

**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.

- Product name:  
GROUPAMA HEALTH AND WELLNESS

Legal entity identifier:  
969500XOY26UDH3XI613

## Sustainable investment objective

### Does this financial product have a sustainable investment objective?

Yes

No

It will make a minimum of **sustainable investments with an environmental objective**: 0.0%

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**: 90.0%

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 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

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.



### What is the sustainable investment objective of this financial product?

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

The investment objective of the financial product aims to select securities from growing companies operating in the health sector and/or contributing positively to health, innovation, prevention, the extension of healthy life spans, or well-being at any stage of life. The Fund aims to finance companies whose business models create economic and social value within the universe of global all-cap shares.

To this end, the companies invested in meet a sustainable investment objective as they contribute, through their activities, to a positive response to at least one of the two UN Sustainable Development Goals (SDGs) targeted by the subfund:

- SDG 3 “Good Health and Well-Being”,

- SDG 9 “Industry, Innovation and Infrastructure”, to build a resilient infrastructure, to promote sustainable industrialisation that benefits all and to encourage innovation.

The sustainable investments made contribute to social objectives by selecting companies whose activities contribute positively or very positively to at least one of the 2 Sustainable Development Goals targeted by the subfund 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 two UN SDGs targeted by the subfund.

- 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%.

***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

1/ Minimum share of sustainable investment

In order to measure the attainment of its sustainable investment objective, the subfund uses indicators of companies' contribution to the two selected SDGs in order to select only those that contribute positively or very positively to one of the two SDGs. The companies are analysed according to their contribution to each of the two SDGs. This contribution may be strongly positive, positive, neutral, negative or strongly negative.

2/ ESG rating of the subfund

3/ ESG indicators

- Carbon intensity: the subfund 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 CO2 equivalent per million EUR of turnover;
- Board gender diversity: The subfund incorporates board gender diversity into its management objective and how it implements its investment strategy.

These indicators are monitored daily, with the results published monthly in the subfund's ESG report. These results are systematically compared with the investment universe.

***How do sustainable investments 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 the following policies:

- 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.
- 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.

***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 includes an additional two indicators: 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 policies, 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 the United Nations Global Compact and OECD Guidelines 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.

**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.

PAI 14 is taken into account in our exclusion policies.

An assessment of the principal adverse impacts is carried out at financial product level and reported annually as part of the ESG annex to the periodic report.

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

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.



**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 policy, 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 investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The investment strategy aims to select securities from growing companies operating in the health sector and/or contributing positively to health, innovation, prevention, the extension of healthy life spans, or well-being at any stage of life. The Fund aims to finance companies whose business models create economic and social value within the universe of global all-cap shares.

The initial investment universe comprises global equities. Within this universe, issuers are selected in connection with the Fund’s themes on the basis of the contribution score to the sustainable development goals (SDGs) targeted by the financial product.

This initial investment universe is then reduced by at least 30%, in accordance with the selectivity requirements of SRI Label V3, to define an eligible investment universe. This reduction is made by applying a number of filters:

- Selection of issuers that make a positive contribution to at least one of the two SDGs targeted by the subfund in accordance with the internal SDG contribution methodology detailed in the question “What is the sustainable investment objective of this financial product?”: Good health and well-being (SDG 3), Industry, innovation and infrastructure (SDG 9)
- Application of sectoral and normative exclusions to ensure there is no negative effect on the targeted themes.

**Exclusions at the Management Company level:**

- Application of sectoral exclusions concerning controversial weapons and fossil fuels in accordance with Groupama AM’s exclusion policies, which can be viewed on its website.
- Exclusion of issuers on the Major ESG Risks list: issuers identified as presenting inadequate governance or significant sustainability risk, which could call into question their economic and financial viability, or 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.

- Application of the normative exclusions regarding tax non-cooperation, corruption and money laundering in accordance with Groupama AM's AML-CFT policy

**Portfolio-specific exclusions:**

- The portfolio applies the exclusions used for the purposes of the SRI label (V3) with regard to tobacco, fossil fuels (coal for energy, new developers, electricity producers) to issuers suspected of serious and/or repeated breaches of one or more principles of the UN Global Compact.

- Application of normative exclusions with regard to non-cooperation in tax matters, corruption and money laundering in accordance with SRI Label V3 requirements.

- The portfolio also applies the sectoral exclusions defined in the internal methodology relating to sustainable investments (Article 2 (17) of the SFDR): tobacco, alcohol, gambling and pornography.

For more information, see the portfolio's SFDR Article 10 disclosure, which is available on the Groupama Asset Management website.

***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

- The initial investment universe is reduced by at least 30% by excluding stocks that do not make a positive contribution to either of the two SDGs targeted by the portfolio, the exclusions applied by the portfolio (as detailed above) and application of Groupama AM's ESG policies. For more information, please see Article 10 SFDR of the portfolio, which is available on the Groupama Asset Management website.

- The portfolio's securities selection process must result in a minimum screening and monitoring rate of 90.0% of the portfolio's ESG ratings, excluding money market UCIs, derivatives and cash.

- The financial product must obtain a better score than its investment universe for the following two ESG indicators:

o Carbon intensity: The subfund factors carbon intensity into both its management objective and execution of its investment strategy. This indicator is calculated based on Scope 1 emissions (companies' direct emissions from their production activities), Scope 2 emissions (companies' indirect emissions from their direct energy suppliers) and Scope 3 emissions (other indirect emissions that occur upstream in the production chain of goods and services and downstream in the use of goods and services). The financial product seeks to achieve a smaller carbon footprint than that of its investment universe. The process of selecting securities in the portfolio must result in a minimum screening rate of 80% of the portfolio before the end of 2025 and then of 90% before the end of 2026. The screening rate is calculated on the basis of the portfolio's total assets excluding money market UCIs, cash and derivatives.

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 securities in the portfolio must result in a minimum screening rate of 55% of the portfolio before the end of 2025 and then of 60% before the end of 2026. The screening rate is calculated on the basis of the portfolio's total assets excluding money market UCIs, cash and derivatives.

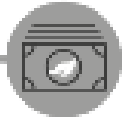
- At least 90.0% of investments made by the financial product are sustainable investments within the meaning of the SFDR. The companies are analysed according to their positive contribution to the SDGs. The methodology used is detailed in the question "What is the sustainable investment objective of this financial product?".

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

To ensure that the companies in which the financial product invests have introduced good governance practices, the financial product uses an internal analysis methodology that takes into account good governance criteria as defined in its ESG approach. The criteria taken into account include:

- Percentage of independent members of the board of directors
- Integration of ESG criteria within executive compensation
- Existence of a CSR committee within the board of directors
- Corruption prevention policy and existence of controversies
- Responsible lobbying practices and existence of controversies

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



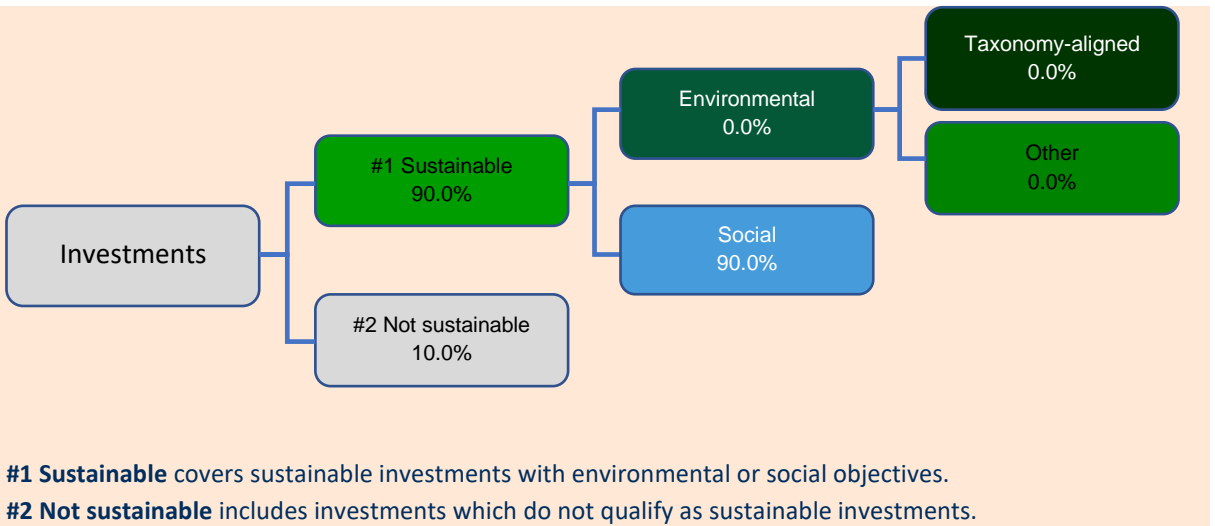
## What is the asset allocation and the minimum share of sustainable investments?

**Asset allocation** describes the share of investments in specific assets.

Within the portfolio:

- The minimum proportion of sustainable investments is 90.0% (#1 below).
- The minimum proportion of sustainable investment meeting a social objective is estimated at 90%.
- The minimum proportion of Taxonomy-aligned investments is 0%.

The total net assets are used as the basis for calculating the share of sustainable investments.



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.

### How does the use of derivatives attain the sustainable investment objective?

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 90.0% 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.

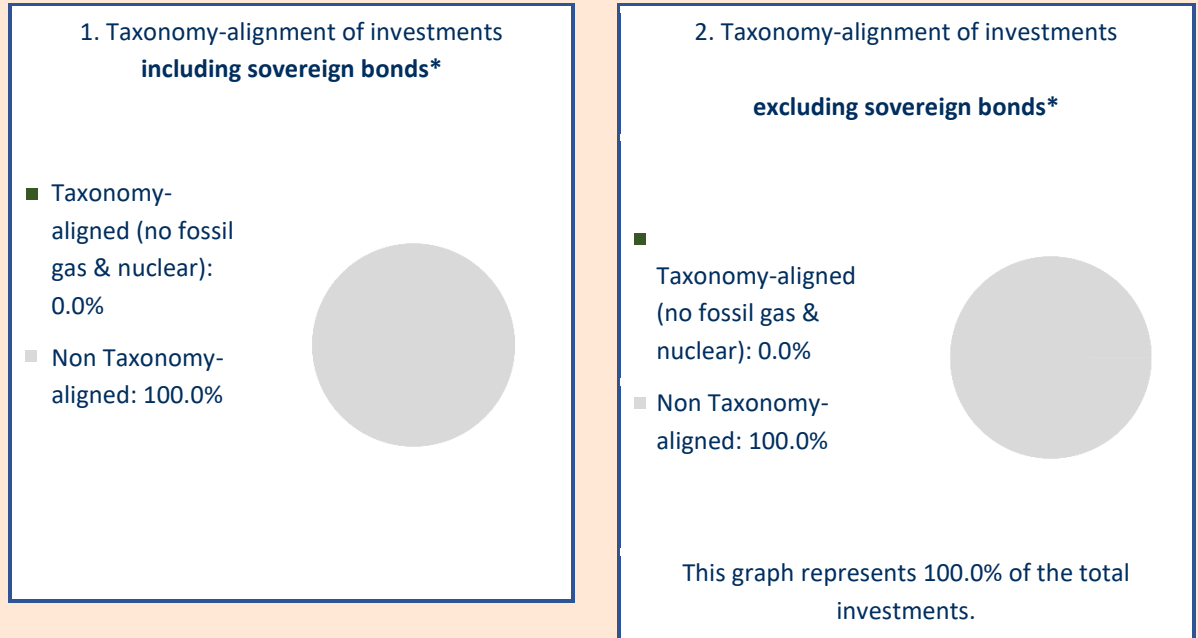
### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?

- 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.



\* For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures.

Regulation (EU) 2019/2088 (the “European Taxonomy” or the “Taxonomy Regulation”) aims to classify environmentally sustainable economic activities. It identifies these activities based on their contribution to six main environmental objectives:

- climate change mitigation,
- climate change adaptation,
- the sustainable use and protection of water and marine resources,
- the transition to a circular economy (waste, reduction and recycling),
- pollution prevention and mitigation, and
- the protection and restoration of biodiversity and ecosystems.

To be considered as sustainable, an economic activity must demonstrate that it makes a substantial contribution to achieving one of the six objectives, without prejudice to any of the other five (the “Do No Significant Harm” principle, hereinafter the “DNSH” principle). 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. For an activity to be considered as aligned with the EU Taxonomy, it must respect both human and social rights under international law.

In its investment decisions, the management team shall endeavour to take into account the European Union’s criteria for economic activities considered to be environmentally sustainable under the Taxonomy Regulation (EU) 2020/852. Based on the issuer data currently available, the minimum proportion of investments aligned with the EU Taxonomy is 0%. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

***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.



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

The financial product is not committed to making a minimum level of sustainable investments with an environmental objective not aligned with the EU Taxonomy.



What is the minimum share of sustainable investments with a social objective?

The financial product is committed to making a minimum of 90.0% sustainable investments of which at least 90.0% have a social objective.



What investments are included under “#2 Not sustainable”, 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 meet the sustainable investment objective?

The financial product does not have a designated reference benchmark tailored to ESG characteristics under the SFDR

***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

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/fr001400c1t9#product-sustainability-section>

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

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.