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.

Product name:
GROUPAMA EURO CREDIT

Legal entity identifier:
969500EEC95PLN12NF27

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective**: N/A ☐ 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**: N/A	☒ 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 60.0% 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

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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

What environmental and/or social characteristics are promoted by this financial product?

The financial product promotes environmental and social characteristics via a management approach that values the sustainability of issuers through an analysis of the environmental, social and governance (ESG) criteria of the securities held in the portfolio. The analysis of these criteria results in an ESG rating from 0 to 100, which is based on various indicators, including:
- Environmental (biodiversity, waste management, etc.);
- Social (employee training, supplier relations, etc.);
- Governance (board independence, executive remuneration policy, etc.). With this in mind, the financial product implements a best-in-universe approach and also excludes certain securities. Furthermore, the financial product does not have a designated reference benchmark tailored to ESG characteristics under the SFDR.

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

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

As part of its investment policy, the financial product will report on the following sustainability indicators in order to measure the attainment of each of the environmental or social characteristics it promotes:
- Carbon intensity: the financial product incorporates carbon intensity into its management objective and how it implements its investment strategy. This indicator corresponds to the amount of greenhouse gas emissions generated by investee companies (scope 1, 2 and 3 upstream). It is expressed in tonnes of CO_2 equivalent per million EUR of turnover;

- Board gender diversity (PAI 13, Table 1 of Annex I to Commission Delegated Regulation (UE) 2022/1288): the financial product incorporates the gender diversity of governing bodies into its management objective and how it implements its investment strategy;
- Average ESG rating of the financial product compared with its investment universe;
- Minimum percentage of sustainable investments.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The objectives of the sustainable investments that the financial product partially intends to make are environmental or social objectives.

The investments made contribute to these objectives:

1. By selecting companies whose activities contribute positively or very positively to at least one of the 16 Sustainable Development Goals as defined by the UN ("SDGs") according to the proprietary approach developed by Groupama AM. This approach is based on data from our MSCI provider.

Companies are analysed for their activities' positive contribution to 16 of the 17 UN SDGs (the SDG Peace, Justice and Strong Institutions is not applicable to companies).

- The company's contribution to an SDG is 'NEUTRAL' if the turnover of the identified sustainable activities is zero;
- The company's contribution to an SDG is 'POSITIVE' if the turnover of the identified sustainable activities is between 1% and 5%;
- The company's contribution to an SDG is 'VERY POSITIVE' if the turnover of the identified sustainable activities is strictly greater than 5%.

Sustainable investments are considered to be investments with a very positive, positive or neutral score.

2. By holding green bonds, social bonds or sustainable bonds validated by an internal methodology based on two recognised benchmarks:

- The transparency requirements of the Green Bond Principles, Social Bond Principles and Sustainable Bond Principles.
- The classification of eligible activities under the Greenfin label for green bonds.

The internal analysis methodology ensures that these bonds meet our internal requirements in this regard. Through this methodology, we systematically analyse four interdependent and complementary criteria:

o Characteristics of the issue;
o ESG performance of the issuer;
o Environmental and/or social quality of the projects financed;
o Transparency.

If any of the following three criteria—the ESG performance of the issuer, the environmental and/or social quality of the projects financed or the transparency—is categorised as negative on analysis, the bond will not be validated. Only investments made in green bonds, social bonds or sustainable bonds validated by our internal methodology are taken into account in the Fund's sustainable investment share.

For more information on our internal methodology, please see our ESG methodology here: https://www.groupama-am.com/en/sustainable-finance.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Sustainable investments in the portfolio shall ensure that they do no significant harm to any sustainable investment objective through:

- The application of ESG and exclusion policies and of Groupama AM policies: the Major ESG Risks list, the fossil fuel policy (coal and non-conventional fossil fuels), the controversial weapons exclusion policy. Consequently, any company featuring on one of these lists is considered non-compliant with the DNSH requirement.

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.

- The application of sectoral exclusions: companies operating in the alcohol, gambling, tobacco and pornography sectors are considered to be non-compliant with the DNSH requirement if more than 5% of their turnover comes from these sectors.
- Incorporating indicators for adverse impacts into the calculation of an issuer's ESG rating.

For green, social and sustainable bonds, this absence of harm is verified through the systematic analysis of the issuer's ESG performance.

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

This financial product takes into account the 14 mandatory indicators set out in Table 1 of Annex I to European Commission Delegated Regulation (EU) 2022/1288. It also takes into account two additional indicators: the number of days lost to injuries, accidents, fatalities or illness, and water usage and recycling.

The principal adverse impact indicators are taken into account qualitatively or quantitatively at various levels of our sustainable investment approach: the exclusion policy, the analysis of controversies, the engagement policy and the internal ESG analysis methodology. The indicators for adverse impacts 1 to 14, as well as the two additional indicators, are qualitatively taken into account during our ongoing monitoring of controversies. The indicators for adverse impacts 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12 and 13 are qualitatively integrated into the proprietary ESG analysis methodology. PAI 10 on violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises is taken into account through the normative exclusion policy applied to the financial product.

PAI 4 is taken into account through the sector exclusion and engagement policies. PAI 14 is taken into account in our exclusion policies.

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

Violations of the principles of the Global Compact, the OECD Guidelines and the lack of a monitoring process are taken into account in the analysis of sustainable investments. They are monitored using the Global Compact score calculated by our ESG data provider. This score is based on an analysis of the controversies of companies in relation to respect for human rights, labour rights, business ethics and the environment.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and 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 into account the EU criteria for environmentally sustainable economic activities.

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

☒ Yes, in line with the principle of double materiality, the principal adverse impacts (hereinafter "PAIs") are taken into account at several levels of the sustainable investment approach: the exclusion policies, the monitoring of controversies, the engagement policy and the internal ESG analysis methodology. This consideration helps to limit the environmental and social impacts of investment decisions and makes it possible to monitor sustainability risks to which the portfolio may be exposed.

☐ No

What investment strategy does this financial product follow?

The management process uses a best-in-universe ESG approach. The ESG approach developed by Groupama Asset Management is centred around a quantitative and qualitative analysis of the environmental, social and governance practices of the securities in which it invests. The analysis of these ESG criteria results in an ESG score from 1 to 100, which is based on various indicators, including:
- Environmental (biodiversity, waste management, etc.);
- Social (employee training, supplier relations, etc.);
- Governance (board independence, executive remuneration policy, etc.).

The Fund's investment universe comprises nearly 2,600 private and sovereign issuers from OECD countries, of which approximately 2,300 are private issuers.

The selection should result in an average ESG rating for the portfolio that is significantly higher than that of its investment universe. The weighted average ESG rating of the portfolio will be higher than the average ESG rating of the investment universe once the bottom 25% (30% from 01/01/2026) of the lowest-rated securities in the investment universe are excluded.
The main limitation of this analysis relates to the quality of the available information. ESG data is not yet standardised and Groupama Asset Management's analysis is ultimately based on qualitative and quantitative data provided by the companies themselves, some of which may still be incomplete and heterogeneous. To overcome this limitation, Groupama Asset Management focuses its analysis on the most important aspects of the sectors and companies analysed. For more detailed information on the rating methodology used to assess the financial product and its limitations, investors are invited to refer to the methodology document available on the website https://www.groupama-am.com/en/sustainable-finance/.

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

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

In order to attain the environmental and social characteristics promoted, the investment strategy is based on the following:
- Exclusions by the Management Company:
o Application of sectoral exclusions on controversial weapons and fossil fuels in accordance with Groupama Asset Management's exclusion policies, which are available on the Groupama AM website.
o Exclusion of issuers on the Major ESG Risks list: these are issuers identified as having poor governance or presenting major sustainability risks that could call into question their economic and financial viability, or which could have a significant impact on the company's value, thus resulting in a significant fall in market value or a significant downgrade by rating agencies.

- Specific portfolio exclusions:
o Application of normative exclusions with regard to non-cooperation in tax matters, corruption and money laundering in accordance with SRI Label V3 requirements.
o The portfolio applies the exclusions of the SRI Label (V3) regarding tobacco, fossil fuels (thermal coal, new developers, electricity producers) and issuers suspected of serious and/or repeated violations of one or more principles of the UN Global Compact. For more information, please see Article 10 SFDR of the portfolio, which is available on the Groupama Asset Management website.
– Sustainability indicators:
> The average ESG rating for the portfolio must be significantly higher than the investment universe: the weighted average ESG rating of the portfolio will be higher than the average ESG rating of the investment universe once the bottom 25% (30% from 01/01/2026) of the lowest-rated securities in terms of their ESG score are excluded, and following the application of all exclusions by the Fund.
> The securities held in the portfolio indicate a minimum screening and monitoring rate of 90% of the portfolio's ESG ratings, excluding cash, money market UCIs and derivatives.

> A minimum 60.0% allocation to sustainable investment, in accordance with the definition of sustainable investment indicated above.
> The financial product must also outperform its investment universe for the two following ESG indicators:
o Carbon intensity: the financial product incorporates carbon intensity into its management objective and how it implements its investment strategy. The financial product aims to achieve a carbon intensity that is lower than that of its investment universe.
The process of selecting portfolio securities must result in a minimum screening rate of 80% of the portfolio (excluding money market UCIs, cash and derivatives) before the end of 2025, then of 90% before the end of 2026.
o Board gender diversity: the financial product incorporates the gender diversity of the board of directors into its management objective and how it implements its investment strategy. The financial product aims to achieve an indicator that is higher than that of its investment universe.
The process of selecting portfolio securities must result in a minimum screening rate of 55% of the portfolio (excluding money market UCIs, cash and derivatives) before the end of 2025, then of 60% before the end of 2026.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The investment strategy does not aim to reduce the financial product's investment universe. The financial product's investment strategy ensures that the financial product achieves an ESG rating higher than that of its investment universe once the bottom 25% (30% as of 01/01/2026) lowest-rated securities in the universe are excluded on the basis of the ESG rating and all the exclusions applied by the Fund

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

To ensure that the companies invested in comply with good governance practices, the financial product uses an internal analysis methodology that takes into account good governance criteria defined in its ESG approach.
The criteria taken into account include:
- The percentage of independent members of the board of directors;
- The integration of ESG criteria within executive compensation;
- The existence of a CSR committee within the board of directors;
- A corruption prevention policy and existence of controversies;
- Responsible lobbying practices and existence of controversies

What is the asset allocation planned for this financial product?

Within the portfolio:
- The minimum proportion of investments contributing to the environmental and social characteristics promoted by the financial product is 90.0% (#1 below), excluding money market UCIs, derivatives and cash.
- The minimum proportion of sustainable investments is 60.0% (#1A below)
- The minimum proportion of Taxonomy-aligned investments is 0.0%
The total net assets are used as the basis for calculating the share of sustainable investments.

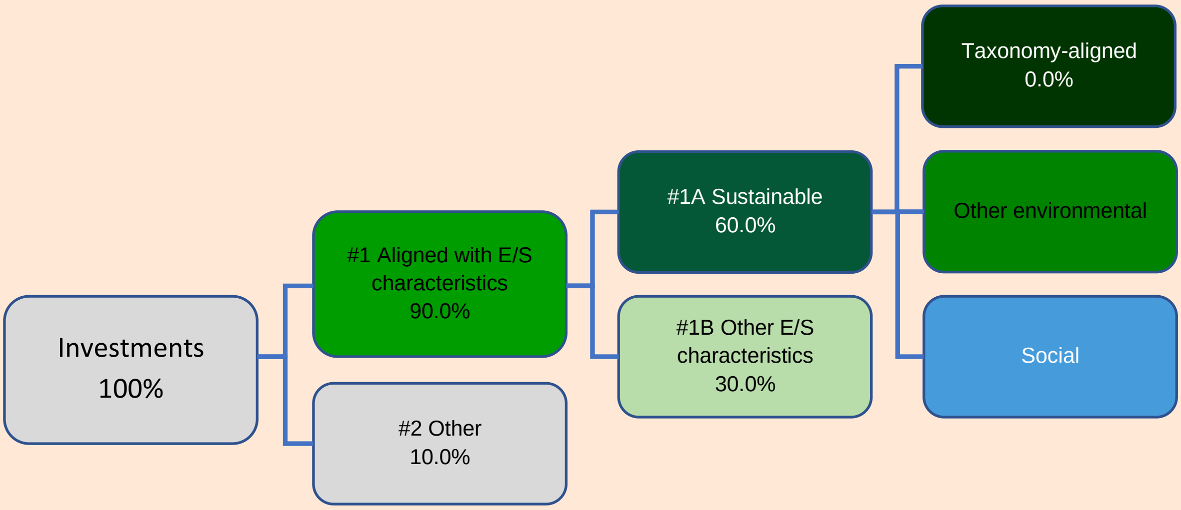
Asset allocation describes the share of investments in specific assets.

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.



#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 qualified as sustainable investments.
The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Derivatives are not intended to contribute to the environmental or social characteristics promoted by the financial product.

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

The financial product promotes environmental and social characteristics and is committed to making a minimum of 60.0% sustainable investments. However, the financial product is not committed to making a minimum of sustainable investments with an environmental objective aligned with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

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.

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.

1. Taxonomy-alignment of investments **including sovereign bonds***

- Taxonomy-aligned (no fossil gas & nuclear): 0.0%
- Non Taxonomy-aligned: 100.0%

2. Taxonomy-alignment of investments **excluding sovereign bonds***

- Taxonomy-aligned (no fossil gas & nuclear): 0.0%
- Non Taxonomy-aligned: 100.0%

This graph represents 100.0% of the total investments.

* 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 financial product is not committed to making a minimum share of investments in transitional and enabling activities.

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

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

The financial product promotes environmental and social characteristics and is committed to making a minimum of 60.0% sustainable investments. At this stage, the portfolio allocation specifically addressing an environmental objective is difficult to determine, as some of the SDGs, such as SDG 11 (Sustainable Cities and Communities), identify activities that contribute to environmental and social issues without distinction.

What is the minimum share of socially sustainable investments?

The financial product promotes environmental and social characteristics and is committed to making a minimum of 60.0% sustainable investments. At this stage, the portfolio allocation specifically addressing an environmental objective is difficult to determine, as some of the SDGs, such as SDG 11 (Sustainable Cities and Communities), identify activities that contribute to environmental and social issues without distinction.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The "#2 Other" category consists of issuers or securities without a rating due to a lack of sufficient ESG data but for which the financial product's exclusion policies apply. These investments are part of a portfolio diversification strategy. This category also includes money market UCIs and cash held as ancillary liquidity. With the exception of SRI money market UCIs managed directly by Groupama Asset Management, no minimum environmental or social safeguards are implemented for investments included in the “#2 Other” category.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

The Fund does not have a designated reference benchmark tailored to ESG characteristics under the SFDR.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?
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: https://www.groupama-am.com/fra/fr/particulier/products/FR0010702175