

amLeague®

'PROFESSIONAL PERFORMANCE DATA'

---

## Mandate Guidelines

### amLeague Global Equities Low Carbon Mandate (the "Mandate")

#### Investment objectives

##### 1. Investment Objective and Policy

The Investment Objective of the Mandate is to maximize the financial performance while maintaining the best possible ESG rating and selecting the companies implementing the most advanced climate change strategies.

- Climate change strategy
- ESG rating
- Financial returns and risks

##### 2. Benchmark index

MSCI World Index, net total return, in euro.

The MSCI World Index captures large and mid cap representation across 23 Developed Markets (DM) countries (Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the UK and the US).

With around 1,650 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

##### 3. Assets Under Management ('AUM')

The initial AUM for the Global Equities Low Carbon Mandate is EUR 500M

##### 4. Active Risk (Tracking Error)

The active risk of the Mandate (also known as tracking error) is a numerical measure of the Mandate's risk relative to the Benchmark index.

The Mandate has no Tracking Error limit.

## Investment rules and constraints

### FINANCIAL

#### 1. International Shares

Up to 100% of the assets under management of the Mandate are to be invested in international Shares. Such shares are defined as the shares listed in MSCI World index.

#### 2. Market exposure

At least 98% and up to 100% of the assets under management of the Mandate must be invested in international Shares.

#### 3. Eligible securities

For an overall limit amounting to 100% of the assets under management of the Fund:

- (i) *International Shares of companies listed in the MSCI World Index only*

*As a matter of consequence, purchases of shares outside the benchmark are not allowed and when a share is leaving the Benchmark, the portfolio manager has 30 calendar days to sell it. If he does not, amLeague will proceed the sale.*

#### 4. Ineligible securities

All of the following instruments are not authorized:

- (i) *No investments allowed in GDRs, ADRs and EDRs;*
- (ii) *No investments allowed in Convertible or exchangeable bonds;*
- (iii) *No investments allowed in Share warrants and subscription warrants;*
- (iv) *No investments allowed in unlisted shares and IPO shares: the Mandate may not invest in European Shares for which a listing request for a regulated market has been filed or for which a listing shall occur within a predefined timeframe*
- (v) *No investments allowed in Shares of mutual funds*
- (vi) *No investments in money market instruments or via so-called "money market" or "cash" mutual funds*

Other non-authorized transactions:

- (vii) *Securities lending and borrowing transactions/repos are not permitted;*
- (viii) *Temporary cash borrowings are not allowed*

Generally speaking, financial instruments which are not mentioned in the section "Eligible Securities" cannot be included in the Mandate.

## 5. Investment ratios and risk dispersion – portfolio diversification

- (i) *The 5/10/40 rule shall be respected*
- (ii) *Minimum number of stocks included in the Mandate shall not be less than 20*
- (iii) *Sector weights: Sector deviations limited to the sector weight in the index +/- 50%. Sector deviations are calculated with GICS.*

## 6. Execution prices

Portfolio managers may choose their trades to be executed either at market or at close.

## 7. Breach of constraints

amLeague informs, on a daily basis, the Asset Management Company of any non-compliance with the mandate guidelines described above, whether they arise as a result of market movements, securities trading or by deliberate means.

The Asset Management Company has a maximum period of three working days to make necessary adjustments so as to comply with the mandate guidelines.

If the allocation constraint (overweight or underweight) is breached, amLeague impact the performance of the benchmark to the overweight (or underweight). The operation is included in the cash position of the day.

*Example: if the mandate exposure to equities is 96% vs. a minimum investment in equities equal to 98%, the performance of the benchmark will be applied to the underweight of 2% implemented in the cash position. The same adjustment is repeated until the adjustment is made.*

## 8. Financial futures and options markets

The Mandate is not allowed to sell or buy derivative instruments through over-the-counter or organised financial markets:

The following transactions are not allowed:

- (i) *The use of futures contracts on stock market indices: the Mandate is not authorized to buy or sell futures contracts on stock market indices nor use swaps;*
- (ii) *The use of options: the Mandate is not authorized to buy or sell call or put options;*
- (iii) *The use of interest rate swaps: the Mandate is not authorized to use interest rate swaps as part of its cash management needs*
- (iv) *Hedging foreign exchange risk: the Mandate is not authorized to use foreign exchange futures or any other instrument to hedge its transaction against foreign exchange risk.*

## 9. Unauthorized transactions

The Mandate may not use leverage neither by investing in derivative instruments nor by futures transactions.

In particular, the following techniques are totally forbidden:

- (i) *Short selling transactions;*
- (ii) *Leverage techniques.*

## EXTRA – FINANCIAL

### 1. Basic extra-financial indicators

Environmental (E), Social (S), Governance (G) and a Total ESG Rating are calculated by amLeague with the scores provided by MSCI ESG.

5 specific indicators will also be observed :

- Water Stress
- Toxic Emissions & Waste
- Labor Management
- Health & Safety
- Business Ethics

### 2. Low Carbon indicators

Low carbon indicators, both qualitative (Carbon Risk Management) and quantitative (Carbon Emissions in metric tons per market capitalization and per turnover), as provided by MSCI ESG will be used to measure the carbon footprint of the portfolio.

### 3. Breach of Constraints

The Rules and Constraints do not include minimum threshold requirements for these indicators. Nevertheless, these extra-financial indicators can be used in addition to the financial indicators to evaluate the management capacities of the participating Asset Managers.

## Changes in the terms and conditions of the Mandate

Only amLeague, with the Board of Investors' agreement, can modify the terms and conditions specified in the Investment Guidelines of this Mandate.