

SFDR regulation

The Sustainable Financial Disclosure Regulation (SFDR – a European regulation) came into force on March 10, 2021 for some of its provisions. This regulation aims to refocus the actions of financial market participants on sustainable finance by distinguishing between products that take extra-financial criteria into account from those that do not.

The objective for asset management companies is the reinforcement of transparency in the integration of risks and the resulting adverse sustainability impacts at both the entity level and also on investment process of funds and mandates that the company manages on behalf of third parties.

The SFDR regulation thus establishes harmonized transparency rules for financial market participants in terms of sustainability by dividing products into three categories:

- Products without a sustainability objective (classified under Article 6);
- Products promoting environmental and / or social characteristics (classified under Article 8); and
- Products which have a sustainable investment objective (classified under Article 9).

Breakdown of funds according to SFDR:

Environmental, social and governance (ESG) issues are an integral part of the Responsible Value investing strategy of METROPOLE Gestion, which has been a pioneer in ESG since 2008. As a responsible investor, METROPOLE Gestion encourages companies and issuers to improve on the three major non-financial themes (Environment, Social and Governance) as well as participating in the dynamics of the fight against global warming.

The sub-funds of the SICAV apply the Responsible Value investing strategy and thus intrinsically taking into account the challenges of sustainable growth. The **METROPOLE Sélection**, **METROPOLE Euro SRI** and **METROPOLE Avenir Europe** sub-funds fall under the category of products promoting environmental and / or social characteristics in accordance with **Article 8** of SFDR regulation. The **METROPOLE Frontière Europe**, **METROPOLE Corporate Bonds** and **METROPOLE Convertibles** sub-funds fall under the category of products promoting environmental and / or social characteristics in accordance with **Article 6** of SFDR regulation.

Consideration of sustainability risks:

METROPOLE Gestion takes sustainability risks into account in the investment process of funds and mandates.

Consideration of principal adverse sustainability impacts at the entity level:

METROPOLE Gestion, as a committed investor, takes into account the negative adverse impacts of its investment decisions on sustainability factors.