

sycomore

Sélection Responsable

Sustainability Performance and Shareholder Engagement Report

This report describes the funds' investment process, its sustainability performance and its shareholder engagement in 2024, as required by the SRI label created and supported by the French Ministry of Economics and Finance.



The FCP fund comes with no guarantee of earnings or performance and carries a risk of loss of principal. Before investing, please see the Key Information Document for the UCITS, available on our website www.sycomore-am.com. Report pertaining to 2024. To learn more about Sycomore AM's sustainability approach, please see our related policies and strategies on our [website](#) and read the sustainability report published by the asset management company, as required by Article 29 of France's Energy and Climate Law. The indicators are based on companies' most recently published data (2023 or 2024 in most cases). The ESG performance reported in this document is that of companies in which the fund owned shares at 31 December 2024 and does not represent the fund's direct contribution to this performance. SRI labels help retail investors to identify responsible and sustainable investment strategies. These labels serve as a guide for investors but are no guarantee on the capital invested and do not certify the quality of investment management strategies implemented within the fund. ¹Sustainable Finance Disclosures Regulation – Under the SFDR, an "Article 8" fund is a fund that promotes environmental and/or social objectives.

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01 The fund's investment philosophy

The **Sycomore Sélection Responsable²** fund invests primarily in Eurozone countries, with no limitations in terms of sector, style or capitalisation. It follows a **multi-themed socially responsible investing (SRI) approach** that addresses the social and environmental issues covered by the United Nations' **Sustainable Development Goals**.

The fund has **several objectives**:



It aims to **outperform its benchmark index, EuroStoxx Total Return, in terms of financial returns** (with dividends reinvested).



It pledges to **maintain at least 70% of its assets in sustainable investments**, as defined by the SFDR, at all times.



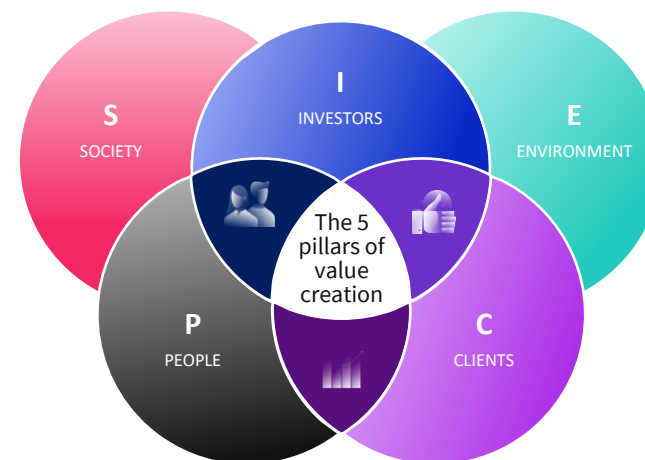
It aims to **outperform its benchmark** at all times with respect to Net Environmental Contribution and Societal Contribution of products and services.



As of January 2025, it aims to **outperform its benchmark index in terms of Net Environmental Contribution** and **Scope 1, 2 and 3 carbon intensity**.

The fund's **responsible investment approach** is based on:

1. A fundamental analysis using **Environmental, Social and Governance (ESG) criteria** and our **SPICE³** model. The analysis applies the European Commission's concept of double materiality: as such, it covers risks that are material to the company's business value, as well as the negative social or environmental impacts of its business activities on its stakeholders.



2. An active shareholder engagement policy, especially with companies undergoing an ESG transformation.
3. Regular monitoring of the fund's sustainability performance, based on both monthly reporting and annual reporting, through this document.

² For the sake of simplicity, throughout the document, any references to the Sycomore Sélection Responsable fund also apply to the SFS Sycomore Sélection Responsable fund.

³ SPICE stands for Society & Suppliers, People, Investors, Clients and Environment. For details on the information taken into account in our SPICE fundamental analysis model, see our [ESG Integration Policy](#).

1.1

Our definition of a sustainable investment

In anticipation of the entry into force of the SFDR's Regulatory Technical Standards (RTS) on 1 January 2023, Sycamore AM introduced a **common definition of a sustainable investment** to be used for every investment universe. The definition aligns with the one provided in the SFDR⁴ and has three main components:

1 Identifying investments that make a positive contribution to the environmental and social issues listed in the definition.

- Since 2015, Sycamore AM has rolled out **two metrics** assessing the ability of a company's **products and services** to meet environmental and societal challenges, such as access to renewable energy, effective management of resources, and access to healthcare: the **Net Environmental Contribution** and the **Societal Contribution** of products and services.
- In partnership with The Good Economy, we have also developed a metric called **The Good Jobs Rating**, which assesses a company's ability, across its value chain, to create **long-term, high-quality jobs** that are **accessible to all**, especially in regions where the people need them most.
- Lastly, our **human capital assessment**, Happy@Work, has been in use since 2015 to identify the companies that provide a particularly **favourable environment for employee development**.

An investment is identified as having a positive contribution if it meets the minimum score for **at least one of the four metrics**.

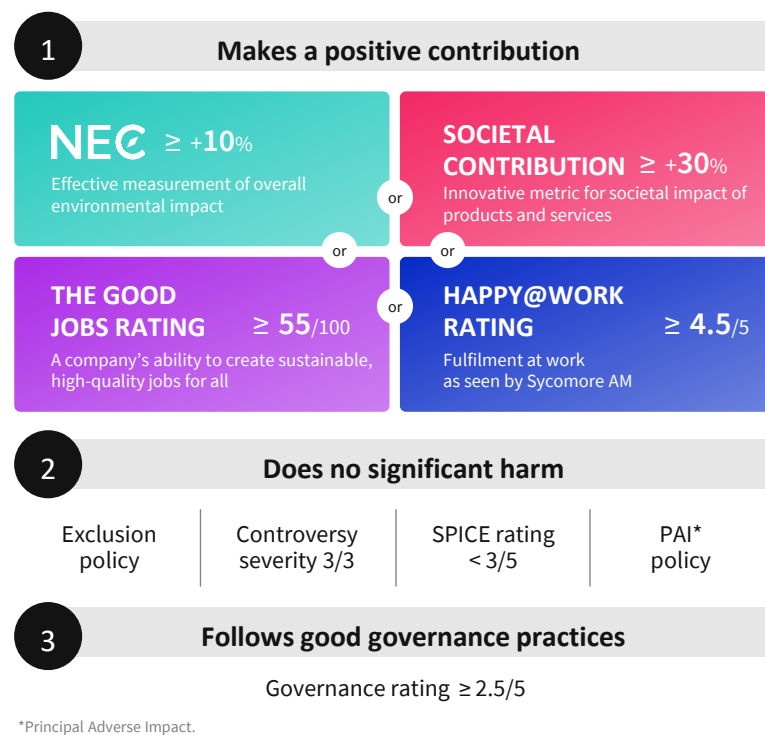
2 Avoiding investments that may cause significant adverse impacts

We rely on our existing **exclusion** and **controversy management policies**, our **SPICE** fundamental analysis model based on **ESG** criteria, and our **Principal Adverse Impact** policy published in 2023.

3 Ensuring the implementation of good governance practices

An investment must meet a minimum score before it can be accepted as sustainable.

This definition can be summarised as follows:



Selectivity

Fewer than 50% of the large European indexes, such as the EuroStoxx, are considered "sustainable" by these criteria. This level of selectivity aligns with the average for French asset management companies, according to a **survey** conducted by the Association Française de Gestion in February 2023⁵.

⁴The SFDR defines a "sustainable investment" as follows: "An investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance."

⁵This level of selectivity aligns with the average for the French asset management companies that participated in the survey conducted by the Association Française de Gestion in February 2023.

1.2

Our ESG screening and selection criteria



Exclusion of significant sustainability risks or adverse sustainability impacts

The screening criteria aim to exclude companies with significant sustainability risks or adverse sustainability impacts, based on the European Commission's concept of double materiality. A company is therefore ineligible for the fund in the following circumstances:

- If it deals in activities excluded by our **SRI Exclusion Policy** for its controversial social or environmental impacts
- If its **governance practices are deemed insufficient** according to our exclusion policy
- If its **SPICE** rating is less than or equal to 3/5.

The **PAI policy** applies exclusively to sustainable investments.



Inclusion of positive environmental or social contributions

Our four selection criteria support companies that provide sustainability solutions:

- **Business models with a significantly positive societal contribution**, as measured by an **SC** equal to or greater than +10%
- **Business models with a significantly positive environmental contribution**, as measured by an **NEC** equal to or greater than +10%
- **Companies with the best sustainability practices**, which earn a **SPICE** rating greater than 3.5/5 and can therefore make significant contributions, e.g. by providing quality jobs or showing leadership on sustainability issues
- **Companies with a clear transformation strategy that aim to achieve social or environmental objectives**. The fund's role is then to support the ESG transformation of these companies, which cannot exceed 10% of the fund's net assets.

Sycovalo universe*

ESG screening

SPICE rating
≤ 3/5

and

SRI Exclusion Policy
Controversy severity 3/3

and

Governance rating
≤ 2.5/5

ESG selection

Societal Contribution of products and services
≥ +10%

Net Environmental Contribution
≥ +10%

or

or

or

SPICE leadership
> 3.5/5

SPICE transformation
> 3 and ≥ 3.5/5

Sycomore Sélection Responsable

> 70% sustainable portfolio companies

* Set of more than 3,000 stocks analysed by our team of financial and non-financial analysts.

1.3

Our sustainability risk management



First, to limit the fund's exposure to sustainability risks associated with controversial activities with significant adverse social or environmental impacts, we apply our **SRI Exclusion Policy** and **industry exclusions specific to the fund's label** or certification.

Exclusions include controversial and conventional **weapons, tobacco, pesticides, pornography, violations of UN Global Compact Principles, fossil fuels** (conventional and unconventional coal, oil and gas) and, more broadly, **carbon-based electricity generation**. Most exclusions are determined by applying strict criteria based on the exposure of company revenue.



Next, the fund's exposure to sustainability risks is managed by requiring a **minimum SPICE rating (3/5)**. The SPICE analysis model takes into account the two inextricably linked concepts of **sustainability risks and impacts**. Through its underlying criteria, SPICE analyses the company's exposure to and management of sustainability risks, including risks relating to **business ethics, taxes, human rights, working conditions, the subcontracting chain, environmental disasters, the ecological and energy transition, personal data protection**, and more.

Our SPICE model also covers the **principal adverse impacts**, especially the **SFDR's 14 mandatory PAI indicators** applicable to business organisations, based on their materiality to each company's operations and footprint and the availability of relevant data. For more information, see our [Principal Adverse Impact Policy](#).



Lastly, we sometimes manage companies' exposure to sustainability risks **through our Shareholder Engagement Policy**, which consists in encouraging companies to progress in areas considered to be material, in accordance with our additionality principle.

The overall sustainability risk management framework is adjusted as our methodologies evolve and data becomes available. This framework is systematically reviewed no less frequently than every two years.

Focus on managing biodiversity and climate change risks

Environmental sustainability risks are assessed as part of all our fundamental analyses, in the Environment pillar of our SPICE model. A score out of 5 reflects a company's management of transition risks, physical risks, and risks of biodiversity loss. Each of these assessments covers:

- the four main pressures driving biodiversity loss, as stated by the IPBES⁶ in 2019: changes in **land and sea use, direct exploitation of organisms, climate change, and pollution**
- the **entire value chain**, i.e. Scopes 1, 2 and 3, both upstream and downstream, as long as they have a significant impact.

Details on our environmental sustainability risk management are provided in Chapter 3 of our [Natural Capital Strategy](#).



⁶ Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES): independent intergovernmental body established in 2012 and institutionally linked to the United Nations Environment Programme (UNEP), the United Nations Development Programme (UNDP), the United Nations Educational, Scientific and Cultural Organization (UNESCO), and the Food and Agriculture Organization of the United Nations (FAO).

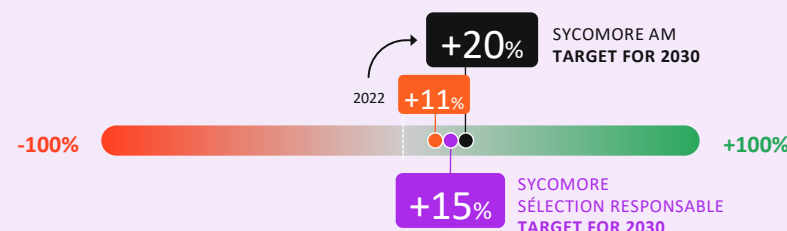
1.4 Our climate and biodiversity alignment strategy

In 2022, we defined a **quantified pathway to 2030** for our **asset management company**. We also set new milestones in terms of climate and biodiversity. Our strategy aligns with three sets of standards: **Article 29** of France's **Energy and Climate Law**, which came into force in 2021; our approach as a certified **B corporation** since 2020; and the commitments we made to the **Science Based Targets initiative** in 2021.

A quantified climate and biodiversity pathway

We defined our pathway using the **Net Environmental Contribution (NEC)**, a holistic environmental indicator covering the **main environmental impacts**: namely, impacts on the **climate**, on **biodiversity** and on **resources**. The NEC is based on a universal standard scale ranging from **-100%** to **+100%**, with 0% representing the average of the world economy. It applies to **all business lines** and **all asset classes**.

To reach our company's mission to **increase our investments' contribution to the ecological transition**, we have set the target for **Sycomore AM** to increase our NEC to **+20%** by 2030 (from +8% in 2024).



The alignment strategy for Sycomore Sélection Responsable is to maintain the fund's NEC up to 2030 at +15% or above.



The climate component of the NEC represents between 0% and 100% of the metric, depending on the company's operations, for an average weight of 50%. As a complement to the NEC, we also use **two methods** to assess a **company's alignment** with the **Paris Agreement**, especially the target of limiting global warming to well below 2°C compared to pre-industrial levels, by 2100:

1. The implied temperature rise calculated using the **Science-Based 2°C Alignment** method and expressed in degrees Celsius
2. The share of our net assets invested in companies that have set targets approved by the **Science Based Targets initiative**



We are exploring the use of Iceberg Data Lab's **Corporate Biodiversity Footprint** to quantifiably and more accurately measure the overall absolute impact of our investments on biodiversity. This metric provides a model of companies' biodiversity footprint based on their main **sources of pollution**:

- land use
- greenhouse gas (GHG) emissions
- air pollution and water pollution

02 The fund's sustainability performance

The fund's sustainability performance is assessed by several indicators. Some of these are used as **selection criteria in investment decisions** and/or for setting **targets for benchmark outperformance**. Other indicators presented here are not linked to the fund's selection criteria. Their values can fluctuate upwards or downwards from one year to the next, depending on the companies in the portfolio.

OBJECTIVES

Provide an overall view of the fund's ESG positioning

Assess achievement of positive contribution targets and measure ESG performance

INDICATORS TRACKED

Share of sustainable investments 81%
Weighted SPICE rating 3.7/5
Exposure to SDGs 9(23%), 11(20%), 3(18%)

Net Environmental Contribution +6%
SB2A climate alignment 2.28°C
SBTi climate alignment 65% <2°C
Biodiversity footprint -24m².MSA/k€ invested
Carbon footprint 372 tCO₂e/€M
Carbon intensity 863 tCO₂e/€M
Exposure to fossil fuels 0%

Societal Contribution +33%
Growth in staff * 8%
Human rights policy 100%

Women on executive committees 28%

Some of these performance indicators were developed by Sycamore AM (Societal Contribution of products and services, The Good Jobs Rating), while others are raw indicators from external sources and companies' annual reports (growth in staff, women on the executive committee, human rights policy, etc.). The NEC was co-developed by Sycamore AM and is currently developed by the NEC Initiative.

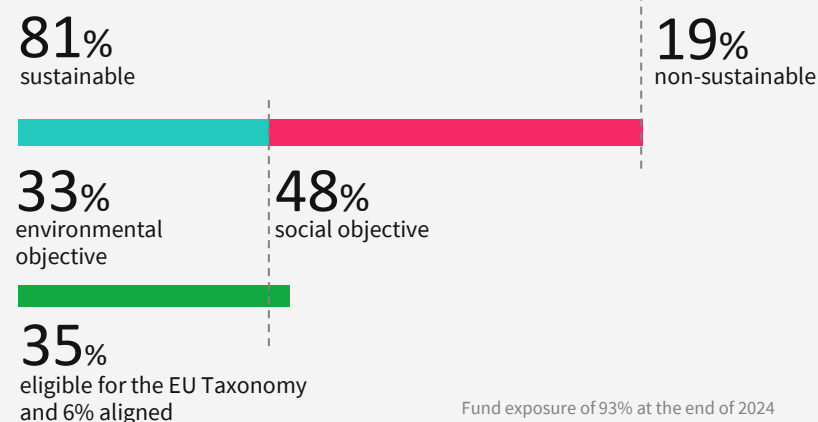
*Growth rate over the past three financial years.
For more information on reporting methodologies and data sources, see our [reporting protocol](#).

2.1 Sustainable investments

At the end of 2024, the share of the Sycamore Sélection Responsable fund in **sustainable investments**⁷ was **81%**, exceeding the minimum share of 70% set in the prospectus. Of these sustainable investments, 33% were in companies making a positive environmental contribution, such as **EDP** and **Iberdrola**, and 49% were in companies making a positive societal contribution, such as **Sanofi** and **Novartis**.

The non-sustainable investments were aligned with the fund's selection criteria described above but did not match the definition of a sustainable investment, either because their current product and service mix did not sufficiently address social and environmental needs or because their ESG practices did not meet the criteria set. This was the case for **Capgemini** and **UniCredit**, for example.

BREAKDOWN OF SUSTAINABLE INVESTMENTS IN THE FUND AT 31 DECEMBER 2024⁸



⁷ For more information on our definition of a sustainable investment, see our [ESG Integration Policy](#). Sustainable investments are counted as contributing to only one sustainable objective. Their percentage in funds and indices is calculated in the following order of priority: investments with a positive contribution to the NEC, societal contribution, the Good Jobs Rating, and the Happy@Work rating. Double counting is therefore avoided by giving priority to sustainable investments with an environmental objective. ⁸ For more information on our response to SFDR reporting obligations, see the [appendix](#) to the relevant fund management report.

2.2 SPICE performance

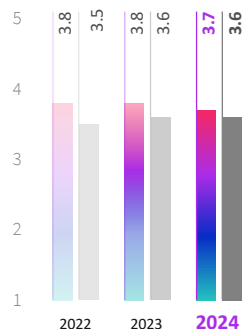
“The value created by a company is **sustainable** only if it is **shared among all of its stakeholders**: this belief guides our responsible investment approach.”

Because we seek sustainable performance for our clients, our fund manager-analysts examine not only a company's finances but also how the company interacts with all its stakeholders, to evaluate the robustness of its business model and governance, as well as its environmental and social impacts. Our **proprietary fundamental analysis model**, called SPICE⁹, enables us to measure the sustainability performance of our investments.

At the end of 2024, the weighted SPICE rating of investments held in the Sycomore Sélection Responsable fund was **3.7/5**, slightly lower than the **2023 rating (3.8)** and **higher than that of the EuroStoxx TR index (3.6/5)**. This performance is mainly attributable to the reduced weight in the portfolio of high-scoring companies such as Air Liquide and KPN, and the addition to the fund of holdings with below-average SPICE ratings, such as Assa Abloy and UniCredit. The top-rated companies in the portfolio are Legrand, ASML, Hermès and L'Oréal.

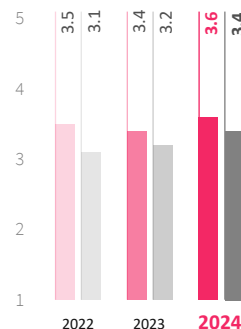
CHANGES IN THE FUND'S SPICE RATINGS COMPARED TO ITS INDEX

SPICE



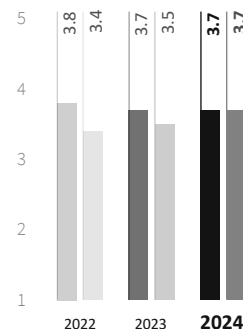
SOCIETY

Societal Contribution of products and services, job creation, corporate citizenship, human rights, control of subcontracting chains



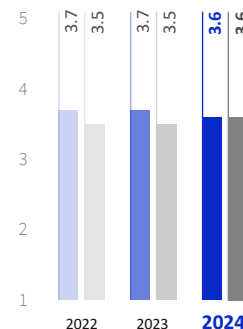
PEOPLE

Efforts to cultivate employee fulfilment and a workplace that promotes talent development, measurements of engagement, diversity and equity



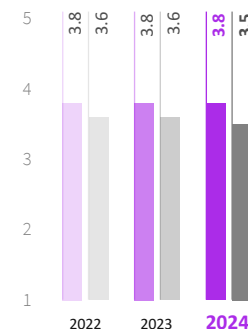
INVESTORS

Robust business model, ability to create value from the opportunities presented by a more sustainable and inclusive economy, good governance, alignment of all stakeholder interests



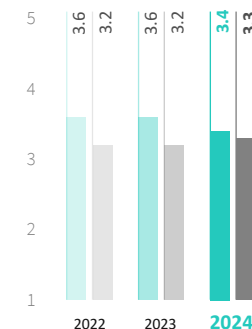
CLIENTS

Relevant, coherent sales strategy, inherent risks in products and services, digital responsibility



ENVIRONMENT

Integration of environmental issues in strategy, direct and indirect environmental impacts, transition risks, physical risks



 Sycomore Sélection Responsable  EuroStoxx Total Return

2024 coverage ratio (weight in the fund): 100% / 2024 coverage ratio (weight in the index): 99%

⁹The SPICE rating is the weighted sum of the underlying S, P, I, C and E ratings with the following default weighting: 15%*S + 15%*P + 40%*I (with 50% of the I rating for the business model and 50% for Governance) + 10%*C + 20%*E. This weighting varies according to the company's business sector.

2.3

Exposure to Sustainable Development Goals

In this section, we show the exposure of portfolio companies to the **17 Sustainable Development Goals** adopted by the United Nations in 2015 and, more specifically, to the **169 underlying targets**. By exposure, we mean the opportunity for each company to **contribute positively to the SDGs** through its products and services¹⁰.

Our analysis is based on a list of activities:

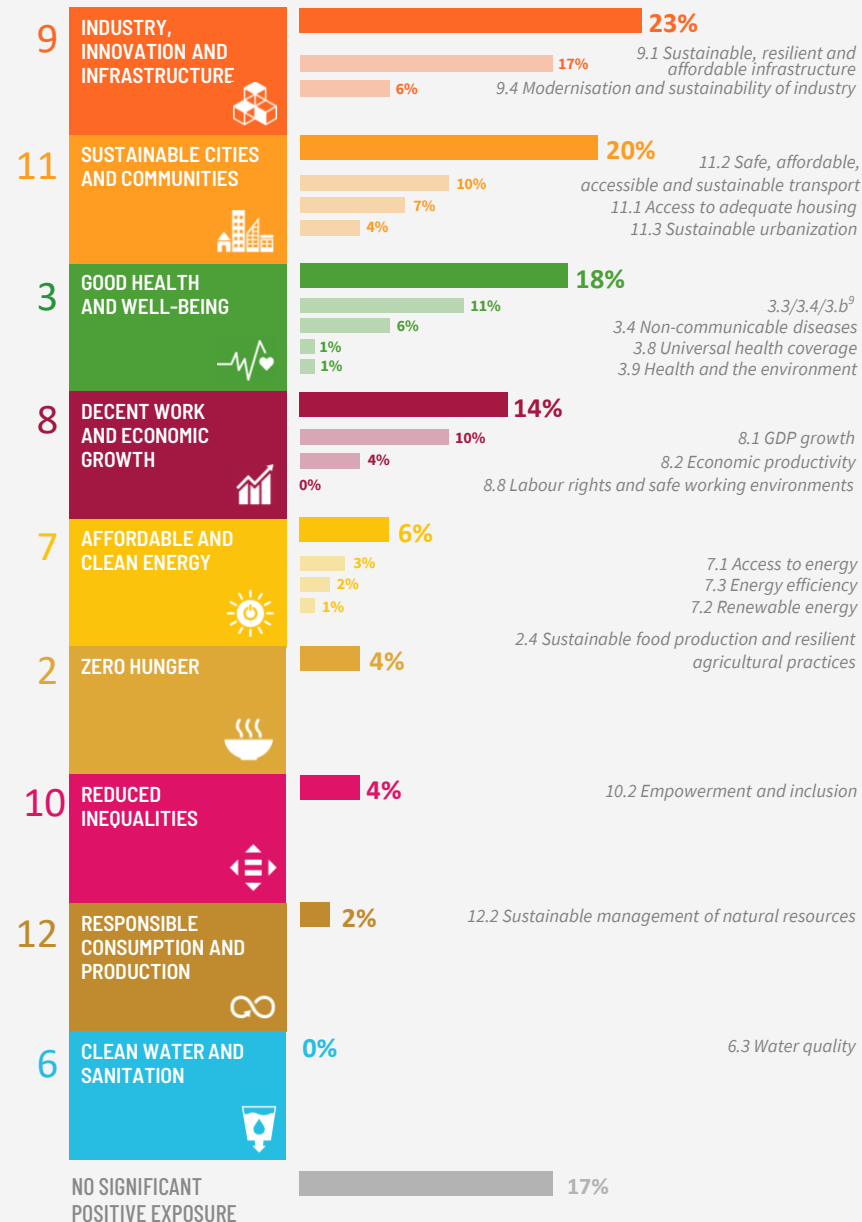


For each activity, we identified **one to three targets the company is most likely to contribute towards positively**, notwithstanding the fact that it may contribute simultaneously to other SDGs or targets. **Each company is then analysed based on the activities it conducts**. Therefore, a company that operates different businesses can be exposed to several targets, in which case the exposure is weight-adjusted according to the percentage of revenue generated by each activity.

We also sought to **differentiate between companies based on their potential contribution**, by looking at how their current portfolio of products and services is effectively positioned. Put simply, the more the products, services and beneficiaries are aligned with those targeted by the SDG, the higher the degree of alignment: high, moderate or low. This analysis is qualitative and draws from information at our disposal, partly thanks to the data we collect when assessing the net societal and environmental contributions (SC and NEC). We have also identified activities, which according to our analysis have no significant positive exposure to the SDGs.

Finally, companies can also **contribute to the SDGs through their own corporate practices and the way in which they run their business**. This factor is not taken into account at this stage, as we focus on the exposure of their products and services to the SDGs.

¹⁰ This undertaking is not designed to measure the effective contribution of companies to the SDGs – these are assessed by our net environmental contribution (NEC) and societal contribution (SC) metrics.



¹¹ Communicable diseases / Non-communicable diseases / Research, development and access to medicines

2.4

Sustainability indicators

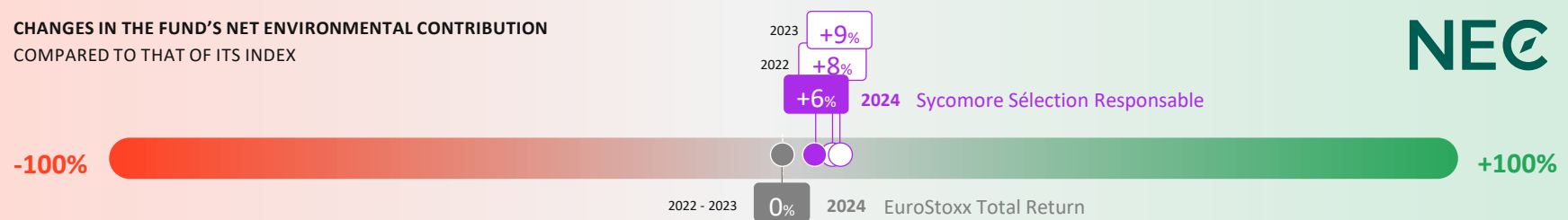
Environment

Net Environmental Contribution

We assess our investments' contribution to the ecological transition using the Net Environmental Contribution (NEC). **The NEC measures how a company's products and services help drive the ecological transition.** It ranges on a scale from **-100%** for activities that are highly destructive of natural capital to **+100%** for activities with a highly positive net environmental impact. In the middle of the scale, **0%** represents the average environmental impact of the world economy¹².

At the end of 2024, the NEC of the Sycomore Sélection Responsable fund stood at **+6%**¹³ compared to 0% for the benchmark index. The fund has therefore achieved its target of outperforming the index. The NEC decreased slightly from 2023 (+9% at the end of 2023), mainly due to investment in companies with neutral NECs, such as Assa Abloy, Allianz and Hermès.

CHANGES IN THE FUND'S NET ENVIRONMENTAL CONTRIBUTION COMPARED TO THAT OF ITS INDEX



2024 coverage ratio (weight in the fund): 100% / 2024 coverage ratio (weight in the index): 98%

Negative environmental contribution

The environmental contribution of **Michelin (NEC -18%)** is negative, despite its “green tyre” products, because a large share of its revenue comes from replacing the tyres on existing fleets of vehicles with negative NECs. The contribution of **Hermès (NEC -15%)** is also negative, mainly due to the negative environmental impact of leather and textile processing.



Average environmental contribution

Companies in industries that are less exposed to the ecological transition, such as healthcare for **Sanofi (NEC 0%)** and cosmetics for **L'Oréal (NEC 0%)**, are considered to have an environmental contribution of 0% (representing the average for the economy), as their activities do not have material environmental impacts.



Very high environmental contribution

EDP (NEC +76%) produces and distributes electricity and is a key driver of the energy transition. **Iberdrola (NEC +35%)** produces, distributes and markets gas and electricity. Both are highly exposed to renewables and therefore make very strong environmental contributions.



¹² For more information on the Net Environmental Contribution and underlying methodologies, please visit the [NEC Initiative](#) website. ¹³ NEC 1.1 calculated by Sycomore AM based on company-sourced data from 2023 and 2024.

2.4

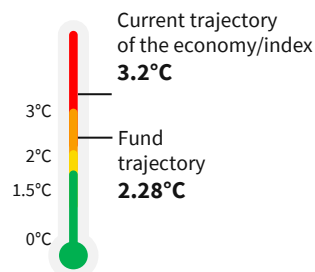
Sustainability indicators

In addition to the Net Environmental Contribution, we measure our investments' alignment with international goals set by the **Paris Agreement** to limit global warming, using two **exclusively climate-based methods**:

Science-Based 2°C Alignment (SB2A)

SB2A is a method developed by I Care and Iceberg Data Lab to measure a company's **alignment with low-carbon benchmark scenarios**, based on its past (since 2010) and future climate performance and on how this performance compares to **decarbonisation pathways** within its industry.

The Sectoral Decarbonization Approach (SDA) allocates a **carbon budget to each sector**, based on 2°C scenarios for the sector established by the International Energy Agency (IEA) – namely, the 2°C Scenario (2DS) and the 1.75°C Scenario (Beyond 2°C or B2DS)¹⁴. SB2A can therefore take into account **all sectors, while differentiating between companies**. The method then converts the company's performance gap – compared to what it should be in a low-carbon scenario – into an “implied temperature rise”. A weighted average of 2100 temperature forecasts for each company, according to weight in the portfolio, is then calculated to generate a temperature pathway for the entire fund.

TEMPERATURE-RISE
TRAJECTORIES
TO 2100

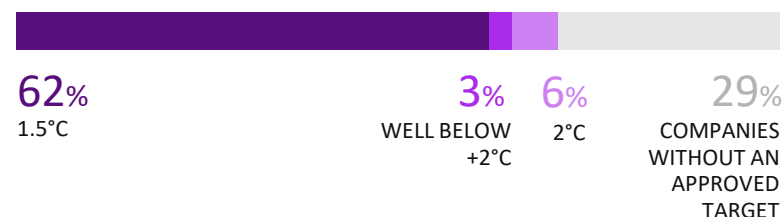
At the end of 2024, the SB2A method covered 98% of the net assets of Sycomore Sélection Responsable. According to the method, the net assets would result in an average temperature increase of **2.28°C** by 2100. Twenty-eight percent of the net assets would have an implied temperature rise of $\leq 1.5^\circ\text{C}$, while 18% would have an implied temperature rise of between $+1.5^\circ\text{C}$ and $+2^\circ\text{C}$, and 54% would have an implied temperature rise of more than $+2^\circ\text{C}$.

Science Based Targets initiative (SBTi)

The Science Based Targets initiative (SBTi) was created in 2015 by the CDP, the United Nations Global Compact (UNGC), the World Resources Institute (WRI) and the World Wildlife Fund (WWF). It encourages companies to set **greenhouse gas (GHG) emission reduction targets** that are based on scientific data and **align with a 1.5°C pathway** that would enable the global economy to halve emissions by 2030 and reach net zero by 2050, in accordance with the recommendations of the Intergovernmental Panel on Climate Change (IPCC) and the Paris Agreement.

At the end of 2024, companies whose GHG emission reduction targets were approved by the Science Based Targets initiative accounted for **71% of net assets held**. Based on the SBTi methodology, **62%** of net assets held were aligned with a **1.5°C trajectory** and **3%** with a trajectory “**well below 2°C**” (versus 15% at the end of 2023). Companies having initiated but not completed an SBTi target-setting process or for which the outcome was still pending accounted for **9%** of net assets held. The share of companies with an approved SBTi target in the Sycomore Sélection Responsable fund was **above the average of Sycomore AM's assets under management (48%)**.

SHARE OF PORTFOLIO COMPANIES HAVING SET AN SBTi TARGET



¹⁴For more information, see the Energy Technology Perspectives 2017 (ETP 2017) report, which presents three pathways for energy sector development to 2060 and lays the groundwork to achieve the two scenarios mentioned above.

2.4

Sustainability indicators

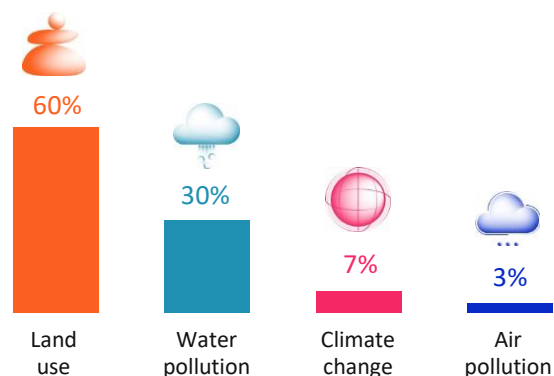
Biodiversity footprint

The Corporate Biodiversity Footprint (CBF) metric was developed by the Iceberg Data Lab to measure a company's impacts on biodiversity, based on their main underlying sources. The metric **covers impacts throughout the value chain** (Scopes 1, 2 and 3). The measurements are aggregated into a footprint expressed in a unit of surface area, the m².MSA (Mean Species Abundance). One m².MSA represents one square metre of natural land lost due to the company's business activity in year Y. The complete [methodology](#) is available online.

At the end of 2023, the coverage ratio of companies in Sycomore Sélection Responsable was **100%**, **versus 98%** for its benchmark, and **82%** for all Sycomore AM investments. **The fund's biodiversity footprint stood at -24 m².MSA per thousand euros invested**, outperforming its benchmark (-48 m².MSA per thousand euros invested).

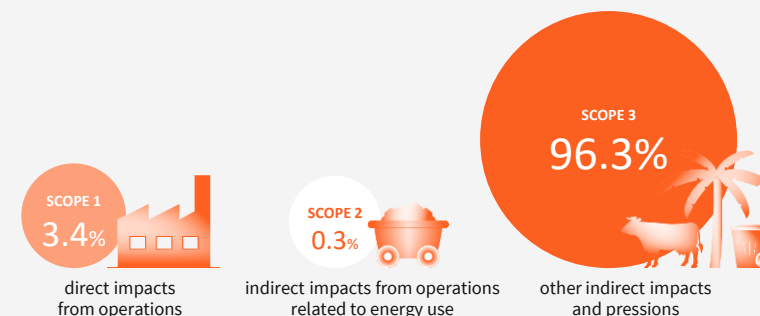
This footprint reflects the impacts of four main pressures on biodiversity **generated by activities in a company's value chain**: **land use**, **greenhouse gas emissions**, **air pollution** and **water pollution**.

BREAKDOWN OF THE FUND'S BIODIVERSITY FOOTPRINT



The biodiversity footprint makes it possible to identify the sources of these impacts and where they occur in the company's value chain. On average, the impacts of the portfolio companies covered are distributed as follows:

BREAKDOWN OF THE BIODIVERSITY FOOTPRINT BY SCOPE



Like its carbon footprint, the fund's biodiversity footprint **mainly reflects its sectoral allocation**. For Sycomore Sélection Responsable, the biggest-contributing sectors are **healthcare**, with **Sanofi**, **Novartis** and **Novo Nordisk** and banking, with **Banco Santander**, **Société Générale** and **UniCredit**. Luxury goods and cosmetics is also a significant contributor, with the large biodiversity footprints of **LVMH**, **Hermès** and **DSM Firmenich**, for example.

In light of the changes to the methodology (in which we are stakeholders, as a member of the CBF's steering committee), we communicate the Corporate Biodiversity Footprint strictly for information purposes, as part of our continuous efforts to explore different methods for modelling our portfolio's biodiversity impact.

2.4

Sustainability indicators

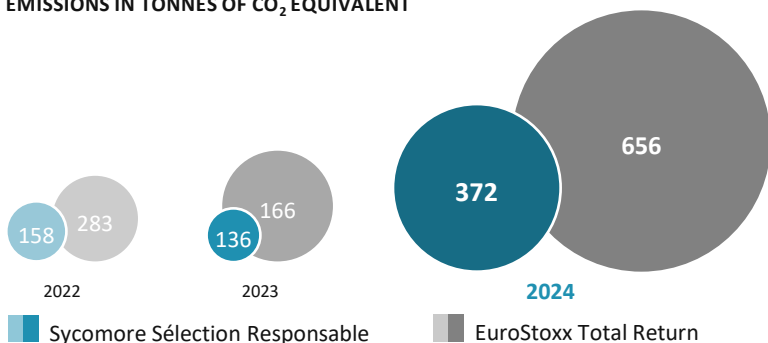
Carbon footprint

Since 2015, it has been our choice to publish the carbon footprint of our funds, exclusively for information purposes. This indicator does not directly influence our investment decisions. While being aware of a company's carbon footprint helps to measure and prioritise its reduction efforts, **the use of an aggregate carbon footprint has many limitations**, as explained in our [Natural Capital Strategy](#).

At the end of 2024, the weighted average carbon footprint of Sycomore Sélection Responsable was **372 tonnes of CO₂ equivalent per million euros of enterprise value (EVIC)**, compared to **656 tCO₂e** per million euros of enterprise value for its benchmark index. Data for 2024 cannot be compared to 2023, due to a change in methodology¹⁵. The biggest contributors to this footprint were **Siemens** and **E.ON**. In contrast, due to the low carbon intensity of their operations, **Hermès** and **Allianz** had very small carbon footprints.

As of January 2025, the fund aims to maintain its Scope 1, 2 and 3 (upstream and downstream) carbon intensity below that of the benchmark. At the end of 2024, carbon intensity came to 863 tCO₂e/€M compared with 955 tCO₂e/€M for the benchmark.

EMISSIONS IN TONNES OF CO₂ EQUIVALENT



¹⁵2022 and 2023 source: Trucost/S&P Global covering GHG Protocol Scopes 1, 2 and upstream 3.

2024 source: source changed to MSCI and downstream Scope 3 added.

2024 coverage ratio (weight in the fund): 100% / 2023 coverage ratio (weight in the index): 99%

Exposure to fossil fuels

The share of the Sycomore Sélection Responsable fund's assets in companies active in the fossil fuel industry, within the meaning of the SFDR, was **0% at the end of 2024** (1% at the end of 2023).

Governance

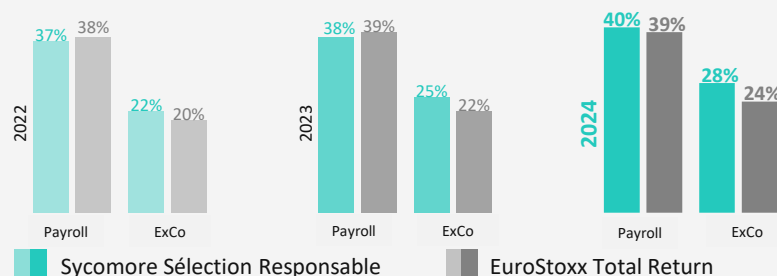
Gender equality

Diversity is a **key success factor of corporate governance** and decision-making. McKinsey Global Institute found that if each company achieved the level of gender equality of the most advanced country in its region, this would add **\$12 trillion** to global GDP by 2025¹⁶. We therefore chose to consider the percentage of women on the executive committee and in the total headcount as an indicator of a company's ability to promote diversity and equal opportunity.

In 2024, the percentage of women on the executive committee at companies held by Sycomore Sélection Responsable came to **28%**, **higher than that of the EuroStoxx TR** (24%), while the percentage of women out of total staff stood at **40%**, **above the benchmark index** (39%).

Women make up more than 40% of the management board at some companies, such as **Société Générale**, **Siemens Healthineers**, **DSM**, **Allianz** and **Air Liquide**. Other companies show significant gaps between the percentage of women on the payroll and the percentage of women on the executive committee, such as **Amplifon** (73% women in the total headcount versus 7% on the executive committee). We have been engaging with companies featured in our investment universe for several years now, in particular through our membership in the 30% Club, to promote best practices in gender equality and support for female talent at all company levels.

WOMEN ON THE PAYROLL AND ON THE EXECUTIVE COMMITTEE (ExCo)



2024 coverage ratio (weight in the fund): 99% for the executive committee and 100% for the payroll

2024 coverage ratio (weight in the index): 96% for the executive committee and 100% for the payroll

¹⁶McKinsey Global Institute, "The Power of Parity: how advancing women's equality can add \$12 trillion to global growth", 2015.

2.4

Sustainability indicators

Social

Societal Contribution of products and services

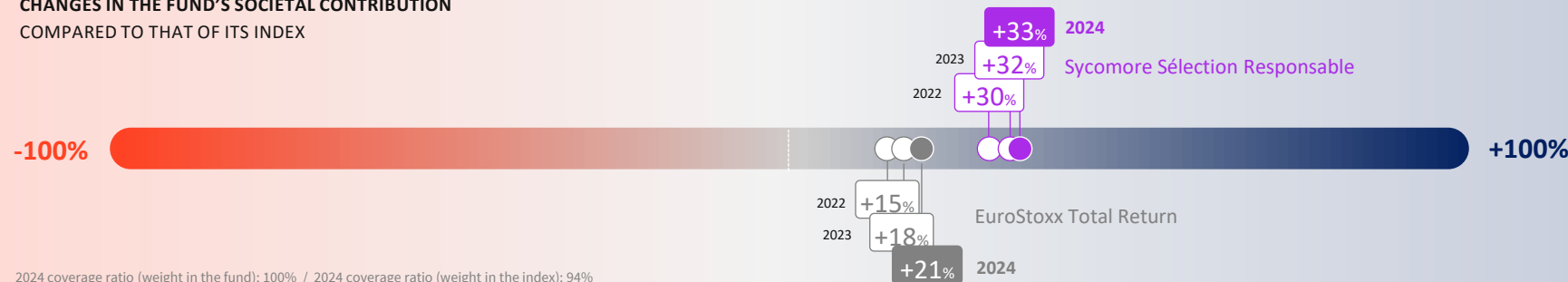
We measure our investments' impact on major societal issues using the Societal Contribution (SC). The SC is a **quantitative metric**, assessed on a scale of **-100%** to **+100%**, that aggregates the positive and negative contributions of a company's activities and weights these contributions relative to revenue. It focuses on **two indicators**:

- Products and services **for vulnerable populations**
- Products and services that **help to improve quality of life, safety and well-being**.

The SC is evaluated using sector frameworks defined by our SRI analysts, mainly drawing on the social issues covered by the UN's Sustainable Development Goals¹⁷.

At the end of 2024, the Societal Contribution of products and services for portfolio companies stood at **+33%** compared with **+21%** for the fund's benchmark index and had progressed from 2023 (+32%). **The fund has therefore met its target of outperforming the benchmark.** The change from 2023 is mainly due to the new investment in **Novartis** (SC +71%), **Amplifon** (SC +52%), and **Assa Abloy** (SC +45%).

CHANGES IN THE FUND'S SOCIETAL CONTRIBUTION COMPARED TO THAT OF ITS INDEX



Negative societal contribution

LVMH (SC -3%) has a negative societal contribution due to its operations involving wine and spirits, which adversely impact health.

LVMH

Moderate societal contribution

Michelin (SC +17%), helps to fulfil the basic societal need of mobility, while **Société Générale (SC +15%)** makes a positive societal contribution through the retail banking services it provides.



Highly positive societal contribution

Pharmaceutical companies, such as **Sanofi (SC +84%)** and **Novartis (SC +71%)**, and companies related to the construction industry, such as **Assa Abloy (SC +45%)**, directly contribute to the Improved Quality of Life pillar and have a very high societal contribution.



¹⁷ For more information on the methodology, see our [Social Charter](#).

2.4

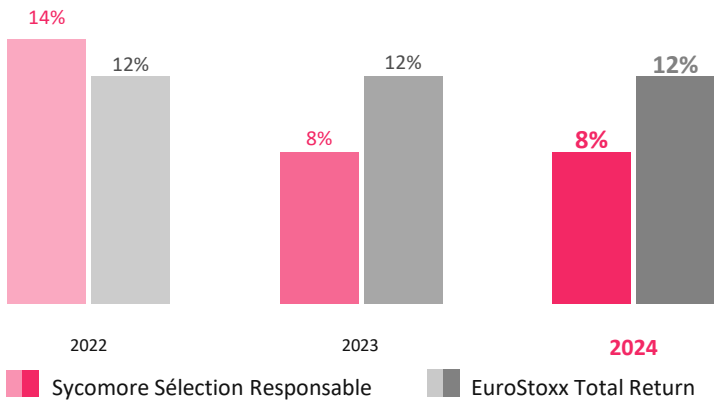
Sustainability indicators

Growth in staff

We assess a company's ability to create jobs based on the positive or negative change in total staff numbers over the past three financial years. The indicator shown below includes changes in staff numbers following acquisitions and disposals.

In 2024, the growth in staff numbers at portfolio companies (8% over three years for the fund versus 12% for the benchmark) was diminished by the structural effects experienced at companies such as Renault (5.9% of the fund) and Danone (2.4% of the fund) following their exit from operations in Russia, and Novartis (1.4% of the fund), following the Sandoz spin-off in 2023. They obscure the strong momentum enjoyed by some of the companies in which we invest, in particular, Novo Nordisk (up 53%) and Hermès (up 33%). In contrast, other companies showed less vigorous or even negative growth in staff, including UniCredit and Sanofi.

CHANGES IN STAFF NUMBERS OVER THREE YEARS



2024 coverage ratio (weight in the fund): 100% / 2024 coverage ratio (weight in the index): 99%

Human rights policies

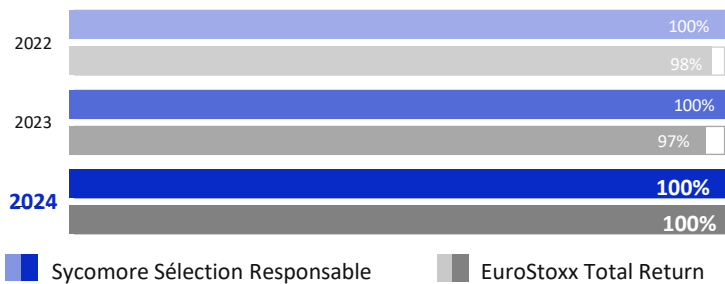
Human rights encompass the rights of employees and, more broadly, those of local communities and members of civil society affected by a company's operations or activities. Sycomore AM has implemented a dedicated human rights policy since 2020.

In line with the United Nations Guiding Principles (UNGPs), we assess a company's respect for human rights by considering, in addition to the existence of a human rights policy, its human rights due diligence processes, the salient risks, and its grievance mechanisms and remedy framework.

Since there is no holistic indicator covering all these aspects, we have selected an indicator provided by Bloomberg, which identifies companies that communicate on the implementation of a human rights policy.

In 2024, the percentage of portfolio companies with a formal human rights policy was 100%, as in 2023, and therefore in line with the benchmark (100%). In 2022, through the French Sustainable Investment Forum (FIR), we helped to build a set of criteria for use in quickly analysing a company's exposure to forced labour and child labour. We continued this work in 2023 and 2024, with an engagement phase involving multiple companies. A report on the first year of this collaborative initiative was published in French.

PERCENTAGE OF COMPANIES WITH A HUMAN RIGHTS POLICY



2024 coverage ratio (weight in the fund): 100% / 2024 coverage ratio (weight in the index): 99%

03 Engagement and voting

Shareholder engagement is about driving companies to make **structural improvements to their sustainability practices**, by articulating areas for improvement through constructive dialogue and long-term monitoring.

This is a key feature of putting our mission into action and, above all, achieving our **overarching goal of measuring and increasing the social and environmental contributions of our investments**.

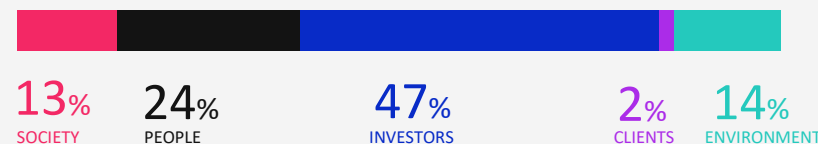
“ We invest to develop an economy that is more sustainable and more inclusive and to generate positive impacts for each of our stakeholders. **Our mission is to give a human dimension to investment.**”

Details on our shareholder engagement are provided in our [ESG Integration Policy](#). It is based on individual dialogue with company executives throughout the year, or with the board of directors ahead of shareholder meetings, as well as collaborative initiatives. For more information on the coalitions in which Sycomore AM is a member, see Sycomore AM's [Sustainability and Shareholder Engagement Report](#).

Once we formally set the areas of engagement, **we monitor company progress** and can employ escalation tools to **increase our chances of successful action**.

3.1 Our engagement initiatives

In 2024, we formally engaged with **21 portfolio companies** (26 in 2023), having identified **92 areas for improvement** during the year (88 in 2023). Close to **76% of these initiatives** involved **individual dialogue**, while the **remaining 24%** were part of **collaborative initiatives**. Nearly one-half of the areas discussed with companies involved transparency, about 35% pertained to strategy, and the remainder concerned non-financial performance.



Out of the shareholder engagement initiatives taken in 2024, **47%** directly concerned **corporate governance** (pillar I of the [SPICE](#) analysis). The main issues raised included **executive compensation**, especially the transparency of compensation reports and the alignment of compensation criteria with the interests of all stakeholders, and the structure, procedures and practices of the board of directors.

Twenty-two initiatives, accounting for **24% of our actions**, concerned **human capital management** within portfolio companies. Most of the dialogue aimed to improve gender equality at all levels of the organisation, including our membership in the 30% Club, which promotes at least 30% female representation on executive committees at SBF 120 companies.

Thirteen initiatives, accounting for **14% of our actions**, concerned **environmental issues**, especially companies' **climate strategies and alignment with Paris Agreement targets**. We approached individual companies directly and also took part in collaborative initiatives.

The list of companies in the Sycomore Sélection Responsable portfolio with which we engaged in dialogue in 2024 is available in the [appendix](#).

3.1

Our engagement initiatives

Risk management and engagement

In the course of our dialogue initiated to discuss **controversies**, we communicated **areas for improvement** to several companies: to **Sanofi**, the monitoring of psychosocial risks in the context of its staff reductions in recent years; to **Novo Nordisk**, its communications to the general public about its anti-obesity drugs; and to **SAP**, following the announcement of a restructuring, the publication of human capital indicators (especially internal mobility and employee attrition, by geographical area and job position, and the impact of restructuring on employee engagement. After a fatal accident in Gabon in 2024, we encouraged **Spie** to improve the collection and reporting of accident data, in particular accidents involving employee or subcontractor fatalities. We also encouraged **Renault** to increase its resources dedicated to internal audits of suppliers, following the controversy over the Bou Azzer mine in Morocco, operated by Managem, with whom the group signed a supplier agreement ([more information on page 20](#)).

This dialogue generally provided reassurance regarding the measures being taken to reduce the risks brought to light by these controversies. It was also an opportunity to **delve more deeply into material ESG issues** for these companies and to encourage them to be **more transparent** about the steps they are taking to limit the negative impacts associated with these risks.

Progress monitoring

39

engagement
initiatives assessed
in 2024

38%

improvements observed
following the 82 initiatives

52%

of engagement initiatives
still in progress

We also monitored the advancement of **20 portfolio companies** on **39 areas for improvement** submitted in 2022. On 38% of these points, we **noted partial progress or achievement** of the target. At Air Liquide, women now hold 31% of the seats on the executive committee. **ASML** has incorporated ESG criteria that are relevant to its operations and areas of concern. For example, it tracks indicators measuring the energy intensity of the company's products and the level of employee engagement.

OUR ENGAGEMENT WITH **MICHELIN**

At the end of 2024, Michelin announced that it would close two sites in France (Cholet and Vannes), impacting more than 1,200 employees.

In the past, the company has demonstrated that it can **manage reorganisations responsibly and communicate about them transparently**.

This again proved true with the way it conducted constructive discussions with union representatives that improved on the proposed plans and defined considerable support measures: internal mobility with careful examination of impacts on the employee and their family; programmes to facilitate the transition into retirement and employment outside the company; support in career development, training plans and reclassification leave of up to two years covering most of the employee's net pay to encourage a change in career path; and a severance package beyond regulatory requirements.

It is also important to note that the company always works with **local companies**, with a commitment to recreate at least the same number of jobs in the region. In this regard, Michelin Développement takes both **preventive and corrective action**.



3.1

Our engagement initiatives

OUR ENGAGEMENT WITH



We continued our engagement with SAP, which began in 2023 and remained active through the various layoffs that have been announced to adapt the company's strategy to its new competitive environment, featuring migrations to the cloud, sustainability-related products and services, and AI.

We understand that this reorganisation is being carried out in a **long-term perspective** and encourage the company to support this shift by **conducting skills assessments and providing training to employees and fully communicating** on these.

We are pleased to note the transparency surrounding the types of employee terminations, of which about two-thirds result from voluntary departures and early retirement packages. We consider that SAP can improve on this transparency by publishing the number of employees that have found employment elsewhere in the company.

In 2024, we identified other topics of engagement with SAP: **the deterioration of employee satisfaction and successive leadership changes**. Given these identified risks, we adjusted our portfolio's exposure to SAP during the year. In 2025, we will continue to engage with the company on human rights and governance issues.

OUR ENGAGEMENT WITH



We continued to engage with Sanofi in 2024.

We paid close attention to **changes to staff growth**. We were pleased to note the support provided to employees impacted by changes to the group's manufacturing organisation and scope. We also applaud Sanofi's commitment to protect jobs at Opella in France, the consumer healthcare business in which the group sold a 51% stake. At the end of 2024, Opella's 10,400 employees made up 12% of the group's total workforce.

We had several discussions with the group about the **controversy surrounding Depakine** (sodium valproate), a drug used in the treatment of epilepsy and as a mood stabiliser for bipolar disorders. This medicine has been on the market since the late 1960s and is highly effective, but it must not be used by women during pregnancy, due to a risk of severe foetal malformations and neurodevelopmental disorders for children exposed in utero. This contraindication gradually became known with the advancement of scientific knowledge over time.

Sanofi has stated that it communicated about the **risk of congenital malformations** as of the early 1980s. It alerted the health authorities on several occasions starting in the early 2000s and requested that the drug's information documents be updated.

At 31 December 2024, civil suits had been brought against Sanofi France by 79 families, representing 133 people exposed to the drug in utero, for failure to inform in the patient information leaflet. Forty cases are pending. A few proceedings are also ongoing in Switzerland, Spain, Belgium, Ireland and the United Kingdom.

We also continued to monitor the **controversy surrounding Zantac**. Sanofi sold a generic version of this drug in the United States from 2017 to 2019. Legal action has been taken by many claimants who accuse Zantac of causing or contributing to the development of certain cancers, despite no evidence being found by the FDA or the EMA. Some of these cases have been settled out of court. At 31 December 2024, approximately 29,000 claims were still active.

In 2025, we will continue to closely follow active litigation in the Depakine affair. As for the Zantac controversy, it is likely that the claims will be resolved by the end of the year.

We commend the group's communications policy regarding controversies. Sanofi provides news on these topics on its website and regularly dialogues with investors.

In 2025, we will remain attentive to the **group's strategy for its manufacturing assets**, particularly in the context of the potential tariffs applied by the United States. The US market generates half of Sanofi's business. We will continue to dialogue with the group on its sourcing of active ingredients and the potential implications for its value chain.

3.1

Our engagement initiatives



OUR ENGAGEMENT WITH RENAULT

Renault is a high-conviction holding in our fund. We discussed issues extensively with the management throughout the year, covering the following topics:

Remuneration policy of Luca de Meo presented at the 2024 Annual General Meeting

We applaud the **rich and open dialogue** that we had with the group, in particular with the Chairman of the Board of Directors about changes in the Chief Executive Officer's remuneration policy and about the exceptional share-based payment that will award him with shares in 2028 for his second term (from 2024 to 2028).

Although the remuneration policy submitted at the 2024 Annual General Meeting exceeds the limits of our voting policy, we deemed the exception was justified. We **voted in favour of the proposed remuneration policy for the CEO** in light of:

- **information presented by Jean-Dominique Sénard**, in particular the benchmarking against a selection of companies (total compensation at the bottom of the second quartile)
- the recent and expected **financial performance** as a result of the recovery plan implemented by M. de Meo (under which the breakeven point was lowered by 50% between 2019 and 2022, net positive cash position in 2022, growth in 2023 operating income of more than 13%, 7.9% operating margin versus initial forecast of over 6%) and resumed dividend payments in 2023)
- and our **commitment as a shareholder to support the CEO** and the continued deployment of the Group's strategy.

The Managem cobalt mine controversy in Morocco

In its efforts to build a more sustainable battery supply chain, **Renault signed an agreement with Managem** in Morocco in 2022 to supply low-carbon cobalt from the Bou Azzer mine. Under the contract, operations were scheduled to start in 2025.

At the end of 2023, several media outlets reported arsenic pollution at the site and that water resources were being diverted away from the local populations to operate the mine.

We spoke with Renault to find out the due diligence implemented in the selection process of Managem as the cobalt supplier. Managem met a number of criteria, including an Ecovadis rating of 63, above the group's minimum requirement of rating of 48. In addition, Managem was part of the Initiative for Responsible Mining Assurance (IRMA), one of the few certification programmes in the mining industry, covering both environmental and social performance. The Bou Azzer mine was also ISO certified.

Managem had an external audit carried out in the summer of 2024 and a corrective action plan was introduced.

Renault launched a due diligence process that includes an on-site audit by an independent third party and takes into account the actions already implemented by Managem. The process will be complete before the industrial production of cobalt sulphate begins. If any instances of non-compliance are identified, additional corrective and mitigation action will be taken. We will be carefully watching how the situation plays out.

The group's environmental policy

Renault aims to **achieve carbon neutrality in Europe by 2040 and worldwide by 2050**, through the electrification of vehicles, development of shared mobility, deployment of hybrid technologies across all its brands, improved battery performance and a strengthened circular economy.

We have begun talking to the Group about its emissions reduction targets, especially for Scope 3, which accounts for 99% of its emissions. Renault is aiming for a 27.5% reduction by 2030 from a 2019 base. The absolute value of the 2030 target is expected to be published in 2025.

In 2025, we are continuing our dialogue with the company. The points we have raised include the CEO's remuneration policy, the group's strategy for the location of its production sites, and its emissions reduction targets.

We have also noted that the SBTi standard for automakers is still pending. Once released, it will enable Renault to renew the validation of its Scope 3 targets.

3.2

Our voting at shareholder meetings

In order to actively support shareholder democracy, we systematically vote at the shareholder meetings of our portfolio companies. In 2024, **we voted at 95% of the shareholder meetings for portfolio companies** (100% of shareholder meetings in France and 92% outside France):

41 shareholder meetings with voting rights

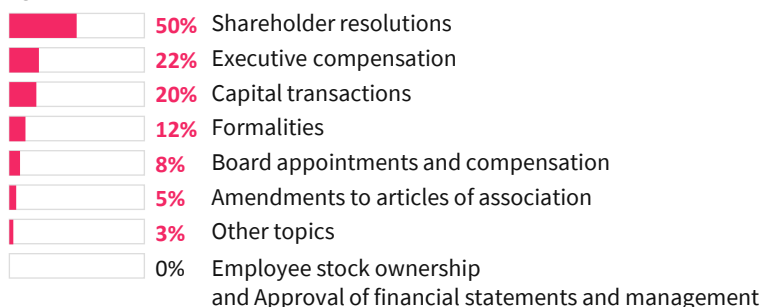
735 resolutions

72% of shareholder meetings with at least one vote against

12% votes against

Share of votes against

Topics



The average opposition rate was **11.8%**. As shown in the graph, the highest rates of opposition were met with by shareholder resolutions (50% of votes against) and executive compensation (22%).



Most of the **shareholder resolutions** on which we voted in 2024 were related to nominating candidates for election as directors. The percentage of votes against can be explained by the fact that shareholders can only support one list of nominees. If a vote is cast in favour of the list of nominees submitted by the board of directors, then a negative vote must be cast against any list proposed by the shareholders. This explains our voting at the **Axa** shareholder meeting, where we supported the nominees put forward by the board of directors.



Regarding **capital transactions**, we defended minority interests when voting on authorisations submitted for shareholder approval.



Regarding **executive compensation**, we were careful to check that it was aligned with the interests of all stakeholders, especially by incorporating ESG criteria. We also checked that compensation was reasonable and that compensation policies and reports were transparent.



Four resolutions covered **sustainability issues**, including **one Say on Climate initiative**:

- Sycomore AM voted in favour of the Say on Climate proposed by EDP (Energias de Portugal), which aligned with our expectations in terms of ambitious goals, a robust strategy, the allocation of resources, and results.
- We also supported the resolution proposed by Compass to authorise donations to political parties, in order to ensure compliance with United Kingdom company law.
- We voted in favour of the social responsibility reports of Iberdrola and Banco Santander.

04 Appendices

PORTFOLIO INVENTORY OF SYCOMORE SÉLECTION RESPONSABLE AT 31 DECEMBER 2024

Issuers invested in at the end of 2024 that were the subject of a commitment during the year represented 45% of the portfolio by weight.

COMPANY	ISIN	WEIGHT IN PORTFOLIO	NEC ¹⁷	CS ¹⁸	SUSTAINABLE INVESTMENT	ENGAGEMENT BY SPICE ¹⁹ PILLAR
ASML HOLDING NV	NL0010273215	6,50%	12%	27%	Environment and Social	Investors, Society & Suppliers
RENAULT SA	FR0000131906	5,89%	15%	34%	Environment and Social	Clients, Environment, Investors
SOCIETE GENERALE SA	FR0000130809	4,74%	6%	15%	Non-sustainable	
ASSA ABLOY AB-B	SE0007100581	3,99%	0%	45%	Social	
SIEMENS AG-REG	DE0007236101	3,97%	15%	43%	Environment and Social	
ALLIANZ SE-REG	DE0008404005	3,58%	-1%	22%	Social	
SANOFI	FR0000120578	3,42%	0%	84%	Social	
VONOVIA SE	DE000A1ML7J1	3,31%	29%	36%	Environment and Social	Environment
AIR LIQUIDE SA	FR0000120073	2,99%	-1%	11%	Social	
HERMES INTERNATIONAL	FR0000052292	2,91%	-15%	0%	Social	Investors, Society & Suppliers
COMPAGNIE DE SAINT GOBAIN	FR0000125007	2,83%	10%	32%	Environment and Social	Environment, Investors, People
BANCO SANTANDER SA	ES0113900J37	2,80%	0%	35%	Non-sustainable	Investors
ESSILORLUXOTTICA	FR0000121667	2,72%	0%	40%	Social	Clients, Environment, Investors
KONINKLIJKE KPN NV	NL0000009082	2,66%	5%	60%	Social	
DEUTSCHE TELEKOM AG-REG	DE0005557508	2,63%	3%	50%	Social	Investors, People
UNICREDIT SPA	IT0005239360	2,62%	0%	6%	Non-sustainable	
LOREAL	FR0000120321	2,54%	0%	8%	Social	Investors, Society & Suppliers
MUENCHENER RUECKVER AG-REG	DE0008430026	2,45%	0%	30%	Social	Investors, People
DANONE	FR0000120644	2,43%	10%	31%	Social	Environment
IBERDROLA SA	ES0144580Y14	2,33%	35%	36%	Environment and Social	
LEGRAND SA	FR0010307819	2,25%	16%	33%	Environment and Social	
INFINEON TECHNOLOGIES AG	DE0006231004	2,14%	17%	32%	Environment and Social	Society & Suppliers
AMPLIFON SPA	IT0004056880	2,03%	0%	52%	Social	
CAPGEMINI SE	FR0000125338	1,95%	1%	21%	Non-sustainable	
MICHELIN (CGDE)	FR001400AJ45	1,64%	-18%	17%	Social	

¹⁸ The NEC, which stands for Net Environmental Contribution, measures on a scale from -100% to +100% the extent to which a company's products and services help drive the ecological transition. ¹⁹ The SC, which stands for Societal Contribution, measures on a scale from -100% to +100% the extent to which a company's products and services help tackle societal issues. ²⁰ SPICE, which stands for Society & Suppliers, People, Investors, Clients and Environment, is a fundamental rating that rates how companies address ESG issues, on a scale of 1 to 5, with 5 being the highest score. For details on the information taken into account in our SPICE fundamental analysis model, see our [ESG Integration Policy](#).

Appendices

COMPANY	ISIN	WEIGHT IN PORTFOLIO	NEC ¹⁷	CS ¹⁸	SUSTAINABLE INVESTMENT	ENGAGEMENT BY SPICE ¹⁹ PILLAR
LVMH MOET HENNESSY LOUIS VUI	FR0000121014	1,61%	-13%	-3%	Social	Environment, Investors, People
BUREAU VERITAS SA	FR0006174348	1,55%	7%	50%	Social	
EDP SA	PTEDP0AM0009	1,52%	76%	43%	Environment and Social	Environment, Investors
E.ON SE	DE000ENAG999	1,46%	25%	25%	Environment	
NOVARTIS AG-REG	CH0012005267	1,40%	1%	71%	Social	Environment, Investors, People, Society & Suppliers
DSM-FIRMENICH AG	CH1216478797	1,39%	-15%	21%	Social	
SIEMENS HEALTHINEERS AG	DE000SHL1006	1,31%	0%	61%	Social	
IMCD NV	NL0010801007	1,18%	-2%	5%	Social	
NOVO NORDISK A/S-B	DK0062498333	1,18%	0%	63%	Social	
BRUNELLO CUCINELLI SPA	IT0004764699	1,13%	-2%	-15%	Social	
SYMRISE AG	DE000SYM9999	0,86%	-9%	19%	Social	
PRYSMIAN SPA	IT0004176001	0,51%	31%	24%	Environment and Social	
AXA SA	FR0000120628	0,50%	2%	45%	Social	Investors, Society & Suppliers
MERCK KGAA	DE0006599905	0,48%	0%	53%	Social	Investors, People

INVENTORY OF COMPANIES HAVING ENTERED AND EXITED THE PORTFOLIO IN 2024

COMPANY	ENGAGEMENT BY SPICE ²⁰ PILLAR
ENGIE	Investors
SAP	Investors, People
SPIE	Investors, People, Society & Suppliers

¹⁸ The NEC, which stands for Net Environmental Contribution, measures on a scale from -100% to +100% the extent to which a company's products and services help drive the ecological transition. ¹⁹ The SC, which stands for Societal Contribution, measures on a scale from -100% to +100% the extent to which a company's products and services help tackle societal issues. ²⁰ SPICE, which stands for Society & Suppliers, People, Investors, Clients and Environment, is a fundamental rating that rates how companies address ESG issues, on a scale of 1 to 5, with 5 being the highest score. For details on the information taken into account in our SPICE fundamental analysis model, see our [ESG Integration Policy](#).



Appendices

PRINCIPAL ADVERSE IMPACT INDICATORS AS DEFINED BY THE SUSTAINABLE FINANCE DISCLOSURES REGULATION (SFDR), AT 31 DECEMBER 2024

Principal adverse impact (PAI) indicators are consolidated at the fund level. Benchmark index data are provided for comparison. These results should be interpreted with caution, due to the varying maturity of the reported or estimated data and the low coverage ratio of some indicators. They are provided for informational purposes to meet the reporting requirements of the SRI label and are not tied to specific performance criteria for the fund.

PAI INDICATOR	UNIT	FUND	INDEX	FUND COVERAGE	INDEX COVERAGE
CARBON EMISSIONS	tCO ₂ e	278,081	491,059	100%	99%
CARBON FOOTPRINT	tCO ₂ e/€M	372	656	100%	99%
CARBON INTENSITY	tCO ₂ e/€M	863	955	100%	99%
EXPOSURE TO FOSSIL FUELS	%	5%	9%	93%	99%
SHARE OF NON-RENEWABLE ENERGY CONS & PROD	%	55%	57%	91%	95%
ENERGY CONSUMPTION INTENSITY PER HIGH IMPACT CLIMATE SECTOR	GWh/€M	35%	38%	93%	99%
ACTIVITIES NEGATIVELY AFFECTING BIODIVERSITY	%	26%	31%	93%	100%
WATER POLLUTION	tonnes/€M	6.62	5.87	24%	3%
HAZARDOUS WASTE PRODUCTION	tonnes/€M	163.66	610.99	93%	99%
VIOLATIONS OF UN GLOBAL COMPACT PRINCIPLES AND OECD GUIDELINES	%	0%	0%	93%	100%
LACK OF PROCESSES AND COMPLIANCE MECHANISMS TO MONITOR COMPLIANCE WITH UN GLOBAL COMPACT PRINCIPLES	%	0%	0%	93%	100%
UNADJUSTED GENDER PAY GAP	%	10%	10%	87%	87%
BOARD GENDER DIVERSITY	%	40%	42%	93%	100%
EXPOSURE TO CONTROVERSIAL WEAPONS	%	0%	4%	93%	100%

Appendices

PRINCIPAL ADVERSE IMPACT INDICATORS AS DEFINED BY THE SUSTAINABLE FINANCE DISCLOSURES REGULATION (SFDR), AT 31 DECEMBER 2024

Principal adverse impact (PAI) indicators are consolidated at the fund level. Benchmark index data are provided for comparison. These results should be interpreted with caution, due to the varying maturity of the reported or estimated data and the low coverage ratio of some indicators. They are provided for informational purposes to meet the reporting requirements of the SRI label and are not tied to specific performance criteria for the fund.

PAI INDICATOR	DEFINITION
CARBON EMISSIONS	Scope 1, 2 and 3 greenhouse gas emissions
CARBON FOOTPRINT	Scope 1, 2 and 3 carbon footprint
CARBON INTENSITY	Scope 1, 2 and 3 carbon intensity
EXPOSURE TO FOSSIL FUELS	Share of investments in companies active in the fossil fuel sector
SHARE OF NON-RENEWABLE ENERGY CONS & PROD	Share of non-renewable energy consumption and non-renewable energy production
ENERGY CONSUMPTION INTENSITY PER HIGH IMPACT CLIMATE SECTOR	Energy consumption in GWh per million EUR of revenue of investee companies
ACTIVITIES NEGATIVELY AFFECTING BIODIVERSITY	Share of investments in companies with activities that can negatively affect biodiversity and that are located in or near biodiversity-sensitive areas
WATER POLLUTION	Tonnes of emissions to water generated by investee companies per million EUR invested
HAZARDOUS WASTE PRODUCTION	Tonnes of hazardous waste generated by investee companies per million EUR invested
VIOLATIONS OF UN GLOBAL COMPACT PRINCIPLES AND OECD GUIDELINES	Share of investments in companies that have violated the UN Global Compact principles or the OECD Guidelines for Multinational Enterprises
LACK OF PROCESSES AND COMPLIANCE MECHANISMS TO MONITOR COMPLIANCE WITH UN GLOBAL COMPACT PRINCIPLES	Share of investments in companies without policies to monitor compliance with the UN Global Compact principles or the OECD Guidelines for Multinational Enterprises or without grievance/complaints handling mechanisms to address violations of these principles
UNADJUSTED GENDER PAY GAP	Average unadjusted gender pay gap of investee companies
BOARD GENDER DIVERSITY	Average percentage of female board members in investee companies
EXPOSURE TO CONTROVERSIAL WEAPONS	Share of investments in companies involved in the manufacture or selling of controversial weapons



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