

SYNCHRONY (LU) FUNDS

Additional information (unaudited) (continued)
at 31 December 2024

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1 to 2 bis, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Synchrony (LU) EU All Caps EUR

Legal entity identifier: 549300BUHTAPDGH5OC49

Sustainable investment

means 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.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ Yes

☒ No

☐ It made **sustainable investments with an environmental objective**: ____%

☐ 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 made **sustainable investments with a social objective**: ____%

☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have sustainable investment as its objective, it included a 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 promoted E/S characteristics, but **did not make any sustainable investments**



To what extent were the environmental and/or social aims promoted by this financial product achieved?

This sub-fund's environmental and social characteristics included:

- Exclusions based on standards and values

The sub-fund excluded issuers that seriously infringe international standards or carry out activities that have a negative impact on society or the environment.

- Positive filtering / Positive tilt

The sub-fund has increased the weighting of stocks with a low level of risk in terms of sustainability and/or reduced the weighting of high sustainability risk stocks, whilst adhering to good governance practices.

SYNCHRONY (LU) FUNDS

Additional information (unaudited) (continued) at 31 December 2024

Therefore, the sub-fund's ESG profile was better than that of the reference index. The MSCI EMU Index was used to measure the positive tilt approach.

- Active shareholding

The sub-fund exercised its voting rights methodically, acting in the long-term interests of its investor clients by supporting a strong corporate governance culture, effective management of social and environmental issues and comprehensive reporting in accordance with relevant standards.

No reference benchmark has been defined to achieve the environmental or social characteristics promoted by the sub-fund.

● ***How did the sustainability indicators perform?***

The investment manager used a series of indicators to measure the achievement of the environmental and social characteristics promoted. Over the period, the indicators performed as follows:

- Company exclusion criteria

In accordance with the exclusion policy described in the BCGE Group's sustainable investing policy (see table below), the sub-fund has not been exposed to companies which derive a significant portion of their revenue from activities that are harmful to society, or to the environment. Additionally, the sub-fund excluded issuers involved in significant violations of the principles of the UN Global Compact.

Exclusion of companies on the basis of controversial activities and turnover thresholds	
Activities	Turnover thresholds
Fuels and greenhouse gases	
Thermal and metallurgical coal mining	25%
Exploitation of oil sands	25%
Production of oil and shale gas	25%
Oil and gas prospecting in the Arctic	25%
Armaments	
Manufacture of controversial weapons ¹	Excluded
Company exclusions based on violations of international standards	
Significant breaches of the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption	Excluded

¹ Controversial weapons notably include antipersonnel mines, munitions dispersing submunitions, biological and chemical weapons, and nuclear weapons from countries that are not signatories to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). Companies on the exclusion list of the SVVK-ASIR (Swiss Association for Responsible Investment) are also taken into account by this indicator.

Please refer to the BCGE Group Responsible Investment Policy for further details.

- General ESG rating

The sub-fund's weighted average ESG rating was better than the reference benchmark. The sub-fund's weighted ESG rating was 8.2, while the reference benchmark's was 7.9. A higher rating indicates a lower risk. ESG ratings range from 0 to 10, with 10 being the highest rating.

Source: BCGE Asset Management, MSCI ESG Research.

- The exercise of voting rights

Over the period, the sub-fund cast votes at 37 out of 37 general meetings where voting took place (i.e. 100%). Of the 659 resolutions submitted for a vote, 659 were indeed voted upon (i.e. 100%). The sub-fund voted "against" (including "abstain" or "refuse") on 13% of resolutions.

Sustainability indicators measure how the environmental and/or social characteristics promoted by this financial product are attained.

SYNCHRONY (LU) FUNDS

Additional information (unaudited) (continued)
at 31 December 2024

Source: BCGE Asset Management, ISS Governance.

The data have not been checked by an external auditor or reviewed by an independent third-party.

● ***...and compared to previous periods?***

Not applicable. This is the first periodic report issued for this sub-fund.

● ***What were the objectives of the sustainable investments that the financial product intended to pursue and how did the sustainable investments actually made contribute to these objectives?***

Not applicable. This sub-fund promotes environmental and social characteristics, but does not make sustainable investments.

● ***How was it ensured that the sustainable investments that the financial product pursued did not cause significant harm to an environmentally or socially sustainable investment objective?***

Not applicable. This sub-fund promotes environmental and social characteristics, but does not make sustainable investments.

— ***How were the indicators for adverse impacts on sustainability factors taken into account?***

Not applicable. This sub-fund promotes environmental and social characteristics, but does not make sustainable investments.

— ***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Detailed description:***

Not applicable. This sub-fund promotes environmental and social characteristics, but does not make sustainable investments.

The EU Taxonomy sets out a "do no significant harm" principle whereby Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives, and it is accompanied by specific EU criteria. The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take account of the EU criteria for environmentally sustainable economic activities. Also, it is crucial that any other sustainable investment do no significant harm to environmental or social objectives.

SYNCHRONY (LU) FUNDS

Additional information (unaudited) (continued)
at 31 December 2024



How did this financial product consider the principal adverse impacts on sustainability factors?

The sub-fund took account of, and as far as possible, mitigated the principal adverse impacts of its investments on the environment and society through its exclusion policy, management decisions (positive tilt) and the exercise of voting rights (active shareholding):

- Exclusion of issuers associated with controversial conduct or activities

The sub-fund was not exposed to companies which derive a significant portion of their revenue from activities that are detrimental to society, or to the environment, as defined in the BCGE Group's sustainable investing policy. It also had no exposure to companies which seriously breach the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption, and controversial weapons (PAI 14).

- Management decision (positive tilt)

The investment manager assigned an ESG rating to participations, reflecting their exposure to issuers affected by environmental, social and governance risk factors, and the way in which they handled those factors. In addition, the sub-fund had no exposure to issuers with lowest rating (MSCI ESG Rating < BB). ESG ratings, awarded by the firm MSCI ESG Research, were key to the process of the sub-fund's portfolio construction, determining the target portfolio weights.

- The exercise of voting rights

The sub-fund drew on the analyses and recommendations made by Institutional Shareholder Services Inc. (ISS) to exercise voting rights relating to the securities held. The recommendations were devised to support a strong corporate governance culture, effective management of social and environmental issues and comprehensive reporting in accordance with relevant standards. All the sub-fund's voting activities were recorded, and can be disclosed upon request.



What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 02.04.2024 – 31.12.2024

Largest investments	Sectoral level 1 (GICS Sector)	% of assets	Country
ASML Holding NV	Information Technology	7.02	NL
Novo Nordisk AS B	Health	6.40	DK
SAP SE	Information Technology	5.98	DE
Schneider Electric SE	Industry	5.10	FR
Atlas Copco AB A	Industry	4.41	SE
LVMH Moët Hennessy Louis Vuitton	Consumer Discretionary	4.11	FR
Safran SA	Industry	4.09	FR
Air Liquide SA	Commodities	4.07	FR
EssilorLuxottica SA	Health	3.89	FR
Wolters Kluwer NV	Health	3.64	NL
Industria de Diseño Textil SA	Industry	3.08	ES

Source: BCGE Asset Management, GICS/MSCI. Data are expressed as a quarterly weighted mean.

SYNCHRONY (LU) FUNDS

Additional information (unaudited) (continued)
at 31 December 2024



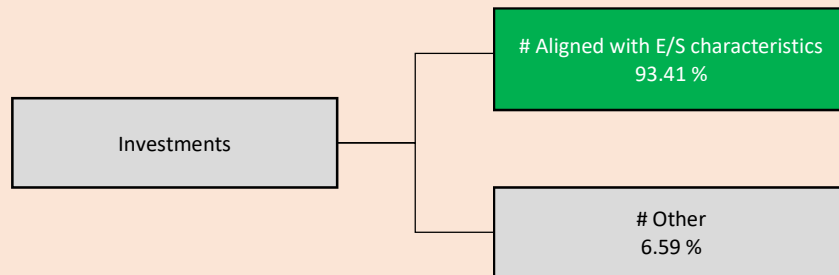
What was the proportion of sustainability-related investments?

Not applicable. This sub-fund promotes environmental and social characteristics, but does not make sustainable investments.

What was the asset allocation?

93.41% of the sub-fund was aligned with E/S characteristics (#1 Aligned with E/S characteristics) and 6.59% was invested in Other (#2 Other).

Asset allocation
describes the share
of investments in
specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are they qualified as sustainable investments.

In which economic sectors were the investments made?

Sectoral level 1 (GICS Sector)	Sectoral level 2 (GICS Industry Group)	% of assets
Consumer Discretionary	Automotive and automotive components	2.90
Consumer Discretionary	Distribution	3.08
Consumer Discretionary	Consumer durables and apparel	8.34
Consumer Discretionary	Customer services	2.84
Consumer non-cyclicals	Food, drink and tobacco products	3.24
Consumer non-cyclicals	Household and Personal Care Products	2.18
Finance	Diversified financial services	2.01
Health	Healthcare equipment and services	8.05
Health	Pharmaceutical, biotechnology and biological sciences	12.03
Industry	Capital goods	15.41
Industry	Commercial and professional services	3.64
Industry	Transport	2.13
Information Technology	Semiconductors and equipment for the manufacture of semiconductors	9.22
Information Technology	Software and services	10.71
Information Technology	IT hardware and equipment	2.02
Commodities	Commodities	7.98

Source: BCGE Asset Management, GICS/MSCI. Data are expressed as a quarterly weighted mean.



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

Not applicable. This sub-fund promotes environmental and social characteristics, but does not make sustainable investments.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy⁴?



Yes:



In fossil gas



In nuclear energy

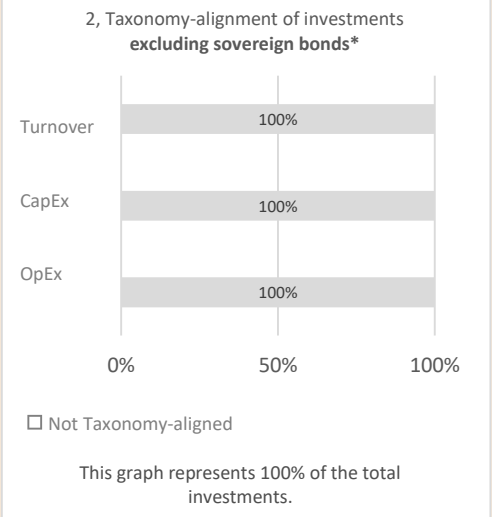
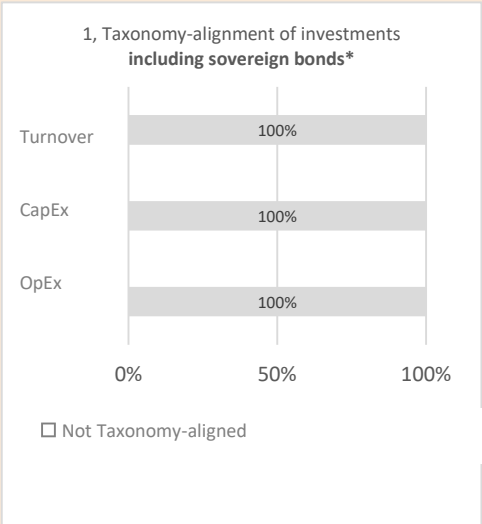


No

Taxonomy-aligned activities are expressed as a percentage of:

- sales to reflect the proportion of revenue from the green activities of the companies in which the financial product invested;
- capital expenditure (CapEx) to show the green investments made by the investee companies – for example, for a transition to a green economy;
- operational expenditure (OpEx) to reflect the green operational activities of investee companies.

The graphs below show in green the minimum percentage of investments that were 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 was the share of investments made in transitional and enabling activities?

Not applicable.

⁴ Fossil gas and/or nuclear-related activities will only comply with the EU Taxonomy where they contribute to "climate change mitigation" and do no significant harm to any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

SYNCHRONY (LU) FUNDS

Additional information (unaudited) (continued)
at 31 December 2024

- **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

Not applicable.



- **What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

Not applicable.



- **What was the share of socially sustainable investments?**

Not applicable.



- **What investments were included under "Other", what was their purpose and were there any minimum environmental or social safeguards?**

The investments in the category "Other" included cash positions held for liquidity coverage and risk management, as provided for by the sub-fund's investment policy.

None of the investments in category "Other" offer minimum environmental or social safeguards.



- **What actions were taken to attain the environmental and/or social aims during the reference period?**

During the reference period, the environmental and/or social aims were achieved by following the investment strategy and abiding by the following constraints:

- Excluding issuers that:
 - Are involved in nuclear weapons from countries that are not signatories to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and other controversial weapons.
 - Derive a significant proportion of their revenues from activities that are detrimental to society or the environment, such as thermal and metallurgical coal mining and the exploration and production of unconventional oil and gas. Please refer to the BCGE Group Responsible Investment Policy for more details on the exclusion thresholds applicable to the above activities.
 - Seriously breach the UN Global Compact principles on human rights, labour standards, environmental protection and anti-corruption.
- A better ESG profile than the market index used for comparison purposes by the investment manager, i.e. the MSCI EMU index.
- An ESG criteria analysis rate for eligible securities covering at least 90% of the net assets or the number of issuers present in the sub-fund in the case of equities issued by large caps, and at least 75% in the case of equities issued by small and mid caps.

SYNCHRONY (LU) FUNDS

Additional information (unaudited) (continued)
at 31 December 2024



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social aims that it promotes.

How did this financial product perform compared with the reference index?

No specific reference benchmark has been chosen to measure the attainment of the environmental or social characteristics promoted by the sub-fund.

- ***How did the reference index differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference index?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.