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 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.

Product name: ROCE Fund
Legal entity identifier: 9695008PIQ304S3QOE33

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:** ___%	☐ 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
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☐ 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:** ___%	X It promotes E/S characteristics, but **will not make any 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?

As part of an active and discretionary management approach, ROCE Capital selects shares of small, mid, and large-cap companies listed in the European Union, the United Kingdom, Norway, and Switzerland. Environmental, social, and governance (ESG) criteria are taken into account in the investment process, alongside other analytical elements. The environmental and social characteristics promoted by the fund relate to climate change, employee well-being, and sound corporate governance.

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 part of its investment strategy, ROCE Fund calculates a proprietary extra-financial score at two levels:

i. for each individual issuer, and

ii. at the overall fund level.

This score is based on an analysis framework comprising 15 ESG indicators, selected by ROCE Capital. The indicators used for the Environmental and Social pillars are as follows:

- **Environmental Pillar** (30% of the final score):
  - The portfolio's carbon intensity, expressed in tons of CO_2 per million dollars of revenue (CO_2/USDm), calculated based on Scope 1 and 2 emissions;
  - The change in carbon intensity over the past two financial years;
  - The existence of formal policies regarding water management;
  - The existence of formal policies on waste reduction.
- **Social Pillar** (30% of the final score):
  - The proportion of women employed within the Group;
  - The employee turnover rate;
  - The representation of women on the Board of Directors;
  - The existence of formal policies related to human rights;
  - The average number of training hours provided per employee.

ROCE Fund also incorporates indicators related to the **Governance pillar** (40% of the final score), detailed in the section addressing the assessment of good corporate governance.

What are the objectives of the sustainable investments that the financial product intends to pursue, and how do the investments made contribute to such objectives?

ROCE Fund promotes environmental and social characteristics but does not have a minimum level of sustainable investment within the meaning of the SFDR Regulation. Therefore, this question is not applicable

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?

ROCE Fund promotes environmental and social characteristics and does not have a minimum proportion of sustainable investments as defined by the SFDR regulation. This question is Not Applicable.

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

ROCE Fund promotes environmental and social characteristics and does not have a minimum proportion of sustainable investments as defined by the SFDR regulation. This question is Not Applicable.

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

ROCE Fund promotes environmental and social characteristics and does not have a minimum proportion of sustainable investments as defined by the SFDR regulation. This question is Not Applicable.

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

X No

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

What investment strategy does this financial product follow?

In addition to financial analysis, the management team incorporates environmental, social, and governance (ESG) criteria into ROCE Fund's investment process. The fund's responsible investment strategy is detailed in the following section and consists of a sectoral and normative exclusion policy, as well as a proprietary extra-financial rating system based on 15 ESG indicators.

Each issuer is assigned an individual score ranging from 0 to 100, applying a specific weighting to each criterion. This score enables a homogeneous comparison of issuers.

The portfolio's ESG score is determined through a two-step approach:

- For each criterion, an overall portfolio score is calculated by aggregating issuers' scores, weighted by their respective weight in the net assets;
- These aggregated criterion scores are then weighted according to the coefficients defined by ROCE Fund, in order to produce an overall portfolio score on a scale from 0 to 100.

Based on this methodology, ROCE Fund is committed to achieving an overall score higher than that of its benchmark, the MSCI Europe.The fund does not have a dedicated sustainability benchmark. MSCI Europe is a broad market index and is not aligned with the environmental and social characteristics promoted by the financial product. However, the management company applies its proprietary scoring methodology to the companies included in MSCI Europe in order to provide a relevant comparison basis for assessing the portfolio’s ESG score.

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?

Prior to each investment, ROCE Fund adheres to the sectoral and normative exclusion policy defined by ROCE Capital, by excluding companies that:

- Are involved in the production, marketing, or storage of weapons banned by international conventions ratified by France (anti-personnel mines, cluster munitions, biological weapons, chemical weapons);
- Operate in sectors related to tobacco;
- Generate electricity from coal.

ROCE Capital applies a sectoral exclusion policy based on lists of companies involved in activities that do not align with its responsible investment criteria. These lists include:

- The Global Coal Exit List (GCEL), compiled by the German NGO Urgewald, which identifies the companies most heavily involved in the coal industry;
- The exclusion list published by Nordea Asset Management, used to exclude companies in violation of international conventions such as the Ottawa Convention (banning anti-personnel mines) and the Oslo Convention (banning cluster munitions).

The sectoral exclusion lists are reviewed and updated once a year to ensure their relevance.

Finally, the management team ensures that the availability and quality of ESG data allows for a minimum coverage of 80% of the portfolio (in terms of net asset weight), in accordance with the following thresholds:

- At least 90% coverage for large-cap companies (market capitalization over €10 billion);
- At least 75% coverage for small and mid-cap companies (market capitalization below €10 billion).

An issuer is considered “covered” when at least 12 out of the 15 ESG criteria are available. The data used may come from public sources (such as annual reports or ESG reports), external data providers, or may be estimated in the absence of publicly available information. The coverage rate is calculated by aggregating the weights of the issuers, expressed as a percentage of net assets, that meet this threshold

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?

ROCE Fund does not apply a minimum threshold to reduce the scope of its investment universe.

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

As part of its ESG methodology, ROCE Fund places particular emphasis on the Governance criterion. This pillar accounts for 40% of the final score, while the Environmental and Social pillars each represent 30%.

To assess the sound governance practices of investee companies, this dimension is incorporated through:

- The Governance Pillar, which includes:
  - The percentage of share capital held by the CEO;
  - The percentage of share capital held by the Chairman of the Board of Directors;
  - The attendance rate of Board members;
  - The proportion of independent directors on the Board;
  - The company’s adherence to the United Nations Global Compact;
  - The existence of a formal anti-corruption policy.
- ROCE Capital’s engagement policy, which is based on dialogue with portfolio companies, and includes:
  - Engaging in constructive, long-term dialogue with issuers on the importance of integrating ESG criteria into their operations and development strategy;
  - Encouraging issuers to be transparent and to disclose their CSR initiatives, policies, and ESG performance across the E, S, and G pillars;
  - Interacting with issuers to identify and assess the actions taken and progress made with respect to ESG issues.
- The management company aims to exercise its voting rights at a minimum of 90% of the companies in its portfolio, regardless of the percentage of ownership (capital or voting rights) and its influence on the outcome of the vote.

Asset allocation describes the share of investments in specific assets.

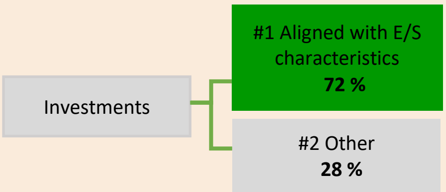
What is the asset allocation planned for this financial product?

The fund’s asset allocation is structured around two categories:

- The first category comprises assets aligned with the environmental and/or social characteristics promoted, meaning securities issued by companies that have undergone ESG analysis according to ROCE Capital’s proprietary methodology, based on a 15-indicator assessment grid. An issuer is considered “covered” when at least 12 of the 15 criteria are available. The fund aims to cover at least 80% of its portfolio (by net asset weight) through such ESG analysis.
- The second category includes “#2 Other” assets, which consist of instruments not subject to ESG analysis under this methodology, notably cash holdings and UCITS. While the fund may invest up to 10% of its net assets in UCITS, these are not assessed under ROCE Capital’s proprietary ESG framework.

Their consideration is limited to their SFDR classification, which justifies their inclusion in the "#2 Other" allocation.

Consistent with the fund's 80% ESG coverage objective, and taking into account the ability to invest up to 10% of net assets in UCITS not analysed under the proprietary methodology, the minimum share of assets considered aligned with the environmental and/or social characteristics promoted is set at 72% of net assets.



#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 **#1A 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*?**

ROCE Fund does not invest in derivative products.

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.

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

ROCE Fund promotes environmental and social characteristics and does not have a minimum proportion of sustainable investments as defined by the SFDR regulation. This question is Not Applicable.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ 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

[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.

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: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

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

- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents of the total investments.

* ***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?

ROCE Fund promotes environmental and social characteristics and does not set a minimum proportion of sustainable investments as defined under the SFDR regulation. This question is Not Applicable.

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

ROCE Fund promotes environmental and social characteristics and does not set a minimum proportion of sustainable investments as defined under the SFDR regulation. This question is Not Applicable.

What is the minimum share of socially sustainable investments?

ROCE Fund promotes environmental and social characteristics and does not set a minimum proportion of sustainable investments as defined under the SFDR regulation. This question is Not Applicable.

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

The “#2 Other” category includes issuers that are not subject to ESG analysis under ROCE Capital’s proprietary methodology, meaning issuers for which fewer than 12 of the 15 ESG criteria are available, as well as UCITS.

No minimum environmental or social safeguards apply to these investments.

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?

ROCE Fund uses the MSCI Europe as its financial reference index. This is a broad benchmark index and is not aligned with the environmental or social characteristics promoted by the financial product.

The fund does not have a specific ESG benchmark index. However, the Management Company applies its proprietary ESG scoring methodology to the companies included in the MSCI Europe in order to establish a relevant point of comparison for assessing the portfolio’s ESG score.

The Management Company may select securities outside the benchmark index. Nevertheless, it ensures that the chosen benchmark remains a relevant comparative tool for evaluating the fund’s ESG scoring.

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:

rocecapital.com