

Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, 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:

ABN AMRO Funds Liontrust European Sustainable Equities

Legal entity identifier:

549300OKY4JTQC0B2J87

Sustainable investment objective

Does this financial product have a sustainable investment objective?

☒ ☒ ☒ **Yes**

☐ ☐ ☐ **No**

☒ It will make a minimum of **sustainable investments with an environmental objective: 25%**

- ☐ 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

☒ It will make a minimum of **sustainable investments with a social objective: 25%**

☐ 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

- ☐ with an environmental objective in economic activities that 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 promotes E/S characteristics, but **will not make any sustainable investments**



What is the sustainable investment objective of this financial product?

ABN AMRO Funds Liontrust European Sustainable Equities ("the Sub-Fund) follows a multi-thematic sustainable investment strategy. The portfolio will be composed of issuers which are positively exposed to three long-term sustainable themes such as (i) better resource efficiency, (ii) improved health as well as (iii) greater safety and resilience.

The environmental sustainable investment objective of the Sub-Fund is to invest in businesses which support the goal of net zero greenhouse gas emissions by 2050, in line with the external investment manager's Net-Zero Asset Managers Initiative (NZAM) commitment and the goals of the Paris Agreement. The practical working assumption is based on the Intergovernmental Panel on Climate Change (IPCC) analysis conclusion that to meet the Paris Agreement (to stay below 2 degrees centigrade ideally 1.5 degrees centigrade) of global warming we must reach net zero emissions by 2050. To achieve this the fund will reduce absolute emissions by 50% between 2020 and 2030, and a further 50% between 2030 and 2040 and a further 50% by 2050. This includes front-loaded absolute emission reduction targets (25% reduction by 2025 versus 2019 and 50% by 2030), as well as discouraging use of offsets in the investment manager's engagement with companies. This is measured through several different metrics to capture the multi-faceted aim of investing in companies consistent with climate change goals. This includes exposure to

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

companies reducing emissions (solution providers), the Sub-Fund's exposure to companies, carbon foot-printing that is consistent with the investment manager's NZAMI commitment. The approach is in line with the expectations of the Commission Delegated Regulation (EU) 2020/1818 relating to GHG scopes, calculation methodologies and exclusions. The DNSH principle is always applied on the entire investment universe. In addition, as part of its social sustainable investment objective, the Sub-Fund invests in companies contributing positively to social solutions.

In addition, as part of its social sustainable investment objective, the Sub-Fund invests in companies contributing positively to social solutions. To define the sustainable investment universe, a "pass-fail" approach is used using a set of criteria. The DNSH principle is always applied on the entire investment universe.

No reference benchmark has been designated for the purpose of attaining the sustainable objectives followed by the Sub-Fund.

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

The analysis of certain sustainability indicators is systematically integrated into the investment decision making process. The attainment of the sustainable investment objectives is assessed by investing in securities financing economic activities that substantially contribute to the environmental and/or social objectives mentioned above. To define the sustainable investment universe, a "pass-fail" approach is used through a set of criteria. No other criteria than the ones mentioned below are used to define the sustainable investment nature of an investment. The DNSH principle is always applied on the entire investment universe. To be eligible to the investment universe, issuers must meet at least one of the criteria mentioned below:

- Having a greenhouse gas emission reduction target. The criterion is sourced from the external data provider ISS and differentiates an issuer's targets as "No Target", "Non-Ambitious Target", "Ambitious Target", "Committed Science Based Target (SBT)", or "Approved Science Based target (SBT)" based on the existence and quality of greenhouse gas emissions reduction targets. Non-eligible issuers include the ones that have a "No Target".
- Being aligned with the International Energy Agency (IEA) Sustainable Development Scenario (SDS) for the full analysed period (until 2050). The criterion is sourced from the external data provider ISS and identifies the year in which the company estimated future carbon emissions are non-longer aligned with the issuer's estimated carbon emissions budget required to be aligned with the IEA SDS. Non-eligible issuers include the ones that are not aligned with the IEA SDS scenario until 2050.
- Having a net positive aggregated SDG Social Solutions Score by reference to the Sustainable Development Goals. The criterion is sourced from the external data provider ISS. This criterion assesses the overall, aggregated impact of an issuer's product portfolio on the achievement of social objectives. For corporate issuers the SDG Solutions Score considers only the most distinct objectives scores, i.e., the highest positive and/or the lowest negative score, based on contributing and obstructing impacts on social objectives. The SDG Solutions Score is calculated as the sum of the highest positive and the lowest negative objective score and ranges on a scale from -10.0 to 10.0. Non-eligible issuers include the negative and neutral score.
- The External Investment Manager and the Management Company agree on a trajectory of engagement with the company that could lead to meeting one or more of these criteria (e.g., SBTi engagement) within a reasonable timeline.

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

The "Do No Significant Harm" (DNSH) principle is compiled by taking into account adverse impacts indicators listed in the Delegated Regulation (EU) 2022/1288 of 6 April 2022. The Sub-Fund takes into consideration all the adverse impact indicators listed in Table 1 of Annex 1 that are applicable to investee companies.

In addition, the Sub-Fund takes into consideration PAI No. 4 in Table 2 of Annex 2, applicable to investee companies, relating to investments in companies without carbon reduction initiatives. The Sub-Fund also takes into consideration PAI No. 15 of Table 3 of Annex 1, applicable to investee companies, relating to the lack of anti-corruption and anti-bribery policies.

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

The Sub-Fund considers adverse impacts of its investments on society and the environment through a combination of portfolio management decisions, engagement, and the exclusion of issuers associated with controversial conduct or activities.

With respect to Table 1 of the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022, the Sub-Fund takes into account principal adverse impacts (PAI) 1 to 14 and 16 in portfolio management decisions and engagement activities as follows:

- GHG emissions, biodiversity, water and waste (i.e., PAI 1 to PAI 9)
- the lack of processes and mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (i.e., PAI 11)
- unadjusted gender pay gap (i.e., PAI 12)
- board diversity (i.e., PAI 13)

Further PAI are taken into account as per the Sub-Fund's exclusion list:

- the violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises (i.e., PAI 10)
- the exposure to controversial weapons (i.e., PAI 14)

With respect to Table 2, the Sub-Fund considers the indicator "investing in companies without carbon emission reduction initiatives" (i.e., PAI 4) in portfolio management decisions and engagement activities.

With respect to Table 3, the Sub-Fund considers the indicator "lack of anti-corruption and anti-bribery policies" as part of the exclusions (i.e. PAI 15).

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

The Sub-Fund's sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the principles and rights

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.

set forth in the 8 “fundamental” conventions identified in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work (covering subjects considered to be fundamental principles and rights at work, e.g., freedom of association and the right to collective bargaining, the elimination of all forms of forced or compulsory labour, the effective abolition of child labour, and the elimination of discrimination in respect of employment and occupation) and the International Bill of Human Rights.



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



Yes, the Sub-Fund considers adverse impacts of its investments on society and the environment through a combination of portfolio management decisions, engagement, and exclusion of issuers associated with controversial conduct or activities.

With respect to Table 1 of the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022, the Sub-Fund takes into account principal adverse impacts (PAI) 1 to 14 and 16 in portfolio management decisions and engagement activities as follows:

- GHG emissions, biodiversity, water and waste (i.e., PAI 1 to PAI 9)
- the lack of processes and mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (i.e., PAI 11)
- unadjusted gender pay gap (i.e., PAI 12)
- board diversity (i.e., PAI 13)

Further PAI are taken into account as per the Sub-Fund's exclusion list:

- the violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises (i.e., PAI 10)
- the exposure to controversial weapons (i.e., PAI 14)

With respect to Table 2, the Sub-Fund considers the indicator “investing in companies without carbon emission reduction initiatives” (i.e., PAI 4) in portfolio management decisions and engagement activities.

With respect to Table 3, the Sub-Fund considers the indicator “lack of anti-corruption and anti-bribery policies” as part of the exclusions (i.e. PAI 15).

Further information on principal adverse impacts will be provided in an annex to the Sub-Fund's annual report.



No



What investment strategy does this financial product follow?

The Sub-Fund uses a combination of financial and non-financial indicators to identify securities. The sustainability criteria are designed to identify companies with strong environmental and social thematic exposures. The Sub-Fund follows a multi-thematic sustainable approach. The portfolio will be composed of issuers exposed to three long term mega trends, namely better resource efficiency, improved health as well as greater safety and resilience. The external

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

investment manager ultimately seeks to invest in the economy of the future and has identified 21 sustainable themes that contribute in different ways to a cleaner, healthier and safer planet and which are connected to the three broader mega trends.

Better resource efficiency	Improved health	Greater safety and resilience
<ul style="list-style-type: none"> Improving the efficiency of energy use Improving the management of water Increasing electricity generation from renewable sources Improving the resource efficiency of industrial and agricultural processes Delivering a circular materials economy Making transportation more efficient 	<ul style="list-style-type: none"> Providing affordable healthcare Connecting people Delivering healthier foods Building better cities Providing education Enabling innovation in healthcare Enabling healthier lifestyles Encouraging sustainable leisure 	<ul style="list-style-type: none"> Increasing financial resilience Saving for the future Ensuring a sustainable economy Leading ESG management Improving transport safety Enhancing digital security Better monitoring of supply chains and quality control

While a company must derive more than 25% of the value of its business directly from a theme, the external investment manager assesses how sustainable the rest of its activities are. For each business, the external investment manager determines the key ESG factors that are important indicators of future success and assess how well these are managed via the external investment manager proprietary tool named the Sustainability Matrix. Every company held in the portfolio is given a Matrix rating, which analyses the following two dimensional aspects:

- Product sustainability (rated from A to E): Assesses the extent to which a company’s core business helps or harms society and/or the environment. An A rating indicates a company whose products or services contribute to sustainable development (via our investment themes); an E rating indicates a company whose core business is in a conflict with sustainable development (such as tobacco or very polluting activities such as coal fired electricity generation).
- Management quality (rated from 1 to 5): Assesses whether a company has appropriate structures, policies and practices in place for managing its ESG risks and impacts. Management quality in relation to the risks and opportunities represented by potentially material ESG issues are graded from 1 (excellent) to 5 (very poor).

In order to be investable, the company score must attain a minimum C3 rating. Engagement is also a key pillar of the external investment manager's approach. The external manager identifies three types of engagement: reactive, proactive and collaborative. Reactive engagement is initiated at the request of the external investment manager as a result of questions or concerns arising from the initial analysis of ESG issues, ongoing monitoring of holdings, emerging issues or controversies. Engagement also occurs at the request of a company (e.g., by providing feedback or advice on ESG initiatives). For proactive engagement, the external investment manager sets targets each year.

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

The binding elements of the investment strategy are:

- The Management Company’s exclusions list as defined in the following table:

Company Exclusions based on International Standards and Policies	Exclusion Criteria
Companies non-compliant with the UN Global Compact's Principles	No
Companies non-compliant with SFDR Sustainable Investments mandatory norms and conventions	No
Companies listed on ABN AMRO Investment Exclusion List (IEL)	No
Companies listed on AAIS Good Governance Blacklist	No
Company Exclusions based on Revenue Thresholds	
Adult Entertainment Production	>5%
Controversial Weapons direct ownership	No
Controversial Weapons indirect ownership Involvement	>10%
Military Contracting Weapons	>0%
Military Contracting Weapons related products and /or services	>5%
Small Arms	>0%
Fur and specialty leather production	>5%
Unconventional fossil fuels (Arctic oil & gas exploration, oil sands and shale energy extraction methods)	Combined Revenues >5%
Thermal Coal Extraction	>5%
Thermal Coal Power Generation	>10%
Cannabis (recreational purposes)	>5%
Gambling	>5%
Genetically Modified Organisms	>5%
Tobacco Producing Companies	>0%
Tobacco Products Related Products/Services	>5%
Tobacco Products Retail and/or Distribution	>50%

The table above is a non-exhaustive set of exclusions which may evolve over time (with no prior notice).

- *Exclusion of the companies that do not pass the external investment manager ESG suitability analysis. According to the proprietary sustainable matrix of the external investment manager, the sub-fund will not invest in companies with a proprietary Sustainability Matrix scoring below C3.*
- *Sustainable investment eligibility criteria (the below criteria may not be cumulative):*
 - *Having a greenhouse gas emission reduction target. The criterion is sourced from the external data provider ISS and differentiates an issuer's targets as "No Target", "Non-Ambitious Target", "Ambitious Target", "Committed Science Based Target (SBT)", or "Approved Science Based target (SBT)" based on the existence and quality of greenhouse gas emissions reduction targets. Non-eligible issuers include the ones that have a "No Target".*

- *Being aligned with the International Energy Agency (IEA) Sustainable Development Scenario (SDS) for the full analysed period (until 2050). The criterion is sourced from the external data provider ISS and identifies the year in which the company estimated future carbon emissions are non-longer aligned with the issuer's estimated carbon emissions budget required to be aligned with the IEA SDS. Non-eligible issuers include the ones that are not aligned with the IEA SDS scenario until 2050.*
- *Having a net positive aggregated SDG Social Solutions Score by reference to the Sustainable Development Goals. The criterion is sourced from the external data provider ISS. This criterion assesses the overall, aggregated impact of an issuer's product portfolio on the achievement of social objectives. For corporate issuers the SDG Solutions Score considers only the most distinct objectives scores, i.e., the highest positive and/or the lowest negative score, based on contributing and obstructing impacts on social objectives. The SDG Solutions Score is calculated as the sum of the highest positive and the lowest negative objective score and ranges on a scale from -10.0 to 10.0. Non-eligible issuers include the negative and neutral score.*
- *The External Investment Manager and the Management Company agree on a trajectory of engagement with the company that could lead to meeting one or more of these criteria (e.g., SBTi engagement) within a reasonable timeline*

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

As part of its "Good Governance Policy", the Management Company of the Sub-Fund determines if a company does not follow good governance practices. Companies that do not follow good governance practices are excluded from the initial investment universe of the Sub-Fund. The data source used for all below mentioned criteria and to define the pass/fail good governance test of the Management Company is Sustainalytics.

SFDR Component	Indicator	Exclusion Criteria	Description
Sound Management Structure	UN Global Compact - Principle 10	Watchlist and Non-Compliant status	Principle 10 of the UN Global Compact is related to anti-bribery and corruption and states businesses should work against corruption in all its forms, including extortion and bribery.
	Governance controversy assessment	High & Severe Levels (equivalent to levels 4/5 and 5/5)	As part of the controversy assessment, the following topics are included: accounting irregularities, bribery and corruption, anti-competitive practices, sanctions as well as board composition.
Employee Relations	UN Global Compact – Principles 3, 4, 5 and 6	Watchlist and Non-Compliant status	Principle 3, 4, 5 and 6 of the UN Global Compact are related to labour conditions. The principles state that businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.

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

	Social Controversy Assessment	High & Severe Levels (equivalent to levels 4/5 and 5/5)	As part of the controversy assessment, the following topics are included: freedom of association, child/forced labour, health and safety, community relations, respect of human rights, labour standards, discrimination and harassment.
Tax Compliance	Governance Controversy Assessment	High & Severe Levels (equivalent to levels 4/5 and 5/5)	As part of the controversy assessment, taxes avoidance and evasion are taken into consideration.
Remuneration of Staff	Governance Controversy Assessment	High & Severe Levels (equivalent to levels 4/5 and 5/5)	As part of the controversy assessment, remuneration is taken into consideration

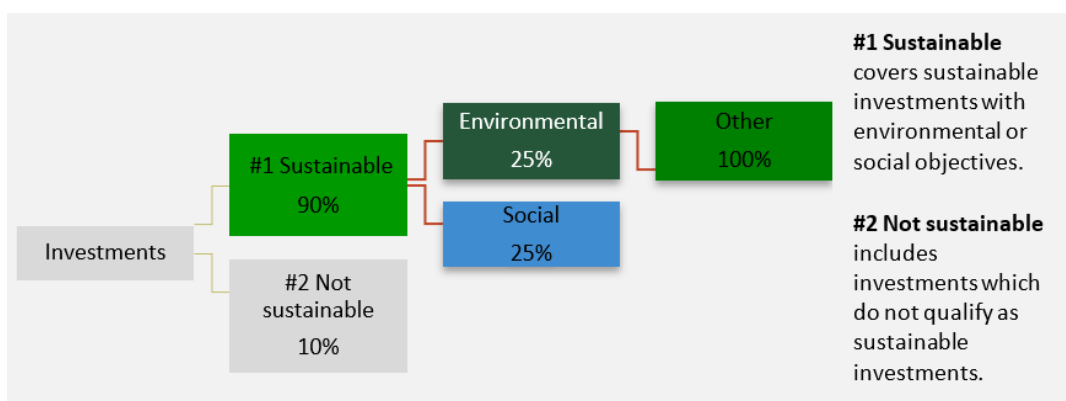
The external investment manager assessment of good governance is systematically included in the research for each company as part of the decision on whether the business meets the requirements to be eligible for the Sub-Fund through the Sustainability matrix. The assessment of the quality of management by the external investment manager includes the evaluation of the following elements: inter alia board structure, independence of board, key committees and auditors, stakeholder relationships including staff, customers and suppliers, pay alignment of board and staff with good business results. The external investment manager acknowledges different geographical contexts and what is good governance practice in the relevant region.



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

The Sub-Fund invests at least 90% of its net assets in assets that have been determined as “eligible” as per the sustainable investment process in place, hence in investments that are defined as sustainable (#1 Sustainable). The external investment manager’s proprietary sustainable analysis covers 100% of the “#1 Sustainable” investments.” #1 Sustainable” investments include a minimum of 25% assets with environmental objectives and 25% with social objectives. Investments with environmental objectives are made in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.

Up to 10% of the investments are not aligned with these characteristics (#2 Not Sustainable). “#2 Not Sustainable” includes derivatives, bank deposits at sight, including cash held in current accounts with a bank accessible at any time. These are used for investment or hedging purpose as a technique of portfolio management efficiency. The proportion and use of investments that are considered as not sustainable does not affect the delivery of the sustainable investment objective, as these investments are neutral to such objective. Besides, minimum environmental or social safeguards are only applied to the underlying investments when relevant. The nature of these assets does not undermine the sustainable objectives pursued by the Sub-Fund. A more detailed description of the specific asset allocation of this Sub-Fund can be found in the prospectus of this Sub-Fund.



Asset allocation describes the share of investments in specific assets.

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.

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

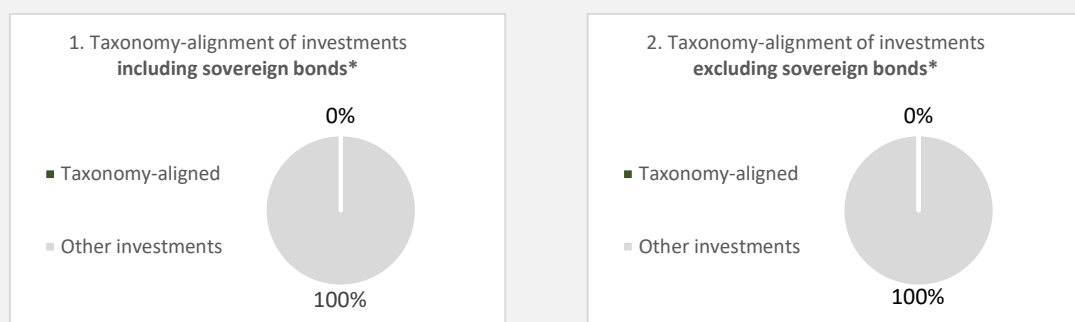
Not Applicable



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

The Sub-Fund's sustainable investments with an environmental objective are not aligned with the EU taxonomy (i.e. 0%) as the investments with an environmental objective are made in economic activities that do not qualify as environmentally sustainable under the EU taxonomy.

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 second graph shows the Taxonomy alignment only in relation to the investments of 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 investments in transitional and enabling activities?**

The Sub-Fund does not have a minimum share of investments in transitional and enabling activities (i.e., 0%), as it does not commit to a minimum proportion of environmentally sustainable investments aligned with the EU Taxonomy.

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.



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

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 100%. The Sub-Fund commits to make a minimum of 25% sustainable investments with an environmental objective not aligned with the EU Taxonomy.



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

The Sub-Fund commits to make a 25% minimum share of sustainable investments with a social objective.



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

“#2 Not Sustainable” includes derivatives, bank deposits at sight, including cash held in current accounts with a bank accessible at any time. These are used for investment or hedging purpose as a technique of portfolio management efficiency. The proportion and use of investments that are considered as not sustainable does not affect the delivery of the sustainable investment objective, as these investments are neutral to such objective. Besides, minimum environmental or social safeguards are only applied to the underlying investments

are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

when relevant. The nature of these assets does not undermine the sustainable objectives pursued by the Sub-Fund. A more detailed description of the specific asset allocation of this Sub-Fund can be found in the prospectus of this Sub-Fund.



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

No specific ESG-related index has been designated for this Sub-Fund

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

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:

- **ABN AMRO Investment Solution's Sustainable Investment Policy:**

<https://www.abnamroinvestmentsolutions.com/en/socially-responsible-investment-abn-amro-investment-solutions/sustainability-related-disclosures.html>

- **Documents of the Sub-Fund:**

<https://www.abnamroinvestmentsolutions.com/en/fund-range/fund-range.html>



Reference benchmarks
are indexes to measure whether the financial product attains the sustainable investment objective.