

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, **establishing a list of environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

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 and social (E/S) characteristics** and while it does not have as its objective sustainable investment, it will have a minimum proportion of N/A of sustainable investments

With an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

With an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

With a social objective.

It promotes E/S characteristics but will not make any sustainable investments

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



The UCITS promotes environmental and social characteristics through management that emphasizes the sustainability of issuers by analysing the Environmental, Social and Governance ("ESG") criteria of the securities held in the portfolio. In this regard, the UCITS implements a "Best-in-Universe" approach and also excludes certain securities.

Additionally, the UCITS has not designated a benchmark aligned with ESG characteristics for the purposes of the SFDR.

Sustainability indicators assess the extent to which the environmental or social characteristics promoted by the financial product are achieved.

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, at least 90% of the UCITS' net assets, excluding money market funds, derivatives and cash, will be invested in:

- UCITS promoting environmental or social characteristics, or a combination of these characteristics, in accordance with Article 8 of the SFDR
- UCITS with a sustainable investment objective in accordance with Article 9 of the SFDR.

The selection of these UCITS is based on the integration of non-financial criteria (social, environmental and governance) criteria in addition to the traditional financial criteria of the security analysis and selection processes.

What are the objectives of the sustainable investments that the financial product partially intends to achieve, and how does the sustainable investment contribute to these objectives?

Not applicable.

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?

Not applicable.

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

For UCIs managed by Groupama Asset Management:

Adverse impact indicators are considered qualitatively or quantitatively at various levels of our sustainable investment approach: exclusion policy, controversy analysis, engagement policy and internal ESG analysis methodology. Adverse impact indicators 1 to 14 and the two additional indicators are qualitatively monitored through controversy tracking. Adverse impact indicators 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12 and 13 are integrated into our proprietary ESG analysis methodology in a quantitative manner.

PAI 4 is addressed in the sectoral exclusion policy and engagement policy. 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? Detailed description:

Not applicable.

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.

Any other sustainable investment must also not significantly harm environmental or social objectives.



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

Yes, in accordance with the double materiality principle, the principal adverse impacts (hereinafter referred to as PAIs) are taken into account at several levels of the sustainable investment process: the exclusion policy, controversy monitoring, the engagement policy and the internal ESG analysis methodology. This helps to limit the environmental and social impacts of investment decisions and to monitor the sustainability risks to which the portfolio may be exposed.

No



What investment strategy does this financial product follow?

The selection of UCITS investments is made from an eligible ESG investment universe, defined upstream in accordance with the following criteria:

- At all times, a minimum of 90% of the UCITS' net assets will be invested, excluding money market funds, derivatives and cash, in UCITS promoting environmental or social characteristics, or a combination of these characteristics in accordance with Article 8 of the SFDR or in UCITS with a sustainable investment objective in accordance with Article 9 of the SFDR.

The selection of these UCITS is based on the integration of ESG (Environmental, Social and Governance) criteria in addition to the traditional financial criteria of the security analysis and selection processes. UCITS will be able to rely on different ESG approaches, which is a limitation of this ESG strategy.

- When selecting a UCITS, the sustainability risk policy of the management company will be reviewed. The following elements will be verified: existence and consistency with Groupama AM's policy in this area.

The UCITS may invest in underlying assets managed by Groupama AM as well as in external UCIs managed by other management companies using different investment strategies. As a result, there are many different investment strategies for this financial product. However, the majority of the UCITS' assets will be invested in underlyings managed by Groupama AM.

For funds managed by Groupama AM, the ESG approach used in the management process is a "Best-In-Universe" approach. It is based on 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 ranging from 1 to 100, based on various indicators, including:

- Environment (biodiversity, waste management, etc.).
- Social (employee training, supplier relations, etc.).
- Governance (board independence, executive remuneration policies, etc.).

The investment universe is divided into five quintiles, each representing 20% of the investment universe in terms of the number of securities. Securities rated Quintile 1 represent the best ESG scores within the investment universe, while securities rated Quintile 5 represent the worst ESG scores.

The main limitation of this analysis lies in the quality of the available information. ESG data is not yet standardised, and Groupama Asset Management's analysis ultimately relies on qualitative and quantitative data provided by companies themselves, some of which may still be incomplete or heterogeneous.

To address this limitation, Groupama Asset Management focuses its analysis on the most material aspects of the sectors and companies it reviews.

For more detailed information on the rating methodology used in the Groupama AM UCITS and its limitations, investors can refer to the methodology document available on the website www.groupama-am.com.

Groupama AM's ESG policies and methodologies do not apply to UCITS not managed by Groupama AM that are invested in the fund. For these UCITS, the management teams verify during the selection process that the management companies and external UCITS analysed comply with Groupama AM's ESG policy principles through due diligence.

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?

To achieve the promoted environmental and social characteristics, the investment strategy relies on the following elements:

At all times, at least 90% of the UCITS' net assets, excluding money market funds, derivatives and cash, will be invested in:

- UCITS promoting environmental or social characteristics, or a combination of these characteristics, in accordance with Article 8 of the SFDR;
- UCITS with a sustainable investment objective in accordance with Article 9 of the SFDR.

The selection of these UCITS is based on the integration of ESG (Environmental, Social and Governance) criteria in addition to the traditional financial criteria of the security analysis and selection processes.

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 ensure a reduction in the investment universe of the financial product.

What policy is implemented to evaluate the good governance practices of the companies in which the financial product invests?

For UCIs managed by Groupama Asset Management:

In order to ensure that the companies invested in comply with good governance practices, the UCITS uses an internal analysis methodology that takes into account good governance criteria through its ESG approach, as described in the section on its investment strategy.

The criteria considered are:

- Percentage of independent board members;
- Integration of ESG criteria in executives' remuneration;
- The existence of a CSR committee within the board of directors;
- Anti-corruption policies and the existence of controversies;
- Responsible lobbying practices and the existence of controversies.

For UCITS managed by third-party management companies:

During the selection process, the management teams check that the management companies and external UCITS analysed comply with good governance practices through due diligence.



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 UCITS is 90% (#1 below), excluding money market funds, derivatives and cash.
- The minimum proportion of sustainable investments is 0% (#1A below).
- The minimum proportion of Taxonomy-aligned investments is 0%.

The calculation base for the share of sustainable investment is the total net assets.

Asset allocation

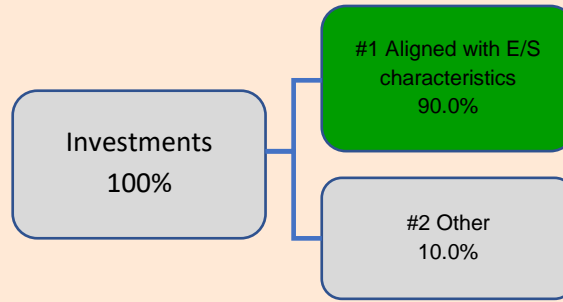
describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue derived from green activities of investee companies.

- **capital expenditure** (CapEx) showing the green investments made investee companies, e.g. For a transition to a green economy.

- **operating expenditure** (OpEx) reflecting the 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.

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

Derivative products 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 UCITS promotes environmental and social characteristics; it does not commit to a minimum share 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

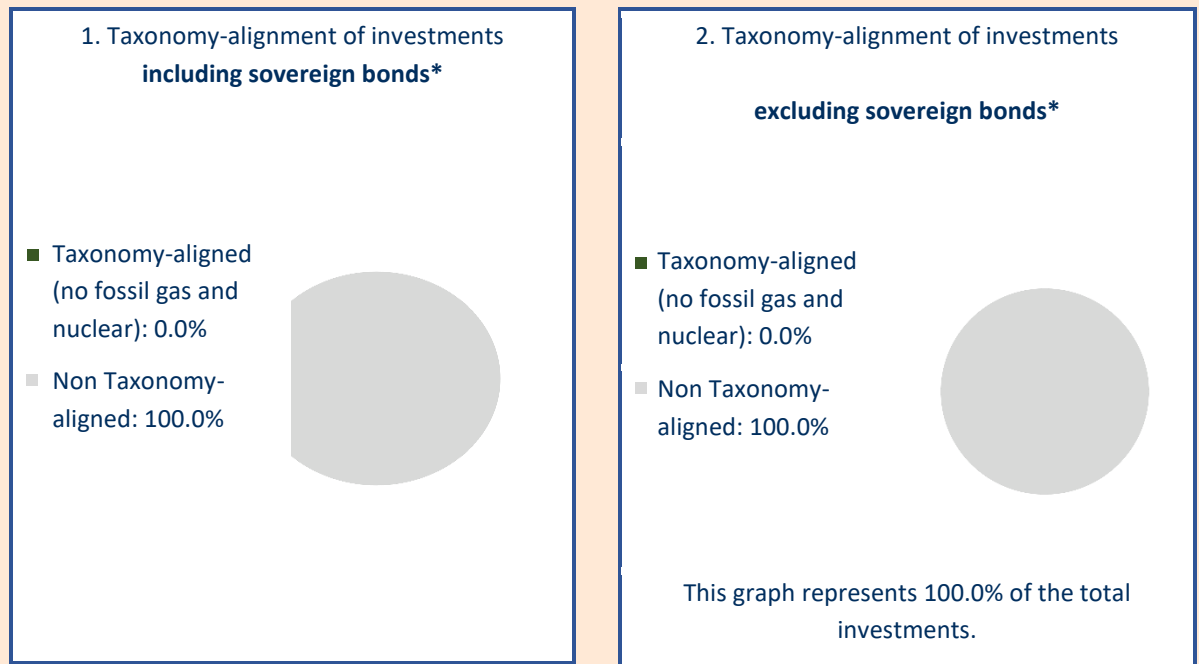
In nuclear energy

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.



* 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 UCITS does not commit to a minimum investment in transitional and enabling activities.

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


The UCITS promotes environmental and social characteristics; it does not commit to a minimum share of sustainable investments with an environmental objective aligned with the EU Taxonomy.

 What is the minimum share of socially sustainable investments?

The UCITS promotes environmental and social characteristics; it does not commit to a minimum share of sustainable investments with a social objective.

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

The "#2 Other" category is made up of issuers or securities that are not rated due to the lack of sufficient ESG data, but for which the UCITS' exclusion policies apply. These investments are part of a portfolio diversification strategy. This category also includes money market funds and cash held as ancillary liquid assets. With the exception of SRI-labelled money market funds managed by Groupama Asset Management, no minimum environmental or social guarantee is implemented for investments included in the "#2 Other" category.

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



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 has not designated a benchmark aligned with ESG characteristics for the purposes of the SFDR.

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

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/fr0010013961>