Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4*a*, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Name of the product:
Mandarine Funds - Mandarine Global Transition

Legal entity identifier: 549300STO0MI250AAF54

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.** This regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective are not necessarily aligned with the taxonomy.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

[X] **Yes**	[ ] **No**
[X] It will make a minimum **of sustainable investments with an environmental objective: 90%**	[ ] It **promotes Environmental and Social (E/S) characteristics** and, while it does not have a sustainable investment as its objective, it will have a minimum proportion 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
[X] 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:**	[ ] It promotes E/S features, but **will not make sustainable investments**

What is the sustainable investment objective of this financial product?

The objective of the Fund is to make a significant and positive contribution to the energy and ecological transition and the fight against global warming, through the financing and commitment of companies whose activities have been identified as "eco-activities" such as defined by the Greenfin® label.

In line with this benchmark, the Fund will specifically seek to invest primarily in the three areas of renewable energy, the circular economy and adaptation to climate change.

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

Within these three main sectors, issuers will be categorised into several categories with the aim of diversifying the models to better manage the risks and opportunities of the model:
- Actors in the energy and ecological transition: companies operating assets and whose stated strategic objective is to reduce the ecological impact linked to the operation/use of these assets;
- Suppliers of energy and ecological transition solutions: companies offering technologies (products or services) that reduce the energy and ecological impact of their customers;
- “Native” transition companies: companies entirely dedicated to energy and the ecological transition, operating so-called “clean” or circular economy assets.

These sectors are identified within a single repository and identified as follows:
- Energy;
- Building;
- Waste management and tackling pollution;
- Industry;
- Clean transport;
- Information and communication technologies;
- Agriculture and forestry;
- Adapting to climate change
- etc.

Finally, the Fund pursues an active policy of shareholder engagement with the companies it invests in, in particular with regard to their environmental impact commitments and the preservation of good governance principles.

The Fund will be permanently invested:
- at least 50% of net assets in Type I companies – “High Green Share” (companies achieving more than 50% of their turnover in Eco-Activities, as defined by the nomenclature used);
- a maximum of 50% of net assets in Type II companies – “Moderate Green Share” (those achieving 10% to 50% of their turnover in Eco-Activities);
- a maximum of 20% of net assets in Type III companies – “Diversification” (companies generating less than 10% of their turnover in Eco-Activities).

Sustainable Investment The Fund is committed to ensuring that all issuers invested in by the Fund qualify as sustainable. To do this, the Fund benefits from an extra-financial rating of the issuers in its investment universe.

The construction of this rating is based on the proprietary ESG-View system, which is based on 4 pillars: Environment (E), Social (S), Governance (G) and Stakeholders (SH). The analysis of the extra-financial indicators that make up the pillars results in a score ("**ESG-View Score**") for each pillar, ranging from -2 to +2.

Sustainable investment is subject to a regulatory definition, according to the provisions of the SFDR regulation. It corresponds to an investment in an economic activity:
1. Contributing significantly to an environmental (taxonomy or not) or social objective,
2. Provided that these investments do not cause material harm to any of these objectives (Do Not Significantly Harm or DNSH),
3. and that the companies in which investments are made apply good governance practices.

Economic activities that qualify as sustainable investments must verify points 1 to 3 above, as follows:
1. **Significant contribution**: The issuer’s ESG-View Score must be strictly above average, i.e. 0 for a score between -2 and +2, on the E or S pillar, in order to be considered as contributing significantly to an E or S objective.
2. **No significant harm**:
   a. The absence of significant harm to other sustainable objectives is verified by requiring an ESG-View Score above -1 on both pillars E and S for a score between -2 and +2. The ESG-View Score includes indicators relating to the principle adverse impacts on each of the E and S pillars, enabling the management company to ensure that the economic activity being invested in complies with the DNSH principle.
   b. For issuers passing this first filter, all 14 indicators relating to the Principal Adverse Impact (PAI) defined by the regulation are analysed, as well as those (at least two) of the 26 optional indicators that are relevant. Thresholds are defined for each of these indicators and crossing a threshold is considered as an alert, leading to the need for a specific analysis by an ESG analyst, which will lead to the acceptance or refusal of the issuer’s sustainable investment status.
1. **Good governance**: Finally, the eligible issuer will have to achieve an ESG-View Governance Score above -1 to ensure that it applies certain minimum standards.

Exclusions based on sectors and values Exclusion filters are applied to the portfolio construction process to restrict investments in companies and issuers that have significant exposure to certain activities that may be detrimental to the environment or society at large:
- Any direct investment in companies involved in the manufacture, trade, stockpiling or services for anti-personnel mines, cluster bombs, in accordance with the Ottawa and Oslo Treaty;
- Companies producing, stockpiling or trading in chemical, biological and depleted uranium weapons;
- Companies that seriously and repeatedly violate one or more of the 10 principles of the UN Global Compact;
- The companies which are subject to the most serious controversies (severity level 5 on a scale of 1 to 5);
- Companies or sectors considered to be particularly exposed to sustainability risk.

Also excluded from the Fund's investment perimeter are companies exposed from the first euro of turnover to the following activities:
- exploration-production and exploitation of fossil fuels;

- generation of electricity from fossil fuels;

- the entire nuclear industry, i.e. the following activities: uranium extraction, concentration, refining, conversion and enrichment of uranium, building nuclear fuel assemblies, construction and operation of nuclear reactors, treatment of spent nuclear fuel, nuclear dismantling and management of radioactive waste.

- distribution, transport and production companies of equipment and services, insofar as more than 33% (inclusive) of their turnover is achieved with customers of the strictly excluded sectors as set out above;

- companies achieving more than 33% (inclusive) of their turnover in one of the following activities: storage and landfill without capturing greenhouse gases (GHG), incineration without energy recovery, energy efficiency for non-renewable energy sources and energy savings linked to the optimisation of the extraction, transport and production of electricity from fossil fuels, logging (except if managed sustainably, and peat land farming).

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

To measure the achievement of environmental or social characteristics, the manager will use the following indicators, where relevant data is available.

In order to qualify as a sustainable investment, all issuers are assessed on the basis of Mandarine Gestion's own ESG View ® rating.

This is based on four scores assigned by the proprietary ESG view tool on each of the Environmental (E), Social (S), Governance (G) and Stakeholder (SH) pillars. This rating enables:
- the identification of the significant contribution to a sustainable objective on the 'E' or 'S' pillar;
- to qualify the absence of significant harm to the other "E" or "S" objective;
- to ensure a minimum of compliance with governance principles.

The Fund will be permanently invested:
- at least 50% of net assets in Type I companies – “High Green Share” (companies achieving more than 50% of their turnover in Eco-Activities, as defined by the nomenclature used);
- a maximum of 50% of net assets in Type II companies – “Moderate Green Share” (those achieving 10% to 50% of their turnover in Eco-Activities);
- a maximum of 20% of net assets in Type III companies – “Diversification” (companies generating less than 10% of their turnover in Eco-Activities).

Monitoring of the GreenFin label standard The GreenFin label standard divides companies into three types of structure according to the percentage of turnover dedicated to eco-activities. Thus, the Fund provides investors with the allocation of the portfolio between Type I (more than 50% of their turnover in eco-activities), Type II (from 10% to 50% of their turnover in eco-activities) and Type III (from 0 to 10% of their turnover in eco-activities).

Eligibility for the European taxonomy The Fund identifies the average percentage of companies' turnover eligible for the European green taxonomy (as defined in Regulation (EU) 2020/852), i.e. the average exposure of companies to sectors contributing substantially to one of the six environmental objectives of Regulation 2020/852. The green share is then compared to the index.

2°C alignment and implied portfolio temperature The alignment of a portfolio with a climate scenario is calculated in accordance with the current international standard (the Science-based Target Initiative) and takes into account both convergence and contraction mechanisms of greenhouse gas emissions. Measuring alignment with a climate scenario consists of assessing the past and future trajectory of a company's absolute carbon footprint and comparing it to the 'theoretical' decarbonisation trajectories published by the International Energy Agency (for homogeneous production sectors) or by the IPCC (for the rest of the economy). This measure makes it possible to assign an implicit trajectory for the Fund's alignment with the temperature increase scenarios. The data is aggregated through the supplier Trucost.

Carbon footprint The carbon footprint of the Fund is measured on the basis of indirect greenhouse gas emissions in CO2 equivalent caused by the composition of the portfolio. The carbon emissions indicators used for each company are direct emissions (Scope 1) and "First Tier Indirect" emissions (Scope 2 + emissions relating to the first tier of suppliers). The metric used at portfolio level to measure the carbon footprint is: tCO2e/Mn€ invested. It is compared to the equivalent metric of a notional portfolio invested in the Fund's benchmark.…

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

The Fund shall ensure that investments (other than investments in cash or cash equivalents and derivatives held for hedging purposes) do not have a significant negative impact on one or more environmental and social objectives.

To this end, all issuers that qualify as sustainable investments are assessed on the basis of an Extra-financial rating that takes into account the following main negative impacts:

Greenhouse gas (GHG) emissions	1. Greenhouse gas emissions; 2. Carbon footprint; 3. Greenhouse gas emission intensity of invested companies; 4. Exposure to companies operating in the fossil fuel sector; 5. Share of non-renewable energy consumption and production; 6. Energy consumption intensity by high climate impact sectors;
Biodiversity	7. Activity with a negative impact on biodiversity-sensitive areas
Water	8. Activity with a negative impact on water
Waste	9. Ratio of hazardous waste
Social and employee issues	10. Violation of the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises; 11. Lack of control and compliance relating to point 10.; 12. Unadjusted gender pay gap; 13. Gender balance on the board of directors; 14. Exposure to controversial weapons.

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

The **main negative impacts** are the most significant negative impacts of investment decisions on sustainability factors related to environmental, social and labour issues, respect for human rights, and combating corruption and bribery.

The main negative impacts of each of the issuers identified as sustainable investments in the portfolio are analysed and taken into account at the time of the investment decision, in particular to ensure that issuers do not significantly undermine environmental and/or social objectives.

In particular, within the Extra-Financial Rating, a specific score is given on the 14 indicators listed above in order to identify the level of negative impact of an issuer's activity on sustainable investment objectives.

In addition, the Fund takes into account the sustainability risks implemented at the level of the management company through its sustainability policy. At Fund level, risk analysis may lead to the exclusion of particularly exposed issuers, whether or not they are already in the portfolio.

The management company has set up an indicator called "SSRI" (Synthetic Sustainability Risk Indicator) for each investment in the portfolios, which is divided into five parts:

- Company risk exposure, which is mainly a function of the risks associated with its sector of activity;
- The portion of risk exposure that may be taken on by the company;
- The portion of risk exposure taken on by the company;
- The portion of unhedged risk that can be taken on by the company;
- And finally the portion of unhedged risk that cannot be taken on by the company.

The figure used by the management company is the net risk carried by the issuer, i.e. its gross risk exposure (Company exposure below) minus an amount corresponding to the risk covered by the company (Managed risk).

Fund-level monitoring is then applied on the basis of aggregated scores.

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

Alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights is tested and ensured through the process of identifying sustainable investments.

In fact, the analysis of compliance with the OECD Guidelines is an integral part of the definition of sustainable investment activities.
In addition, the OECD principles and the UN guidelines are taken into account in the analysis of key negative impacts, which is an integral part of the analysis of the sustainability of issuers.

The EU taxonomy establishes a 'do no significant harm' principle whereby taxonomy-aligned investments should not cause significant harm to the objectives of the EU taxonomy and is accompanied by specific EU criteria. The "do no significant harm" principle only applies to investments underlying the financial product that take into account the European Union's criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities. Any other sustainable investment must also not cause significant harm to environmental or social objectives.

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

☒ Yes

☐ No

The negative impacts of investments on sustainability factors are taken into account in their own right in the investment process. Negative impacts are described in the question and sub-questions *"To what extent do the sustainable investments that the financial product intends to partially achieve not cause significant harm to an environmentally or socially sustainable investment objective?".*

What investment strategy does this financial product follow?

The Fund's objective is to achieve a net return in excess of the MSCI ACWI Net Total Return EUR Index (all countries world index) NR over the recommended investment period of five years, through a diversified portfolio made up of company shares of all capitalisations and from all geographic areas, whose economic model, products or services respond, in accordance with the analysis of the management company, significantly and positively to the challenges of energy and ecological transition.

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

To achieve this objective, the Fund pursues the following investment strategy:

1. **Selection of eligible companies:** The universe of "eco-activities"

The manager will select companies from the following areas of activity: energy; construction; waste management and pollution control; industry; clean transport; information and communication technologies; agriculture and forestry; adaptation to climate change.

2. **Selection of companies according to their proportion of green share**

The manager will select companies whose green share represents a high proportion of their turnover (at least 50% of the Fund's assets invested in companies generating more than 50% of their turnover in eco-activities).

For further information on the general policy, please refer to the general investment policy in the "Investment Objectives" section of the Fund factsheet.

○ ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

The Fund will be permanently invested:
- at least 50% of net assets in Type I companies – "High Green Share" (companies achieving more than 50% of their turnover in Eco-Activities, as defined by the nomenclature used);
- a maximum of 50% of net assets in Type II companies – "Moderate Green Share" (those achieving 10% to 50% of their turnover in Eco-Activities);
- a maximum of 20% of net assets in Type III companies – "Diversification" (companies generating less than 10% of their turnover in Eco-Activities).

♦ In addition, there are the exclusions referred to in the first question. With regard to controversies, the most controversial companies (severity level 5 on a scale of 1 to 5). In fact, controversies are an integral part of the ESG evaluation of the companies in which the Fund invests. Mandarine Gestion's ESG expertise centre carries out bi-monthly monitoring of controversies that may affect the reputation of companies in the portfolio. It is based in particular on the research work of the non-financial rating agency Sustainalytics, which ranks the level of seriousness of controversies on a scale from 1 to 5. Companies exposed to level 5 controversies are systematically excluded.

Controversy level	Penalty applied
Level 3	-0.12
Level 4	-0.50
Level 5	-0.75

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

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

The analysis of the good governance practices of the invested entities is taken into account at several levels of the portfolio construction process:

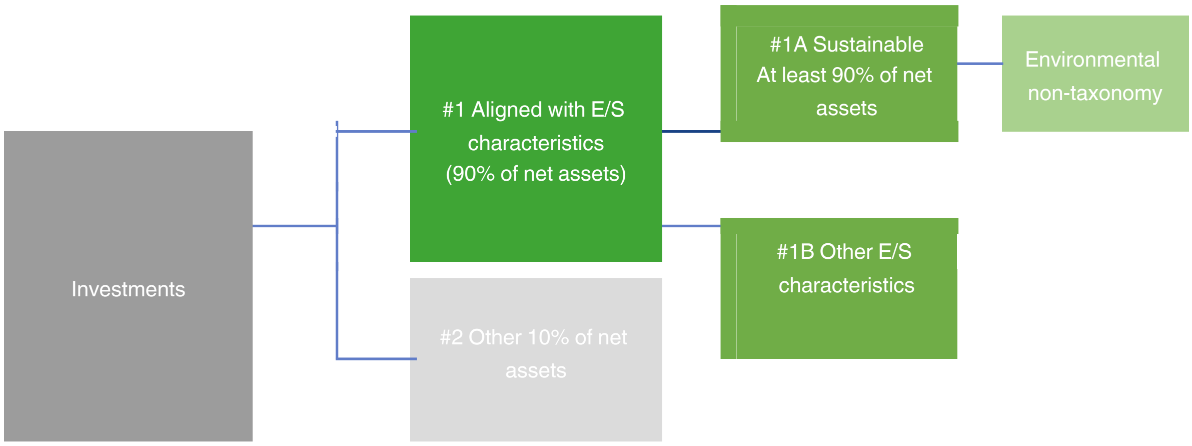
✓ Prior to investment, governance is taken into account in the rating of the company eligible for investment. The rating is particularly influenced by criteria such as the composition and functioning of the board of directors, remuneration policy and distribution among employees, treatment of shareholders and dialogue, internal anti-corruption and anti-money laundering policies (...).

✓ In addition, the quality of the governance practices of the entities invested by the fund may also influence the rating of the companies. Indeed, the outcome of the shareholder dialogue between the Fund's teams and the company's representatives may lead to the adoption of malus or bonus on the ESG rating.

The **asset allocation** describes the share of investments in specific assets.
Activities aligned with the taxonomy are expressed as a percentage 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.

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

The expected asset allocation for this financial product is as follows: the percentage of portfolio assets aligned with the E/S characteristics is 100%.



The category **#1 Aligned with E/S characteristics** includes investments in the financial product that are used to achieve the environmental or social characteristics promoted by the financial product, as well as investments that qualify as sustainable.
The category **#2 Other** includes the remaining investments of the financial product that are neither aligned with environmental or social characteristics nor considered as sustainable investments.
The category **#1 Aligned with E/S characteristics** includes:

the sub-category**#1A Sustainable** covers sustainable investments with environmental or social objectives.These investments will be a minimum of 90% with no restriction on the allocation between social or environmental 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.

The asset allocation is likely to change over time and the percentages should be considered as averages over long periods of time. Calculations may be based on incomplete or fragmentary data from the company or third parties.

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

The Fund does not intend to use derivatives.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully 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.

The 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.

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

Sufficiently reliable data on taxonomy alignment is scarce and data coverage remains too low to support a meaningful commitment to a minimum proportion of taxonomy-aligned investments in this fund. It cannot be excluded that some of the fund's holdings may qualify as taxonomy-aligned investments. The information to be provided and the reporting on alignment with the taxonomy will develop as the European framework evolves and company data becomes available.

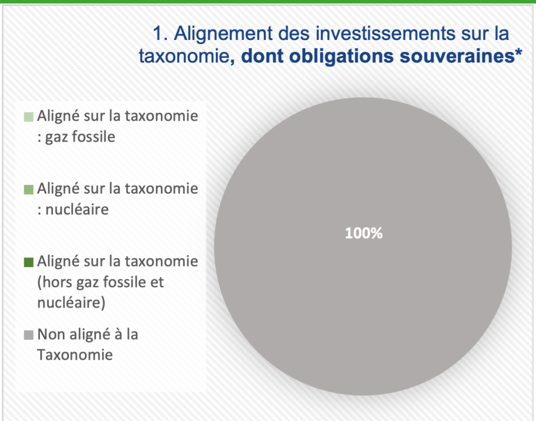
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy(1) ?

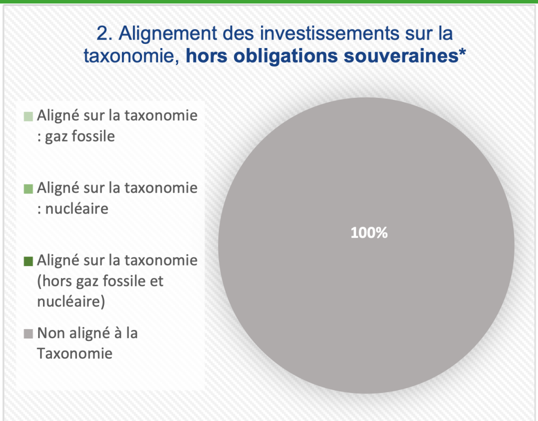
☐ Yes

☐ fossil gas ☐ nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments aligned with the EU taxonomy.As there is no appropriate methodology for determining the taxonomy alignment of sovereign bonds*, the first graph shows the taxonomy alignment with respect to all investments in the financial product, including sovereign bonds, where applicable, while the second graph represents the taxonomy alignment only with respect to investments in 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 investment in transitional and enabling activities?***

There is no commitment to a minimum proportion of investment 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 may invest in economic activities that are not yet eligible as environmentally sustainable economic activities or for which technical standards are not yet finalised. Company data on alignment with the European taxonomy is not yet widely available in the information published by investee companies. However, some investments may be linked to environmental objectives because of their contribution to the United Nations' SDGs.

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

The Fund has an environmental objective and does not consider the social sustainability of investments.

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

The #2 "non-sustainable" assets represent a maximum of 10%; these are cash, possible UCIs including MMFs. The Fund may use derivatives, for example, for hedging purposes or to manage investments in issuers listed in a currency other than the Fund's reference currency (i.e: USD, GBP, CHF, etc.).

(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 no significant harm to 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.

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

The Fund does not have a reference benchmark aligned with the E/S characteristics it promotes.N/A

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

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

The Fund does not have a reference benchmark aligned with the E/S characteristics it promotes.N/A

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

The Fund does not have a reference benchmark aligned with the E/S characteristics it promotes.N/A

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

The Fund does not have a reference benchmark aligned with the E/S characteristics it promotes.N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

The Fund does not have a reference benchmark aligned with the E/S characteristics it promotes.N/A

Where can I find more product specific information online?

More information on the product is available on the website:

- the transparency code (https://www.mandarine-gestion.com/FR/fr/docs/funds/mandarine-global-transition/TRANSPARENCY),
- the sustainability policy (https://www.mandarine-gestion.com/uploads/reg/reg_mandarine_durabilite-politique_fr.pdf),
- the prospectus (https://www.mandarine-gestion.com/FR/fr/docs/funds/mandarine-global-transition/PROSPECTUS).