Product's annual report.

No



What investment strategy does this financial product follow?

Consideration of ESG Factors is fully integrated into analysis and investment decisions.

In order to identify securities for purchase, the Investment Manager reduces the potential investment universe as follows:

1. The exclusions listed in the ESG Criteria are screened out.
2. The Investment Manager then performs further analysis, including consideration of ESG factors, to identify and take advantage of investment opportunities. The Investment Manager favours issuers with better ESG characteristics where this is not detrimental to the pursuit of the financial investment objective. This process should result in a portfolio with better ESG characteristics. In constructing a portfolio positively tilted towards investments with better ESG characteristics, the Investment Manager may nonetheless invest in investments across the full spectrum of ESG ratings.
3. The Investment Manager then performs further analysis to consider the valuation of these companies and the appropriate time to purchase in consideration of the Financial Product's financial objective.

The Financial Product's ESG Criteria apply to at least:

- 90% of equities issued by large capitalisation companies in developed countries; debt securities, money market instruments with an Investment grade credit rating; and sovereign debt issued by developed countries;
- 75% of equities issued by large capitalisation companies in emerging market countries; equities issued by small and mid-capitalisation companies in any country; debt securities and money market instruments with a high yield credit rating; and sovereign debt issued by emerging market countries.

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?**

The following elements are binding, as part of the Investment Manager's strategy for this Financial Product:

- The Financial Product's exclusions;
- The Financial Product's Positive ESG Tilt;
- The amount of the Financial Product aligned to the promoted environmental and/or social characteristics, as set out in the section "What is the asset allocation planned for this financial product?"; and
- Minimum levels of Sustainable Investments, as set out in the section "What is the asset allocation planned for this financial product?"

Where it is in the best interests of investors, the Financial Product may temporarily deviate from one or more of these elements, for example if the Investment Manager considers it prudent to hold high levels of cash in response to market conditions.

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

0%

Good governance

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



Asset allocation

describes the share of investments in specific assets.

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

The Investment Manager operates a data driven quantitative good governance test used to consider investments into companies. M&G excludes investments in securities that are considered as failing the Investment Manager's good governance test. When assessing good governance practice the Investment Manager will, as a minimum, have regard to matters it sees relevant to the four identified pillars of good governance (sound management structures, employee relations, remuneration of staff and tax compliance).

What is the asset allocation planned for this financial product?

The Investment Manager expects at least 70% of the Financial Product to be aligned to the promoted E/S characteristics. At least 10% of the Financial Product will be in Sustainable Investments.

The Financial Product may hold cash, near cash and money market funds and derivatives as "Other" investments, for any purpose permitted by the Financial Product's investment policy. No minimum environmental or social safeguards are applied, other than as set out below.

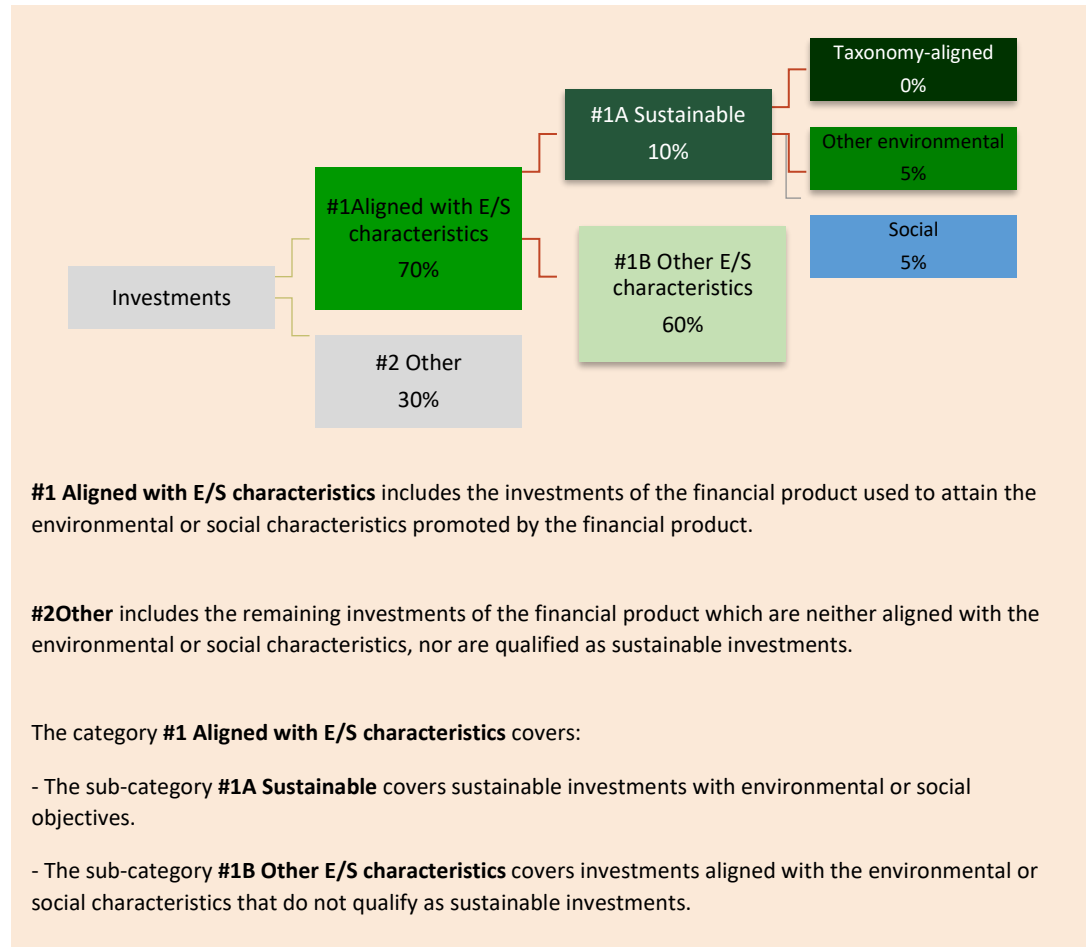
Derivatives used to take investment exposure to diversified financial indices, and funds (i.e. UCITS and Other UCIs) may be held for any reason permitted by the Financial Product's investment policy and will be subject to such minimum environmental or social safeguard tests as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. No minimum environmental or social safeguards are applied to FX derivatives.

The Financial Product may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.

It is also possible that the Financial Product may hold investments that are not in line with the promoted characteristics, e.g. as a result of a merger or other corporate action, or as a result of the characteristics of a previously acquired investment changing. Where this happens, the Financial Product will generally seek to dispose of them in the best interests of investors, but may not always be able to do so immediately.

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

Derivatives are not used to attain the promoted environmental and/ or social characteristics.



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

0%

Whilst the minimum mandatory allocation to Taxonomy-aligned Sustainable Investments is 0%, the Financial Product is permitted to allocate to such investments, which would form part of its overall allocation to Sustainable Investments with environmental objectives.

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

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 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.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

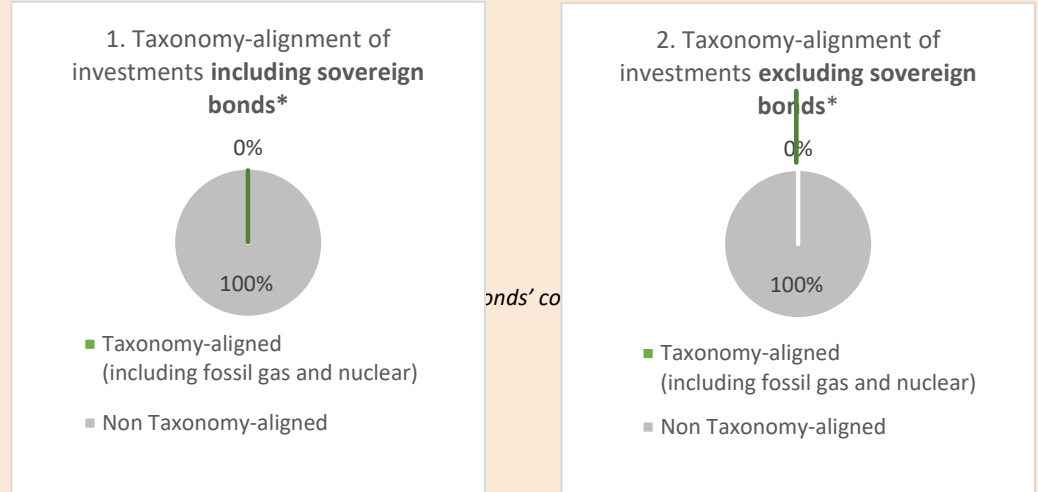
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

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

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

Yes: In fossil gas In nuclear energy
 No: X

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.*



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

0%



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

5%



What is the minimum share of socially sustainable investments?

5%



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

The Financial Product may hold cash, near cash and money market funds and derivatives as “Other” investments, for any purpose permitted by the Financial Product’s investment policy. No minimum environmental or social safeguards are applied, other than as set out below.

Derivatives used to take investment exposure to diversified financial indices, and funds (i.e. UCITS and Other UCIs) may be held for any reason permitted by the Financial Product’s investment policy and will be subject to such minimum environmental or social safeguard tests

as the Investment Manager considers appropriate, for example a minimum weighted ESG score test. No minimum environmental or social safeguards are applied to FX derivatives.

The Financial Product may also hold as Other investments those investments where insufficient data exists to determine the investments' alignment with the promoted characteristics.

It is also possible that the Financial Product may hold investments that are not in line with the promoted characteristics, e.g. as a result of a merger or other corporate action, or as a result of the characteristics of a previously acquired investment changing. Where this happens, the Financial Product will generally seek to dispose of them in the best interests of investors, but may not always be able to do so immediately.



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

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

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***
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 the methodology used for the calculation of the designated index be found?***
Not applicable



Where can I find more product specific information online?

More product-specific information can be found on the website:

www.amundi.lu