

Article 10 (SFDR)

Information for an Article 8 SFDR fund

Product name : IXIOS COPPER

Legal entity identifier : 254900EZJN7AIPY5SN46

A. Summary

The Fund promotes environmental, social and good governance (ESG) characteristics within the meaning of Article 8 of the SFDR Regulation (EU) 2019/2088, however it does not commit to sustainable investments in the SFDR sense and the minimum alignment with the EU taxonomy of the Fund's investments is 0%.

In terms of ESG characteristics, the Fund aims to provide investors with exposure to companies linked to Copper by investing at least 90% in stocks selected on the basis of extra-financial criteria using a proprietary rating methodology by taking into account environmental aspects, social and governance ("ESG") criteria to create sustainable value and to outperform its benchmark, the LME Copper 3 month Rolling Forward, over the recommended investment period of 5 years.

With regard to the investment strategy, the ESG investment process applied consists of country and sector filters on the initial investment universe consisting of the metals mining sector and a proprietary ESG rating.

The environmental or social characteristics promoted by the fund are monitored both for each company individually and at the consolidated portfolio level before and after investment. These controls are an integral part of the fund's pre/post-trade management control processes.

In terms of method, the ESG selectivity of the fund is achieved through the ESG rating according to the internal model. This involves taking into account the major issues of a mine that we have identified after acquiring in-depth knowledge of the metals exploration sector and allocating a weighting based on its level of impact on operations and its sustainability. 50% of the rating is related to governance issues, 25% to environmental issues and 25% to social issues.

Data sources and processing

Due to the specificity of the mining sector, we have implemented an internal rating model that takes into account all ESG issues related to the stocks in our investment universe instead of using external rating providers, especially since their coverage is far from sufficient.

Limitations to methods and data

The limitations of our methodology are by construction linked to the use of ESG data. We are aware of these limitations, which we mitigate through individual analyses of independent companies with very limited use of external data, the standardisation of which we do not control.

The management company has implemented a dedicated ESG due diligence process that applies to all companies in the Portfolio from the time of initial investment through to monitoring compliance with the fund's objectives. It also incorporates an ESG engagement policy to address material ESG issues and voting.

No index has been designated as a benchmark to meet the environmental or social characteristics promoted by the financial product.

B. Without a sustainable investment objective

This financial product promotes environmental or social characteristics but does not aim at sustainable investment.

C. Environmental or social characteristics of the financial product

The sub-fund invests in stocks selected on the basis of extra-financial by systematically integrating environmental, social and governance (ESG) criteria into financial management.

Examples of indicators for each of the E, S and G criteria are as follows:

- Environmental indicators: environmental policy and actions, results of action plans implemented by the company, carbon footprint, positive or negative impact of products on the environment.
- Social indicators: number of hours of training per trained employee, employee retention (turnover rate), anti-discrimination (feminisation rate, local employee rate),
- Governance indicators: competence of the management team, number of independent directors, quality/nature of shareholders, rate of women on the board.

D. Investment strategy

The ESG investment process applied consists of a sector and country filter on the initial investment universe composed of the mining sector, and a proprietary ESG rating applied to the watch list.

The sector filter based on level 4 of Bloomberg's industry classification excludes all companies exposed to iron ore and coal mining, as well as their service providers, and excludes companies domiciled in Russia and China.

Through a "best in universe" approach, the fund seeks to select issuers with a good rating and/or improving extra-financial performance within our investment universe with a minimum ESG rating of 1 out of 5.

Ratings are determined internally by the management team for our entire watch list. Indeed, given our frequent discussions with these companies, we believe that we are particularly well placed to carry out these ratings.

All companies in our watch list are under continuous monitoring. Their rating is adjusted after the assessment of each ESG event. If a portfolio company's ESG rating falls below 1 out of a possible 5, it will be urgently reviewed, with the deadline for disposal in case of passive exceedance described below:

- If a serious controversy arises, which substantially changes the risk profile of the issuer, the securities will be sold as soon as possible, with a maximum of three months.
- Similarly, if its rating on a particular pillar is downgraded for reasons related to a change in its ESG policy (e.g. election of a non-independent director, lower performance or less ambition on the environmental and social pillars), it must be sold within a period that does not harm the fund's performance, set at a maximum of three months.

Assessing the quality of corporate governance is essential to ensure the sustainability of the company and to ensure good performance on environmental and social aspects.

Thus the governance pillar represents 50% of the overall ESG rating.

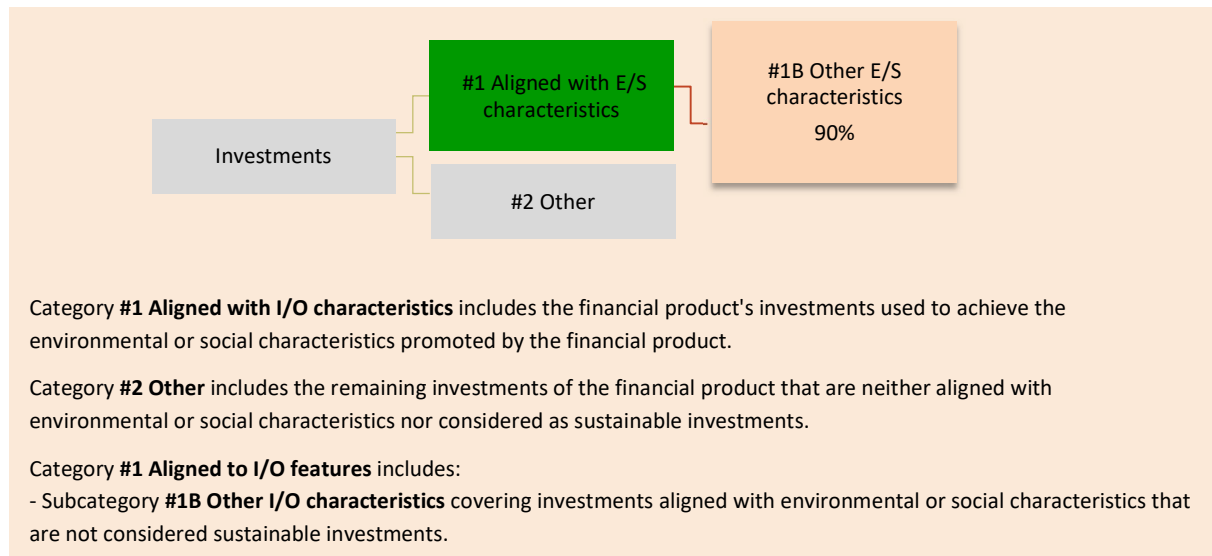
The governance analysis includes

- The structure of the Board of Directors ;
- Remuneration policies,
- Independence of the Remuneration and Audit Committees ;
- Stakeholder Governance (Code of Ethics, Whistleblower Programme, Anti-Bribery Policy, Governance Controversies) ;
- The shareholder structure.

E. Asset allocation

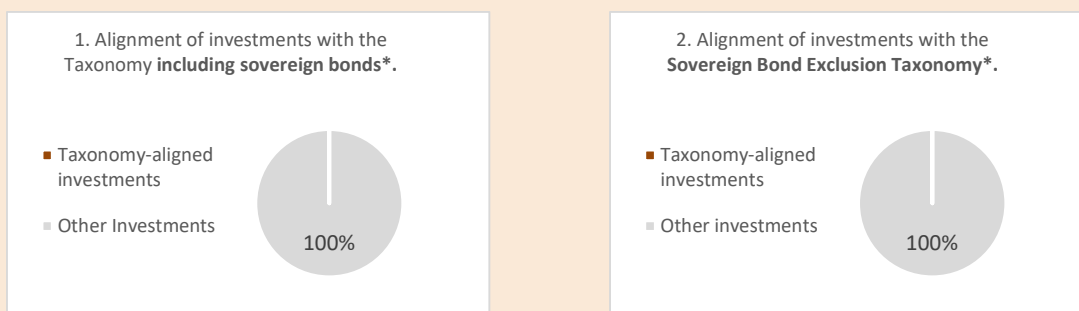
The ESG process covers at least 90% of the fund's equity portfolio.

Stocks that do not meet our ESG approach and are not covered by our internal rating are considered ineligible and negatively impact the ratio of companies meeting our systematic approach. For this reason, these companies cannot represent more than 10% of the fund's assets (excluding cash).



The Fund is not committed to sustainable investments and the investments underlying the Fund do not contribute to the environmental objectives set out in Article 9 of the EU Taxonomy. Therefore, they are not made in economic activities that are considered environmentally sustainable under Article 3 of the EU taxonomy. Thus, the minimum alignment with the taxonomy of the Fund's investments, as measured by all available key performance indicators (turnover, capital expenditure and operating expenditure), is 0% and will not be subject to third party assurance.

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 of all financial product investments, including sovereign bonds, while the second graph shows the taxonomy alignment only of financial product investments other than sovereign bonds.



*** For the purposes of these charts, "sovereign bonds" include all sovereign exposures**

Similarly, the fund does not commit to a minimum share of investments in transitional and enabling activities.

F. Control of environmental or social characteristics

The monitoring of ESG investment rules is an integral part of the pre-trade and post-trade control systems used to monitor the regulatory and statutory ratios and the fund's risk monitoring. The ESG investment process is reviewed, at least annually, by the internal control team, which ensures (i) compliance with the investment process defined in the procedure in force and (ii) the efficiency of the control system implemented. The conclusions of the controls carried out are included in the permanent control plan and presented to Ixios Asset Management's management.

G. Methods

The ESG selectivity of the fund is based on the ESG rating according to the internal model. This involves taking into account the major issues of a mine that we have identified after having acquired an in-depth knowledge of the copper metals exploration and exploitation sector and allocating a weighting based on its level of impact on operations as well as its sustainability. As a result, the governance weighting is set at 50% as we believe that mining companies must have responsible and diverse management to ensure its sustainable development in the interests of all stakeholders. The other two pillars are recalculated in proportion to the remaining 50%. Below is a graph summarising all key indicators.

Piliers	Thèmes	Indicateurs clés	Poids
Environnement (25%)	Énergie et Changement Climatique	Intensité énergétique, pourcentage de ressources renouvelables, Initiatives pour améliorer l'efficacité énergétique et la diversification, Intensité de GES, Initiatives pour réduire les émissions de GES	10.0%
	Gestion des Eaux	Intensité de la consommation d'eau, eau totale recyclée, initiatives visant à réduire la consommation d'eau	6.0%
	Gestion du Cyanure	Intensité de cyanure, incidents liés au cyanure, normes et mesures mises en œuvre	4.5%
	Gestion des Résidus et des Déchets	Intensité des déchets, résidus recyclés, normes et mesures mises en œuvre	4.5%
Social (25%)	Diversité et Inclusion	Pourcentage de femmes employées, Pourcentage de femmes cadres, Politique anti-discrimination, Initiatives pour stimuler la diversité et l'inclusion	4.0%
	Main-d'œuvre et Formation	Pourcentage d'employés locaux, taux de rotation du personnel, politique de lutte contre la discrimination, initiatives visant à promouvoir la diversité et l'intégration	4.0%
	Développement Communautaire	Dons et parrainages pour les communautés locales, pourcentage d'achats locaux, initiatives pour soutenir et s'engager avec la communauté locale	4.0%
	Droits de l'Homme	Signataire du Pacte mondial des Nations unies, Mesures visant à améliorer le bien-être et les avantages des employés, Controverses relatives aux droits de l'homme	3.0%
	Plaintes et Absences	Nombre de plaintes et de griefs reçus, mesures correctives, taux d'absentéisme	3.0%
	Sécurité et Santé	Accidents mortels, fréquence des accidents enregistrables (TRIFR), fréquence des accidents avec arrêt de travail (LTIFR), mesures d'urgence et distinctions ou certification en matière de sécurité	7.0%
Gouvernance (50%)	Structure du Conseil d'Administration	Pourcentage de femmes membres du conseil d'administration, taux d'indépendance du conseil d'administration, séparation des mandats, durée de mandat du conseil d'administration, taux de participation aux réunions du conseil d'administration	16.0%
	Politique de Rémunération	Politique de la rémunération des dirigeants, politique de la rémunération du conseil d'administration	10.0%
	Comité de Rémunération	Taux d'indépendance du comité de Rémunération	3.0%
	Comité d'Audit	Taux d'indépendance du comité d'Audit	3.0%
	Gouvernance des Parties Prenantes	Code d'éthique, Programme de dénonciation, Politique anti-corruption, Controverses en matière de gouvernance	8.0%
	Droits des Actionnaires et Structure Actionnariale	Une action/une voix, structure de l'actionnariat	10.0%

H. Data sources and processing

Due to the specificity of the mining sector, we have implemented an internal rating model that takes into account all the ESG issues related to the stocks in our investment universe instead of using external rating providers, especially since their coverage rate is far from sufficient. Indeed, external providers such as MSCI, Sustainalytics or ISS only cover the stocks of the classic indices whereas our stock selection process evaluated on financial and extra-financial aspects leads us to a portfolio

that is very different from our performance index composed of companies based mainly on their production level.

We also rely on research from brokers specialising in the mining sector such as Bank of Montreal (BMO), Royal Bank of Canada (RBC), Desjardins, Scotia Bank, etc.

Finally, the Bloomberg platform provides raw data on the ESG impact of companies.

I. Limitations to methods and data

The limitations of our methodology are by construction linked to the use of ESG data. The ESG data landscape is undergoing standardisation, which may have an impact on data quality; data coverage is also a limitation. Current and future regulation will improve the standardisation of reporting and the corporate statements on which ESG data is based.

We are aware of these limitations, which we mitigate through individual company analyses and independent use of very limited external data, the standardisation of which we do not control.

We encourage the companies in our investment universe to produce ESG data in a standardised form (GRI / SASB / TCFD).

J. Due diligence

Companies are reviewed by the management team every year and rated in detail at least once a year, with a detailed explanatory report. The rating methodology may be reviewed at this time if certain changes are necessary to better understand the extra-financial issues of our companies, for example following a new standard in the mining sector.

In addition, we systematically update the notes following meetings with companies when ESG topics are discussed and take into account controversies and any communications issued by the company.

K. Engagement policy

The dialogue with companies has opened up to extra-financial issues since the introduction of ESG ratings in 2020 within the company, with the aim of better understanding their challenges, their social responsibility strategy and their risks. Extra-financial issues are becoming increasingly important in the valuation of companies and our teams systematically make managers aware of the importance of a clear and documented Sustainable Development Report. The Engagement sometimes comes into play at this stage, when a significant risk seems to us to be poorly addressed, we inform the company of a plan of action or of the necessary documents so that we can invest in it or maintain the positions

L. Designated benchmark

No index has been designated as a benchmark to meet the environmental or social characteristics promoted by the financial product.