

onemarkets

UC European Movers Balanced Fund Website Disclosure

Version	Date	Description
1.0	2025-09-04	Initial version

WEBSITE DISCLOSURE

1. NO SUSTAINABLE INVESTMENT OBJECTIVE

This Sub-Fund promotes environmental and social characteristics but does not have as its objective sustainable investments.

2. THE ENVIRONMENTAL AND / OR SOCIAL CHARACTERISTICS PROMOTED BY THE FUND

The Sub-Fund promotes both environmental and social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088.

The environmental characteristics promoted consist in supporting the transition to a low-carbon economy and contributing to climate change mitigation. This is achieved by reducing exposure to activities with a material negative impact on the climate and by allocating capital to issuers with improving greenhouse gas performance and increasing alignment with environmentally sustainable activities. The product also promotes the financing of projects with a positive environmental contribution through generating exposure to Green Bonds.

The social characteristics promoted consist in fostering respect for international norms of responsible business conduct, human rights, and labour standards, as well as in avoiding exposure to activities that are harmful to human health or that have unacceptable social consequences. The product also promotes good governance and international cooperation by limiting investment to issuers that adhere to established governance and transparency standards.

In the case of the Funding Portfolio (for more information on the "Funding Portfolio" see also *section 3 – Investment Strategy*), these characteristics are reflected through the systematic application of the Management Company's ESG Exclusion Strategy, thereby ensuring that even temporary holdings respect minimum environmental and social safeguards.

In the case of the Strategy Swap Portfolio (for more information on the "Strategy Swap" see also *section 3 – Investment Strategy*), the characteristics are pursued more comprehensively through the combined application of the exclusion strategy, a transition-oriented equity index that rewards companies with lower greenhouse gas emissions intensity and stronger alignment with the EU Taxonomy over time, and the allocation to EU denominated bonds including Green Bonds. This makes the Strategy Portfolio the primary driver of the promoted environmental and social characteristics.

The exclusion criteria can be found on www.structuredinvest.lu in the ESG-related guidelines.

3. INVESTMENT STRATEGY

The Sub-Fund's Strategy is implemented in a two-stage process as follows:

- the Sub-Fund first invests primarily (at least 51%) in listed equities and ancillary in certificates, investment funds, bonds, money market instruments, cash and/or deposits. The performance of all or part of such investments (the "Funding Portfolio") is then exchanged against the performance of a floating leg, referencing EUR short-term rates, by entering into a total return asset swap transaction (the "Funding Swap").
- the Sub-Fund then enters into a second total return swap transaction (typically for up to 100% of its total net assets excluding the impact of fees and FX hedging arrangements, as applicable, exceptionally for up to 110% in case of mark-to-market fluctuations) in order to receive the performance of the Strategy which is a portfolio constructed in accordance with the Sub-Fund's investment strategy as described above (the "Strategy Swap") against paying the performance of a floating leg, referencing EUR short-term rates.

As mentioned in the previous section, the Strategy Portfolio represents the main driver in achieving the promoted environmental- and / or social characteristics. The total return swaps provide indirect exposure to an actively managed cross-asset portfolio. This Strategy consists of 40–60% equities replicating the "UC Capture-the-Change (Net Return) Index" and the remainder allocated to euro-denominated investment-grade corporate and government bonds, including Green Bonds aligned with recognized standards.

The equity component of the Strategy promotes transition by selecting companies based on:

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- greenhouse gas emissions intensity (Scope 1+2);
- greenhouse gas emissions intensity (Scope 3); and
- EU Taxonomy-aligned capital expenditures;
- EU Taxonomy-aligned capital revenues; and
- quality factors (return on equity, equity-to-debt ratio, earnings variability).

Initially, the Index favours “brown” companies with credible transition ambitions, while over time the weighting of factors gradually shifts such that, after ten years, the selection is based on companies with low emissions intensity and high EU Taxonomy alignment.

The bond component provides diversification through euro-denominated investment-grade securities, including Green Bonds that finance projects in high-emission sectors. The Sub-Fund’s investments are selected on financial criteria, while its Strategy seeks to capture the return potential of companies improving their environmental impact.

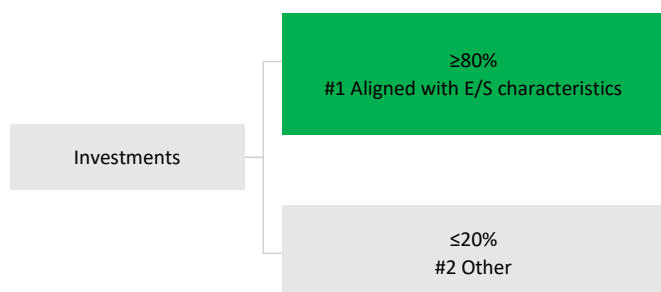
Binding elements of the investment strategy are:

- The exclusion criteria under consideration of ESG-related guidelines defined by the Management Company that can be found under www.structuredinvest.lu;
- At least 80% of the investments of the Strategy will be used to meet the environmental or social characteristics promoted by the Sub-Fund in accordance with the binding elements of the investment strategy.

4. PROPORTION OF INVESTMENTS

The Sub-Fund’s investments are at least 80% aligned with E/S characteristics (#1 Aligned with E/S characteristics) and up to 20% are classified as Other investments (#2 Other). The Sub-Fund does not intend to make any sustainable investments.

0% of assets are invested aligned with an environmental objective of the EU Taxonomy.



5. MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

The Investment Manager continuously monitors the Sub-Fund using ISS ESG data and assessments to identify changes in issuers' sustainability factors.

Internal control processes have been defined at the Investment Manager to ensure that the exclusion criteria and the minimum share of environmental and social investments are monitored.

Suitable data for verification is provided by ISS ESG. In this way it can be ensured that the PAIs are monitored on an ongoing basis. A material change in the PAI may lead to changes in the allocation and sale of certain investments. This is particularly necessary if exclusion criteria are violated, or minimum values set are fallen short of.

Any changes in the portfolio - whether due to a change in allocation by the Investment Manager or an inflow or outflow of funds on the part of the customer - are also included in the above-mentioned control.

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The investment process is continuously reviewed by Investment Manager's risk management. Suitable processes and technical procedures are installed for this purpose.

6. METHODOLOGIES

The data provided by ISS ESG is aggregated by the Investment Manager at portfolio level. This applies in particular to the PAI indicators, which are incorporated into the exclusion criteria and positive criteria described in the section "the environmental and / or social characteristics promoted by the fund".

Through the implementation of the data on the exclusion and positive criteria as well as the PAI indicators, the current status with regard to the fulfilment of the exclusion and minimum criteria can be assessed. Subsequently, new data shows how the desired characteristics change over time.

If there is a deterioration in some environmental or social criteria, the reasons for this development are analysed. If the Investment Manager concludes that the new developments cannot be tolerated, the investments in question are reduced or sold out of the portfolio altogether.

7. DATA SOURCES AND PROCESSING

Data sources

In order to be able to assess the environmental and social characteristics of an investment, the Investment Manager relies on data from ISS ESG. ISS ESG provides extensive expertise on companies, states, and supranational entities.

The following are examples of the type of data which are obtained from ISS ESG. This data is used to verify compliance with the exclusion criteria or the positive selection criteria:

- Turnover generated by a company related to business activities relevant to the prevailing exclusion criteria: e.g., trade in controversial weapons or the extraction of fossil fuels.
- Information on controversial practices and incidents in a company: e.g., medically unjustified animal testing, corruption, or tax evasion
- Assessments of companies and states with regard to their handling of the challenges of climate change: Determination of an overall rating and presentation of the strengths and weaknesses of each issuer
- Information on greenhouse gas emissions of companies and countries to determine the carbon footprint

ISS ESG receives data from various sources. They come both from the companies, states and supranational entities concerned themselves and from other sources, such as governmental or non-governmental organisations. In some cases, the data is also based on (single) estimates made by ISS ESG. In addition, ISS ESG also produces scores based on raw data, which assess various dimensions of sustainable issues - e.g., how well the issuer fulfils the principles of the UN Global Compact.

Measures taken to ensure data quality

The data provided by ISS ESG - including estimated values – is being checked on a random basis for plausibility. Additionally, only issuers are considered for which full compliance with all prevailing exclusion criteria can be validated.

In the case of positive selection criteria, it is possible that individual data points are not available for issuers. In this case, the positive selection criterion for the issuer cannot be checked and the issuer is not classified as an environmental or social investment. However, an investment is still possible if all exclusion criteria can be clearly checked.

Processing

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The Sub-Fund is continuously reviewed using ISS ESG data - including estimates - to identify changes in the sustainability factors of issuers. This is done by the Investment Advisor's IT systems, which reconcile portfolio investments with ISS ESG data.

Proportion of data that are estimated

The data provider ISS ESG also relies on estimates in its analysis. The proportion of estimated data is not known.

8. LIMITATIONS TO METHODOLOGIES AND DATA

Neither the Investment Advisor, nor the Management Company can fully verify the data provided by ISS ESG. Currently, data in the area of EU Taxonomy and for individual PAI indicators is not yet fully available and therefore the data quality is not yet ideal. With the increasing provision of information by market participants, it is to be expected that the quality of the data for the main factors will improve. The Investment Advisor can only decide on the basis of known facts whether an investment will advance the set goals.

In addition, the Investment Advisor cannot predict or influence whether the issuers identified will also use the capital provided in the future in line with defined sustainability goals.

The availability of sustainability data published by companies and verified by independent external bodies is still very limited. Therefore, data is also obtained from non-verified sources, some of which include estimates. It is therefore possible that assessments made on the basis of unverified sources will have to be revised in retrospect.

A wide range of criteria and data points is used to assess the environmental and social profile of an issuer. This reduces the risk of incorrect or incomplete data harming the achievement of the goals set. In addition, the data is continuously updated, and the history is maintained, which enables the identification of deviations over time.

9. DUE DILIGENCE

The Investment Advisor has implemented processes and procedures to collect and process the data provided by ISS ESG for portfolio management. The data is implemented in the Investment Advisor's IT systems. This enables the Investment Advisor to monitor the Sub-Fund on an ongoing basis regarding compliance with the ecological and social criteria and the achievement of the targets.

10. ENGAGEMENT POLICIES

As part of the investment process - i.e. according to which criteria shares are acquired, held and sold for the Sub-fund - there is ongoing monitoring of all shares and the companies behind them. The analysis of the companies in which the Sub-Fund invests within the scope of asset management refers to their strategy, their financial and non-financial results, their capital structure, their social and environmental impact, their valuation and their corporate governance.

The following reasons are decisive for the fact that the Investment Advisor does not consider it expedient to represent investor interests at general meetings as part of its asset management activities and therefore refrains from exercising voting rights:

- Taking into account the cost-benefit ratio, the Investment Advisor does not exercise the voting rights in the respective general meetings, as the share of voting rights of all shares in those portfolios that are managed by the Investment Advisor within the scope of asset management - i.e. consolidated across all mandates - do not reach a significant proportion of the voting rights of all shareholders of the respective companies due to diversification principles and are therefore insignificant.

As already explained in the monitoring measures above, the environmental and social criteria of the investments are checked on an ongoing basis. If it is determined that a company no longer meets the required environmental and social criteria, the investment is sold promptly or, in the case of insufficient positive criteria, a replacement investment is sought.

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11. DESIGNATED REFERENCE BENCHMARK

The Sub-Fund does not have a reference benchmark that has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.