



REPORT ACCORDING TO ART. 29 OF THE FRENCH ENERGY AND CLIMATE LAW

Unigestion Asset Management (France) S.A.

LEI Code 969500S54DTN2A12QG51

Signatory of:





This report ("**Report**") outlines information on the integration of environmental, social and governance ("**ESG**") criteria into the investment process of Unigestion Asset Management (France) S.A. ("**Unigestion France**") and the means employed by Unigestion France to contribute to the energy and ecological transition. This Report relates to the transparency requirements introduced by Art. 29 of the French Energy and Climate Law no. 2019-1147 of November 8, 2019 (*Loi Energie Climat*) ("**LEC**"). The respective transparency requirements are set out in Art. L. 533-22-1 of the French Monetary and Financial Code (*Code Monétaire et Financier*) ("**CMF**") and specified in more detail in Art. D. 533-16-1 CMF.

Unigestion France forms an integral part of Unigestion and applies the same policies and procedures for the integration of ESG criteria and the contribution to the energy and ecological transition as all other companies of Unigestion. In the following, where reference is made to Unigestion, the respective information is meant to include Unigestion France and its entity-level policies, strategies and procedures.

This Report covers Unigestion France's financial year 2023 running from 1 January 2023 to 31 December 2023.



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A. GENERAL APPROACH OF UNIGESTION ASSET MANAGEMENT (FRANCE) S.A.

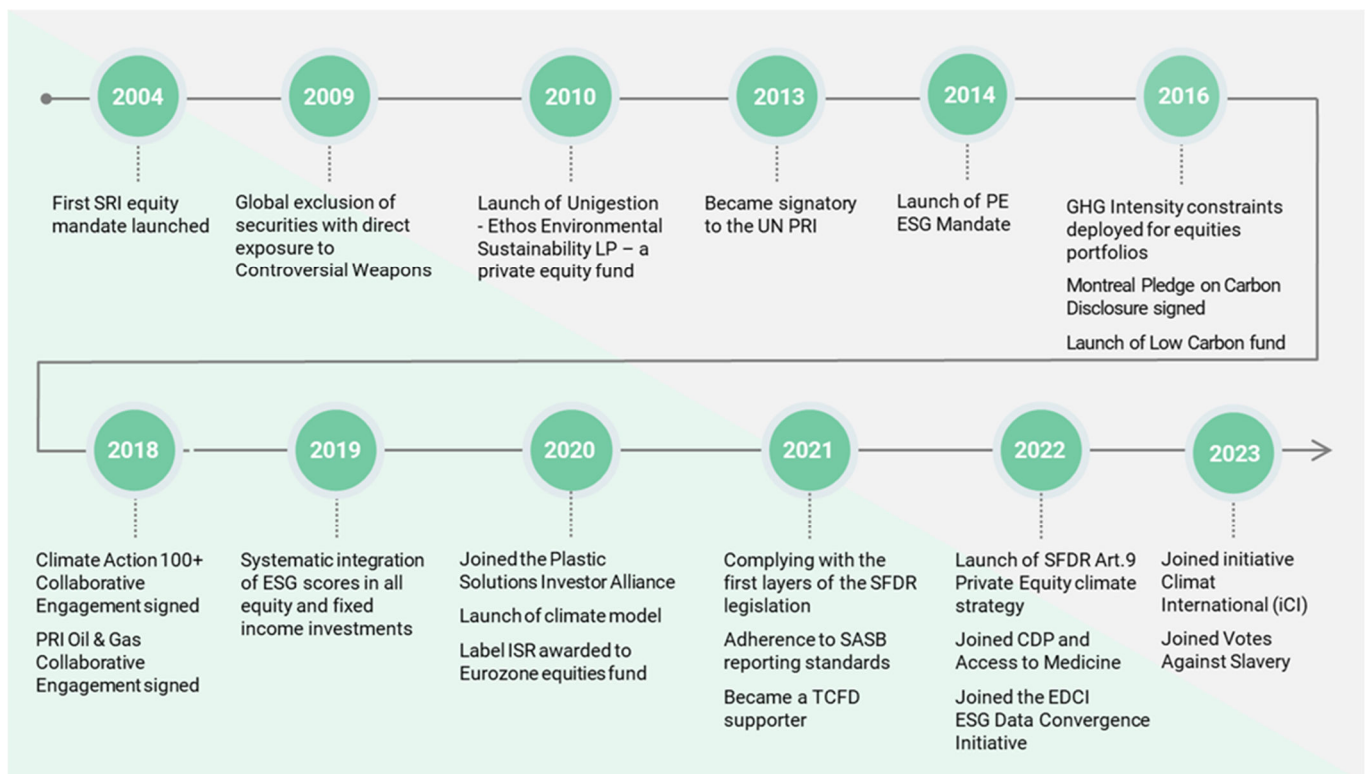
Asset managers like Unigestion represent a crucial link between investors and the financing needs of the real economy. As such, our industry will increasingly be assessed on the values it upholds, the ethics it promotes and the wider role it has to improve the society we all live in. As long-term stewards of our clients' capital, we believe we have a duty to both deliver attractive returns and to support the sustainable development of our economy. By doing so, we can influence the companies we invest in and help solve social and environmental problems.

Well-governed businesses with responsible practices can make a positive contribution to our clients' portfolios over the long term. Sustainability will be a long-term driver for change in markets, countries, sectors and companies, creating significant opportunities for fruitful investment.

Integrating ESG is a process we have honed since launching our first responsible equity product in 2004. Since then, we have evolved our approach across the different asset classes we cover; integrating ESG considerations in private equity, bonds and some parts of the liquid alternative space.

We integrate ESG considerations throughout all of our investment processes - from universe screening and investment selection to portfolio construction and engagement. We approach ESG in the same way as all investment risk, carefully assessing the potential impacts and opportunities through a combination of systematic and discretionary analysis, research and monitoring. Investing responsibly is now ingrained into everything we do; from the integration of the Principles for Responsible Investment supported by the United Nations ("UN PRI") into our investment processes for both standard and customized products, to the promotion of these practices internally and externally.

Responsible investing timeline at Unigestion:



Source: Responsible Investing Policy p. 7

1. ESG concepts used by Unigestion

Unigestion recognizes that the subject of ESG and sustainability is a complex and multifaceted topic affecting different areas of its organization in various ways. While entirely clear-cut definitions are not always possible due to the nature of the topic, Unigestion generally uses the following concepts in its sustainability framework:



Unigestion's definition of sustainability is based on the common definition included in the Brundtland Report:¹

"Sustainable development is development that meets the needs of the present without compromising the needs of future generations to meet their own needs".

Moreover, Unigestion considers the Sustainable Development Goals ("SDGs") adopted by the United Nations in 2015.

In line with the EU Commission², the Principles for Responsible Investment supported by the UN PRI and the United Nations Environment Programme (UNEP), Unigestion understands "ESG" to cover the following dimensions and indicators:

(i) **Environmental (E)** issues relate to the quality and functioning of the natural environment and natural systems;

(ii) **Social (S)** issues relate to the rights, well-being and interests of people and communities; and

(iii) **Governance (G)** issues relate to the governance of companies and other investee entities."

ESG indicators include, but are not limited to, the below:

Figure 2: ESG indicators

Environmental (E)	Issues relating to the quality and functioning of the natural environment and natural systems. These include: biodiversity loss; greenhouse gas (GHG) emissions, climate change, renewable energy, energy efficiency, air, water or resource depletion or pollution, waste management, stratospheric ozone depletion, changes in land use, ocean acidification and changes to the nitrogen and phosphorus cycles.
Social (S)	Issues relating to the rights, well-being and interests of people and communities. These include: human rights, labour standards in the supply chain, child, slave and bonded labour, workplace health and safety, freedom of association and freedom of expression, human capital management and employee relations; diversity; relations with local communities, activities in conflict zones, health and access to medicine, HIV/AIDS, consumer protection; and controversial weapons.
Governance (G)	Issues relating to the governance of companies and other investee entities. In the listed equity context these include: board structure, size, diversity, skills and independence, executive pay, shareholder rights, stakeholder interaction, disclosure of information, business ethics, bribery and corruption, internal controls and risk management, and, in general, issues dealing with the relationship between a company's management, its board, its shareholders and its other stakeholders. This category may also include matters of business strategy, encompassing both the implications of business strategy for environmental and social issues, and how the strategy is to be implemented. In the unlisted asset classes governance issues may, depending on the structure, also include matters of fund governance, such as the powers of Advisory Committees, valuation issues, fee structures, etc.

Source: UNPRI (2018b)

ESG criteria are a set of standards for a company's behaviour which indicate how a company operates overall and therefore serve to assess the non-financial quality of a corporate organisation.

In addition to its own operations, a company can also make positive social change and aid society with its products and services, either by depth (i.e. helping society to a greater degree than usual) or by breadth (i.e. helping a wider range of the society). This is known as impact.

2. Relevant regulatory framework

Unigestion France applies the EU sustainable finance regulatory framework (including Regulation (EU) 2019/2088 ("SFDR") and its Delegated Regulation (EU) 2022/1288 ("SFDR RTS") as well as Regulation (EU) 2020/852 ("EU Taxonomy") and its Delegated Regulation (EU) 2021/2139:

¹ Report of the World Commission on Environment and Development: Our Common Future (1987).

² Chapter 1.2 EU Commission Impact Assessment SWD (2018) 264 final, 24.5.2018.



Unigestion France. does not currently consider the adverse impacts of its investment decisions on sustainability factors in accordance with Art. 4 (1) (b) SFDR since it has less than 500 employees and therefore is not under a legal obligation to consider such adverse impacts. While Unigestion France generally considers negative impacts for certain asset classes, Unigestion France has decided not to opt in due to the proportionality principle and the uncertainties arising from future regulatory requirements. Unigestion France will continue monitoring the regulatory landscape and, based on the continuous monitoring, Unigestion France will, on a regular basis, revisit its decision not to consider adverse impacts of investment decisions on sustainability factors in accordance with Art. 4 (1) (b) SFDR. In the meanwhile, Unigestion France will improve its framework for the consideration of principal adverse impacts of investment decisions on sustainability factors ("PAI") and publish information on the relevant PAI indicators on a voluntary basis. Thus, Unigestion France will transparently inform its investors and further external stakeholders about its current implementation status of the PAI framework.

3. Unigestion's responsible investing process

To harmonize ESG efforts across all investment lines, Unigestion has defined a guideline to address ESG considerations within all asset classes.

The aim is for ESG considerations to emerge in all Unigestion's investment processes in a harmonized approach, based on four pillars:



Source: Responsible Investing Policy p. 12

3.1. Pillar I: Norm-based screening

Norm-based screening is the process of excluding instruments associated with key social or environmental issues. According to the European Sustainable Investment Forum, it is the "screening of investments according to their compliance with international standards and norms".

Unigestion applies the following set of exclusions across all direct equity and private equity assets Unigestion manages for its clients:

Exclusions	Description
UN Global Compact Non-Compliant	<i>Human Rights*</i> Businesses that do not support and respect the protection of internationally recognised human rights or are complicit in human rights abuses
	<i>Labour*</i> Businesses that do not uphold: <ul style="list-style-type: none"> ▶ the freedom of association and the effective recognition of the right to collective bargaining ▶ the elimination of all forms of forced and compulsory labour ▶ the effective abolition of child labour ▶ the elimination of discrimination in respect of employment and occupation
	<i>Environment*</i> Businesses that do not: <ul style="list-style-type: none"> ▶ support a precautionary approach to environmental challenges ▶ undertake initiatives to promote greater environmental responsibility ▶ encourage the development and diffusion of environmentally friendly technologies
	<i>Anti-Corruption*</i> Businesses with any corruption allegation, including extortion and bribery
Controversial Weapons**	Businesses that manufacture, distribute or sell controversial arms or ammunitions such as cluster bombs, landmines, depleted uranium, etc.
Adult Entertainment Producers***	Businesses principally engaged in the production of pornography
Tobacco Producers***	Businesses active in the cultivation and production of tobacco
Thermal Coal***	Businesses with more than 10% of their total revenue derived from thermal coal
Predatory Lending***	Businesses directly involved in any lending practice that imposes unfair, deceptive or abusive loan terms on borrowers. We exclude any business with an overall level of product involvement in that activity of greater than 5%.

Source: Responsible Investing Policy p. 14



When investing indirectly in private equity via funds, Unigestion ensures that such funds have not invested in companies in scope of the above exclusions and commits the manager of the fund to apply these exclusions when making future investment.

For indirect exposures in equity via indices, Unigestion supports any initiative to promote the use of indices which do not comprise any of these activities.

These standards are implemented on a best-effort basis, taking into account local regulation and both a client's as well as fund's best interests, with a transition period following their initial implementation for the funds/mandates in scope, and following periodic revisions of the exclusion lists. If the application of this standard dictates divestments, Unigestion's portfolio managers shall disinvest at their discretion within this transition period taking into account the portfolio impacts based on market conditions, liquidity and portfolio construction constraints. In practice, some targeted instruments could remain in the funds or mandates for a period if deemed in the best interest of clients. The portfolio managers perform the initial analysis, risk management reviews the framework initially and implements pre- and post-trade checks on a daily basis.

Unigestion does not apply a norm-based screening to investments in sovereign bonds. For details on the definitions and concepts used for the norm-based screening process please refer to the Responsible Investing Policy p. 44.

3.2. Pillar II: Exclusionary screening

Negative or exclusionary screening is the process of excluding instruments from an investment universe based on Unigestion's expectations regarding specific ESG-related risks to a particular asset class.

Further to norm-based screening, Unigestion considers various such exclusions in each asset class as set out below.

Equity strategies

For equity strategies, Unigestion considers four exclusions: (i) non-covered companies, (ii) worst-in-class companies, (iii) high carbon emitters and (iv) companies with high levels of ongoing controversial events.

- Non-covered companies are companies which are not covered by Unigestion's proprietary ESG score described in more detail in Section 3.3 below ("**ESG Score**").
- Worst-in-class companies are companies with an ESG Score below a global level of 60. However, Unigestion values the efforts made by these companies if they are improving their ESG Score and Unigestion does not exclude such companies that show improvements over the last two years.
- High carbon emitters are companies with a greenhouse gas ("**GHG**") intensity of more than 10,000 tons of CO₂ equivalent per million USD in revenues, unless they are aligned on an emissions trajectory below the 2°C scenario. Unigestion's GHG intensity measure includes Scope 1, 2 and 3 emissions.
- Companies with ongoing severe controversial events are companies whose activities have resulted in a negative environmental and/or social impact which constitutes a severe controversy according to Sustainalytics methodology.

Sovereign bond strategies

For sovereign bond strategies, Unigestion considers three exclusions: (i) non-covered countries, (ii) worst in class countries and (iii) high carbon emitters.

- Non-covered countries are countries which are not covered by Unigestion's our proprietary ESG Score described in more detail in Section 3.3 below.
- Worst-in-class countries are countries with ESG Scores in the worst decile of the investment universe.
- High carbon emitters are countries with a carbon emission of more than 40% (KG/Purchasing Power Parity (PPP) \$ of Gross Domestic Product ("**GDP**") in revenues.

Direct private equity strategies

For direct private equity strategies, Unigestion considers three exclusions: (i) companies with no current ESG policy or no intention to introduce one, (ii) companies with ESG related litigations and (iii) high carbon emitters.

- Companies with no current ESG policy or no intention to develop one are companies that do not have a policy in place under which environmental and social risks are identified and mitigated, compliance with applicable ESG regulation is ensured and the respective company's environmental and social impacts are assessed and that do not intend to develop one during Unigestion's ownership.
- Companies with ESG related litigations are companies that have faced significant ESG-related litigations.
- High carbon emitters are companies identified as such through a quantitative assessment if available or qualitative assessment (e.g. companies from sectors generating substantive carbon emissions or which, according to individual or proxy data, have high carbon emissions as compared to peers).

Indirect private equity strategies



For indirect private equity strategies, Unigestion considers three exclusions: (i) funds of managers with no current ESG Policy or no intention to introduce one, (ii) funds of managers with ESG related litigations and (iii) funds targeting companies identified as high carbon emitters.

- Fund managers with no current ESG policy or no intention to introduce one are fund managers that do not have a policy in place under which, for each prospective investment, environmental and social risks are identified and mitigated, compliance with applicable ESG regulation is ensured and the respective investment's environmental and social impacts are assessed and that do not intend to develop one during Unigestion's ownership of the respective fund.
- Fund managers with ESG related litigations are fund manager that have faced significant ESG-related litigations.
- Funds targeting companies identified as high carbon emitters target companies which have been identified as such through a quantitative assessment if available or qualitative assessment (e.g. companies from sectors generating substantive carbon emissions or which, according to individual or proxy data, have high carbon emissions as compared to peers).

3.3. Pillar III: ESG scoring

Unigestion uses a proprietary ESG scoring system developed to ensure a consistent and comprehensive approach to ESG due diligence. Unigestion requires its portfolios in each asset class to maintain an ESG Score that is higher than a pre-defined benchmark on an ongoing basis. This is achieved through a continuous positive tilt to investments with better ESG Scores and a negative tilt to the ones with the worst ESG Scores.

Equity strategies

For equity strategies, Unigestion applies a proprietary methodology informed by the widely recognised sustainability accounting standards of the Sustainability Accounting Standards Board ("SASB") which takes into account the financial materiality of ESG issues and measures the proportion of a company's exposure towards ESG risks that are effectively managed. This methodology can be disaggregated into E, S and G components and the resulting ESG Score is between 0 and 100, where 100 is best. For further details, reference is made to the [Unigestion ESG Score](#).

In its portfolio construction process, Unigestion favours investments with higher ESG Scores and this ensures an overall ESG Score rank that is higher than the market reference whose stocks in the worst quintile have been removed based on rankings from its internal scoring methodology. In case of mandates using an ESG index as reference Unigestion follows the ESG Score rank of such ESG Index as the determining level.

In addition, at the aggregated portfolio level, Unigestion ensures that the total GHG intensity is, at least, 20% better than that of a relevant benchmark.

Sovereign bond strategies

For sovereign bond strategies, Unigestion applies its proprietary ESG Score to the issuing countries and requires its portfolios to maintain an overall ESG Score higher than the overall ESG Score of the Benchmark Index on an ongoing basis. This is achieved through a positive tilt to countries with better ESG Scores and a negative tilt to the ones with the worst ESG Scores. Unigestion effectively favors countries with higher ESG Scores and thus ensures that the overall ESG Score is above the Bloomberg Global Treasury Index (Bloomberg Ticker BTSYTRUU Index).

Direct private equity strategies

In 2019, we implemented a proprietary ESG scoring system with a view to ensure a consistent and comprehensive approach to ESG due diligence. In 2023, we have enhanced our scoring methodology to include new quantitative criteria (e.g. GHG emissions scope 1 to 3, gender pay gap, excessive CEO pay ratio) and new ESG topics such as biodiversity, employee survey, supply chain, data & IT security. According to this scoring system, each direct investment opportunity is rated out of 100%. Investments are rated as follows: under 25% "Lagger", between 25% and 50% "Beginner", between 50% and 75% "Follower" and above 75% "Leader".

The score of each direct investment results from the measurement of 50 criteria, of which 26 are quantitative, from across the spectrum of four ESG categories: (i) ESG Process & Organization, (ii) Environmental, (iii) Social and (iv) Governance. The quantitative criteria are harmonised with the principles of the SFDR and EDCI. For further details, reference is made to the Responsible Investing Policy p. 34 to 40.

Indirect private equity strategies

In 2019, we implemented a proprietary ESG scoring system with a view to ensure a consistent and comprehensive approach to our ESG due diligence. In 2023, we have enhanced our scoring methodology to include new quantitative criteria (e.g. GHG emissions scope 1 to 3, gender pay gap, excessive CEO pay ratio) and new ESG topics such as biodiversity, employee survey, supply chain, data & IT security. Furthermore, our enhanced methodology covers both the fund managers as well as the funds under management, attributing greater weight to the firm's ESG criteria for the time being while the private equity industry improves its disclosure of quantitative ESG criteria for funds. According to this scoring system, each fund investment is rated out of 100%. Investments are rated as follows: under 25% "Lagger", between 25% to 50% "Beginner", between 50% to 75% "Follower" and above 75% "Leader".



The score of each fund investment results from the measurement of 76 criteria, of which 35 are quantitative, from across the spectrum of ESG categories: (i) ESG Process & Organization, (ii) Environmental, (iii) Social and (iv) Governance. The quantitative criteria are harmonised with the principles of the SFDR and EDCI. For further details, reference is made to the Responsible Investing Policy p. 40 to 42.

3.4. Pillar IV: Active ownership

Unigestion aims to be an active owner of companies on ESG issues where Unigestion has a reasonable chance of influencing their behavior and positioning positively. In case of investments in other asset classes, such as sovereign bonds, Unigestion uses other methods such as investing in sovereign green bonds or in responsible precious metals for commodities. Unigestion's Pillar IV of the responsible investment process comprises all efforts and activities beyond the ESG Score described in Section 3.3 above. Further details on Unigestion's active ownership and engagement process are available in Section **Error! Reference source not found.**

4. List of financial products referred to in Art. 8 and 9 SFDR and scope of responsible investing process

For all of its funds, Unigestion France manages sustainability risks in accordance with the processes described in Section 0 below. In addition, Unigestion France manages the following funds qualifying as financial products referred to in Art. 8 SFDR:

Fund	Category	Percentage of Unigestion France's overall asset under management ("AuM")
Carpimko Actions Internationales U	Art. 8 SFDR	32%
Unigestion Direct II - Diversification Européenne	Art. 8 SFDR	14%

5. Content, frequency and means of reporting to investors

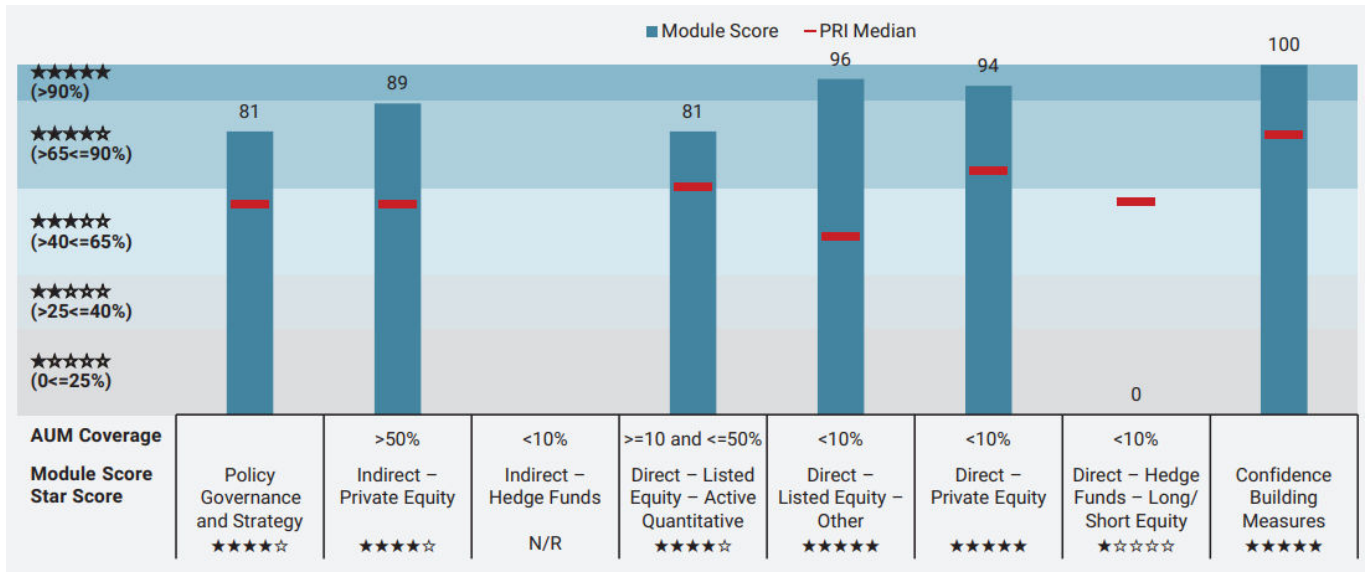
Unigestion France informs investors and clients of its funds how it considers ESG criteria in the responsible investing process via the legally required pre-contractual and periodic product documentation including the disclosures mandated by SFDR. In addition, Unigestion provides investors of funds qualified as Art. 8 SFDR with a regular ESG report containing information on the respective fund's ESG performance. Such ESG reports are provided monthly for all liquid equity and sovereign bond strategies and quarterly for direct and indirect private equity strategies.

Unigestion's website contains information on the Art. 8 SFDR funds managed by Unigestion France in the website section titled "Sustainability-related disclosures". In addition, Unigestion's website section entitled "Policies and Reporting" contains extensive information on Unigestion's approach to responsible investment and the integration of ESG criteria as well as on Unigestion's overall ESG strategy.

6. Adherence to ESG charters, codes, initiatives and labels

6.1. UN PRI

Unigestion joined the UN PRI in 2013. Active consideration of responsible investing with its stakeholders is an important part of Unigestion's responsible investing process and it is a key component of the UN PRI. Unigestion is committed to adhering to the six UN PRI Principles of Responsible Investment as long as they are consistent with Unigestion's fiduciary duties. Unigestion's latest UN PRI assessment result (for 2023) is summarized below:



Our complete PRI Transparent and Assessment Reports are available at <https://www.unigestion.com/responsible-investment/policies-and-reporting/>

6.2. Collaborative engagement

Unigestion believes that collective action by investors with mutual interests can enhance engagement efforts and therefore contributes to the following collaborative initiatives:



Climate Action 100 +

Year joined: 2018

Objectives:

Multi-year project by both asset managers and asset owners.

Engage with the World's largest corporate GHG emissions emitters to curb emissions, strengthen climate-related financial disclosures and improve governance on climate change.



Plastic Solutions Investor Alliance

Year joined: 2020

Objectives:

International coalition of investors that engages with publicly traded consumer goods companies on threat posed by plastic waste and pollution.



FAIRR Sustainable Protein Collaborative Engagement

Year joined: 2020

Objectives:

Encourage global food companies to systematically transition product portfolios to facilitate healthier, more sustainable diets.

Ask companies to set time-bound commitments to increase the share of nutritious alternative proteins in their portfolios.



Sustainability Accounting Standards Board (SASB)

Year joined: 2021

Objectives:

SASB is an independent non-profit organisation that sets standards to guide the disclosure of financially material sustainability information by companies to their investors. SASB standards identify the subset of ESG issues most relevant to financial performance in each of 77 industries. SASB also provides education and other resources that advance the use and understanding of its standards. This is of particular interest to Unigestion's private equity especially concerning direct investments and sector focused funds.



Access To Medicine Foundation

Year joined: 2022

Objectives:

Stimulate and guide pharmaceutical companies to do more for people living in low- and middle-income countries without access to medicine.



Carbon Disclosure Project

Year joined: 2022

Objectives:

Not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.



Initiative Climate International

Year joined: 2022

Objectives:

Focus on the global private equity industry.
Leverage tried-and-tested methodologies to analyze and mitigate carbon emissions and exposure to climate-related financial risks in private equity portfolios.



ESG Data Convergence Initiative

Year joined: 2023

Objectives:

To move the global private equity industry to leverage tried-and-tested methodologies to analyze and mitigate carbon emissions and exposure to climate-related financial risks in their portfolios.



Task Force on Climate-related Financial Disclosures ("TCFD")

Year joined: 2021

Objectives:

Climate change presents financial risk to the global economy. Therefore, financial markets need clear, comprehensive, high-quality information on the impacts of climate change. This includes the risks and



opportunities presented by rising temperatures, climate-related policy, and emerging technologies in our changing world. The TCFD was created to improve and increase reporting of climate-related financial information.

Spring

Year joined: 2024

Objectives:

Convening investors to use their influence to halt and reverse global biodiversity loss by 2030.

6.3. Labels

In 2023, Unigestion received the Label ISR for the Uni-Global – Equities Europe Fund following an audit by AFNOR.



B. INTERNAL RESOURCES DEPLOYED BY UNIGESTION FRANCE

Unigestion France relies on the central management of the responsible investing process and the resources deployed by Unigestion.

In general, employees directly involved in the management of funds and mandates are ultimately responsible for the application of all principles related to responsible investment. In addition, currently 3 full-time equivalents are exclusively dedicated to the implementation of Unigestion's responsible investing process.

For its internal ESG assessment process (including the ESG Scores, see Section A 3.3 above) Unigestion uses external ESG raw data, scores or qualitative information as an input into its internal assessment process. Unigestion currently works with the following external ESG data sources for its equity and multi-asset strategies:

- ▶ Sustainalytics
- ▶ Trucost
- ▶ Institutional Shareholder Services Inc. ("ISS")
- ▶ Transition Pathway Initiative (TPI)
- ▶ World Bank
- ▶ FAIRR

The respective budget at Unigestion amounts to EUR 300,000 p.a.

Unigestion regularly trains its employees in all areas relevant to their responsibilities and professional development, including ESG matters. In addition, all new joiners to Unigestion learn about the importance of responsible investing at a dedicated session on their company induction day.

In 2023, Unigestion organized the following conferences and training sessions:

June 2023	SuperReturn "Just Better to Net Zero Distribution", Berlin
September 2023	IPEM "Green returns – how real can they get?", Paris
October 2023	Impact Forum by Global Impact Investor Network (GIIN), Copenhagen
October 2023	Sahar Global Summits ESG & Impact Summit "Fiction or Reality: Private Equity Climate Returns can go hand in hand with Private Equity Climate Impact", New York
November 2023	SuperInvestor "From greenwashing to greenhushing: the end of an era?", Zurich
December 2023	Alternative Investment Council Sustainable Finance Webinar "Stewardship in Alternative Investments", online



C. INTEGRATION OF ESG CRITERIA INTO THE GOVERNANCE OF UNIGESTION FRANCE

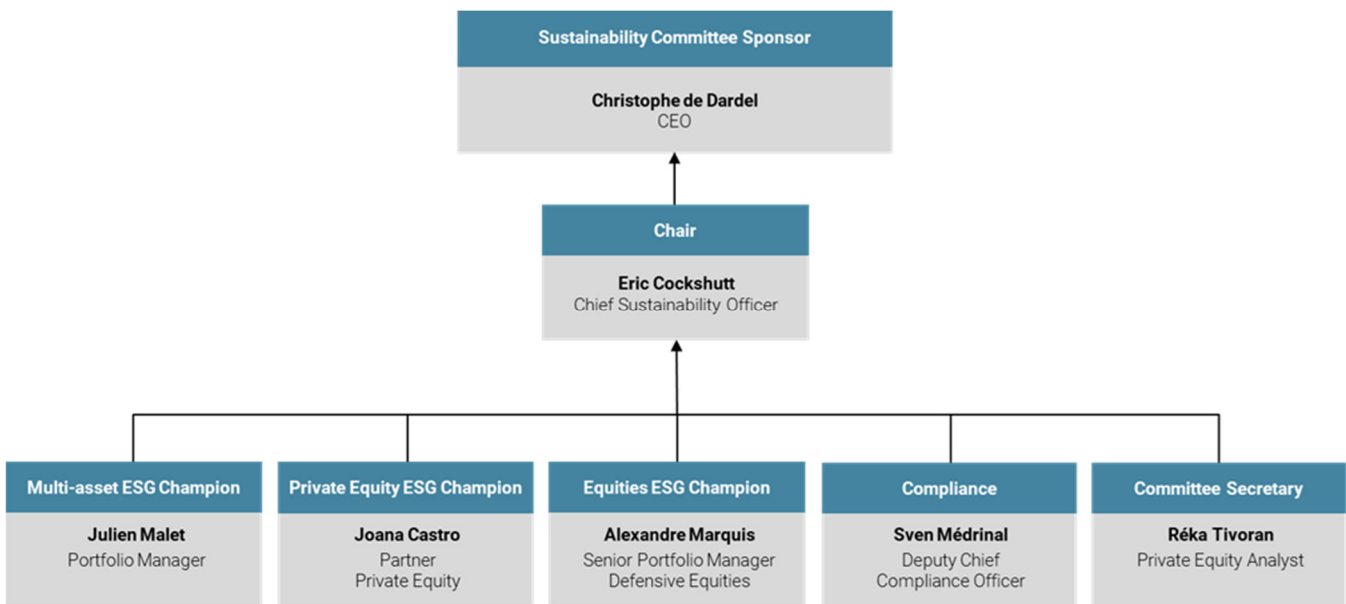
1. Responsible investing and ESG governance at Unigestion

Unigestion has established a strong governance framework that empowers its sustainable values and beliefs at the highest level of Unigestion. Notably, it has created a governance structure in which sustainability matters are centrally dealt with by the Sustainability Committee which reports directly to the Executive Committee as the highest decision-making committee within Unigestion.

Unigestion's Sustainability Committee leads the development and integration of responsible investing principles into all key processes including investment and risk management across the relevant entities and products. Composed of senior management, including Unigestion's group CEO, the Sustainability Committee is led by the following four principles:

- ▶ We integrate ESG risks throughout the organization, including investment decision-making processes.
- ▶ We actively engage and exercise investors' rights as shareholders by voting at shareholder meetings through our customized Proxy Voting Policy and engaging directly and collaboratively with investee companies and relevant stakeholders.
- ▶ Where possible, we aim to increase positive impacts and to reduce negative impacts. However, the scope and nature of these processes are determined at a product level.
- ▶ We consider ESG best practices by aligning our investment policy with the philosophy of the UN PRI and by being an active member of industry-wide movements such as Sustainable Finance Geneva and Swiss Sustainable Finance.

The Sustainability Committee is composed as follows:



Source: Responsible Investing Policy p. 11

The responsible investing governance hierarchy is structured as follows:

Sustainability Committee	<ul style="list-style-type: none"> • Advise the Executive Committee on defining the approach to responsible. • Propose ESG strategies and integration methodologies to Executive Committee and develop Unigestion's ESG framework. • Introduce ESG considerations within investment decision-making processes in a well-structured and aligned way. • Responsible for ESG implementation on behalf of Executive Committee, whether customized or regulatory.
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Executive Committee	<ul style="list-style-type: none">• Ultimate responsibility and oversight of all ESG-related activities.• Takes strategic decisions on ESG integration based on the Sustainability Committee recommendations.• Communicates the final decisions to the relevant Investment Committee.• Monitors Investment Committee implementation.
Investment Committees/ portfolio managers	<ul style="list-style-type: none">• Implement Executive Committee decisions according to investment line particularities under consideration of ESG specifics.
Risk management	<ul style="list-style-type: none">• Daily monitoring of adherence to investment guidelines implied by the overarching ESG strategy (pre + post trade control).• The ability to alert or block trades, should thresholds be reached or nearing limits.• Independent monitoring of sustainability risks at asset level across all strategies.

2. Integration of sustainability risks in the remuneration policy

As per Article 5 SFDR, Unigestion's remuneration policies are consistent with the integration of sustainability risks since the annual objectives of investment professionals and the annual performance evaluations take into account the integration of sustainability risks. In addition, the remuneration package for investment professionals is directly linked to the sustainability-related performance of financial products. In the performance review process key performance indicators are defined in a dialogue between the manager and the employee which always take into consideration potential sustainability risks as defined in the Unigestion risk management framework.

For further details reference is made to Unigestion's [Remuneration Policy](#).

3. Integration of ESG criteria at Unigestion France's board of directors

Unigestion has implemented robust governance structure, which provides effective cooperation between the Unigestion board of directors, senior management, compliance and external audit. Unigestion's governance is structured by a number of committees, illustrated in the table below:





Unigestion France's board of directors is composed of six members, four of which are independent members. The board of directors of Unigestion France holds meetings two to three times per year with an attendance rate above 85%.

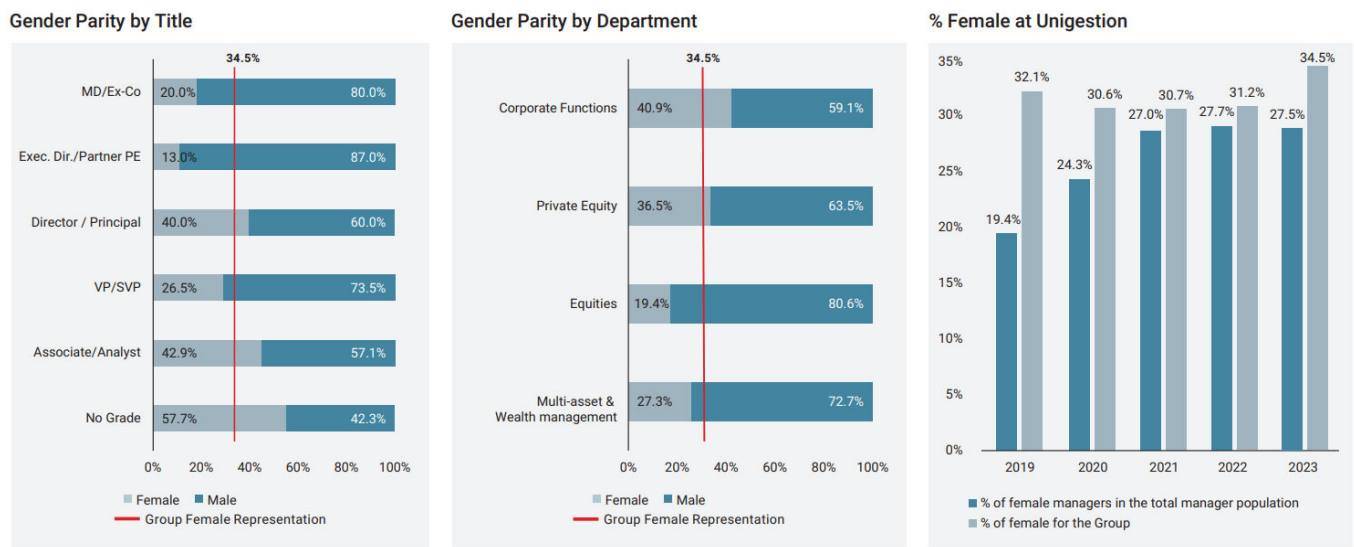
4. Unigestion's commitment to diversity

Unigestion is committed to supporting a diverse and inclusive culture. Unigestion aims to promote a culture in which all its employees are integrated, to develop a pool of diversity for future positions of responsibility, and to improve equality throughout the firm.

In this context, Unigestion proactively monitors diversity on a monthly basis within the Executive Committee meetings and on an annual basis within the meetings of the board of directors. While meritocracy is its fundamental principle, gender diversity is strongly considered in recruitment and talent development activities. Recruitment training is undertaken systematically by hiring managers, to provide them with a methodology and training on unfounded and unconscious bias and prejudice.

Gender diversity

In 2023, women represent 34.5% of Unigestion's population, which is distributed as follows:



Source: [Corporate Social Responsibility 2022/23, page 17.](#)

The overall percentage of women increased significantly in 2023 when compared to the previous three years. Unigestion has aimed to increase female representation in management positions by more than 8% over the past five years.

Unigestion has a number of initiatives in place to achieve its gender diversity goals:

- Women's initiative network;
- A women's mentoring program; and
- Female career development.

Diversity by nationality

Situated in the center of Europe, Unigestion's geographical location translates into a workforce made up of different nationalities and cultures. Unigestion therefore naturally embraces the cultural diversity of the workforce, which is reflected through multiple aspects within Unigestion, such as creative thinking and intercultural understanding. In December 2023, Unigestion's workforce comprised 22 different nationalities.

Diversity by generation

Just as the diversity of cultures contributes positively to a company, the organization and management of the workforce is also greatly influenced by the different generations present in the workplace. In recent years, Unigestion has welcomed employees from different generations into the company.



D. ACTIVE OWNERSHIP AND ENGAGEMENT

Active ownership and engagement constitute Pillar IV of Unigestion's responsible investing process and are an important element of Unigestion's responsible investing strategy (see Section A 3.4 above). The actions taken by Unigestion differ depending on the relevant asset class, as set out below. Further details are available in Unigestion's [Engagement Policy](#).

1. Equity strategies

In the context of equity strategies, Unigestion uses proxy voting and individual and collective direct engagement.

1.1. Proxy voting

Unigestion uses proxy voting inter alia in the areas of health, environment, human rights and social issues. Unigestion's proxy voting is carried out by ISS based upon a customized policy built upon ISS's International Sustainable Proxy Voting Policy with enhancements to address stricter rules for director and auditor independence as well as the incorporation of ISS's Climate Voting Services, which uses ISS's Climate Scorecard. Unigestion's equity investment team and the Sustainability Committee monitor the voting guidelines to ensure they are aligned with Unigestion's approach to stewardship.

Further details on proxy voting are available in [Unigestion's Proxy Voting Policy](#).

1.2. Individual direct engagement

Unigestion focuses its engagement efforts on a select group of companies on the most material ESG issues or based on SDGs. Unigestion bases the selection of engagement candidates on their financial materiality for its portfolios and four main catalysts:

- AGM-based engagements: Unigestion engages with companies at their annual general meetings ("AGMs") on a variety of issues of most relevance to investors: environmental subjects, climate change, human rights, labour rights, public health & safety, business ethics, corporate governance. This includes proposals that affect some aspects of the companies (e.g. the composition, size, independence, election, removal and remuneration of the board of directors and committee members).
- ESG or controversy engagements: Within the framework of its ESG integration process (see Section 0 below), Unigestion has defined and incorporated monitoring rules to identify those listed companies which it holds in portfolios involved in significant incidents which may negatively impact stakeholders, the environment or the company's operations, commonly known as controversies. Unigestion has defined and incorporated a rule to identify portfolio companies within the worst decile of the ESG Score that have shown signs of improvement over the long-term. Unigestion has decided to keep these companies in its portfolios, while engaging with them based on its internal evaluation of their ESG issues.
- Thematic engagement: The responsibility of companies with respect to SDGs is part of a qualitative research performed by the analysts. Unigestion uses its fundamental knowledge of companies and industries to pick specific topics for engagement and link them with SDG targets. For a couple of years now, SDG 13 – Climate Action, has been an overriding theme to consider for all of Unigestion's engagements. As such, Unigestion will reach out to companies on issues such as net zero strategies and commitments, their alignment with the objectives of the Paris Agreement ("Paris Agreement")³ and carbon footprints.
- Client specific requests or certain requirements: Certain clients and portfolios require specific engagements in order to meet their stewardship objectives (e.g. if a label has been obtained which requires specific engagements over time).

1.3. Collective engagement

Collaboration with other investors, asset managers and asset owners is a collective way to pursue change. Unigestion participates in collaborative engagement initiatives with likeminded asset managers and asset owners as set out in Section A 6.2 above. Unigestion can take either a lead or a supporting role.

1.4. Escalation procedures

Unigestion acknowledges that engagement is an activity which may take many years to bear fruit. Building constructive relationships over time is crucial, however, retaining the option to escalate plays an important part in Unigestion's ability to influence issuers. Unigestion remains conscious that its ability to influence might remain limited in the vast majority of situations because of its size.

³ Paris Agreement under the United Nations Framework Convention on Climate Change, signed on 22 April 2016.



If Unigestion is not satisfied with the progress of its engagement objectives or responsiveness of engaged companies, it makes a case-by-case assessment for escalation decided by the corporate engagement team. Unigestion has a number of different ways to escalate its engagements:

- Proxy Voting: Voting against management at the AGM.
- Supporting shareholder resolutions: Either initiated by third-parties or by joining shareholder groups.
- Collective engagement: See above.
- Partial or complete divestment: Although Unigestion's preferred method of engagement is constructive dialogue, if all other escalation channels have been exhausted and Unigestion sees insufficient improvement over a reasonable period, Unigestion may reduce its exposure, or completely divest, as a reflection of the increased risk of the investment.

2. Private equity strategies

In private equity, Unigestion's engagement scope focuses on all of its direct investments and, in addition, on indirect investments in funds of fund managers with whom Unigestion has at least EUR 30 million exposure or where Unigestion anticipates building such exposure in the future. Unigestion conducts these engagements on at least an annual basis.

2.1. Direct investments

Companies are assigned an overall ESG Score as part of the due diligence in Pillar III of the responsible investing process (see Section A 3.3 above). In order to drive high ESG standards, for each criterion, a tailored engagement plan is implemented, and priorities are allocated depending on the scale of the issue and the potential for improvement. The identified issues are then relayed back to the company to establish a plan for addressing them. The level of engagement and the action required will differ on a case-by-case basis. Examples of engagement include optimizing processes to reduce energy and water consumption (e.g. through the installation of drop-by-drop irrigation systems), or improving governance mechanisms.

2.2. Indirect investments

To achieve and enforce the application of Unigestion's responsible investing process, the fund investment team may negotiate a side letter agreement with the fund managers. The fund investment team integrates ESG issues into its day-to-day practices and monitors progress on an ongoing basis as part of a continuous engagement program. Fund investments are assigned an overall ESG Score as part of the due diligence in Pillar III of the responsible investing process (see Section A 3.3 above). The identified issues are relayed back to the respective fund manager to establish a plan for addressing them.

Unigestion follows a policy of active ownership, raising ESG concerns both in bilateral interactions with fund managers and via its role on advisory boards of funds. The level of engagement and the action required will differ on a case-by-case basis. In order to drive best-in-class ESG standards, Unigestion actively engages with its fund managers post-investment. Unigestion then reassesses each fund manager against the ESG criteria on an annual basis to measure any development and to readjust any measures taken. An annual report is then released internally to inform the Investment Committee and the Sustainability Committee and a formal annual ESG report is shared with investors. In addition, Unigestion funds' quarterly reports also include the evolution of ESG Scores which are updated on an annual basis. It is the responsibility of the respective portfolio managers to define and implement the day-to-day asset-specific engagement activities, while risk management and compliance define risk-based checks in certain cases.

2.3. Escalation procedures

In private equity, if Unigestion is not satisfied with the outcome of its engagement discussions, Unigestion downgrades the ESG Score of the direct investment or the fund manager accordingly and collaborates with other investors to put further pressure on the company or fund manager to deliver the desired engagement outcome. Should that approach fail, Unigestion could either (i) sell its investment in company or fund in the secondary market or (ii) seek the dismissal of company's CEO, typically alongside its investment partners, or the removal of the fund manager, alongside the required majority of the fund's investors.

3. Reporting

Unigestion reports on direct engagement activities as part of the investor ESG reporting (see Section A 5 above).

Unigestion publishes information on proxy voting on its [website dedicated to active ownership](#) and provides proxy voting reports to investors for selected investment strategies. Further information on proxy voting in 2023 is available in the [Sustainability Report 2023](#). In addition, we have recently launched a proxy voting data portal that provides up to the minute voting details, statistics, and rationale on a company-wide or portfolio basis. The portal is available at: <https://vds.issgovernance.com/vds/#/NzYxNA==>



E. EU TAXONOMY AND FOSSIL FUELS

1. EU Taxonomy alignment

In 2023, 0% of Unigestion France's AuM were aligned with EU Taxonomy.

2. Fossil fuel investments

Fossil fuel investments are investments in companies active in the fossil fuel sector as defined in No. 4 Table 1 Annex I. According to Annex I (5) SFDR RTS this includes companies that derive any revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels. 1.73% of Unigestion France's AuM are invested in companies active in the fossil fuel sector, based on net asset value calculations, data provided by Trucost and reasonable assumptions made by Unigestion.⁴

⁴ Unigestion France currently has company data for 73% of its AuM which shows a fossil fuel exposure of 1.3%. If this percentage is rebased to 100% of the AuM, this leads to an overall percentage of 1.73%. This overall percentage is based on company data (for 73% of the AuM) and on assumptions made by Unigestion France (for 32% of the AuM).



F. STRATEGY FOR THE LIMITATION OF GLOBAL WARMING IN LINE WITH THE PARIS AGREEMENT

Unigestion recognizes the importance of limiting global warming in line with the Paris Agreement and has implemented various strategies and procedures to ensure alignment with the Paris Agreement climate goals at entity and product level.

1. Entity level

Although Unigestion currently does not have quantitative targets at entity level, it has taken several initiatives to reduce and account for its own GHG emissions. Unigestion aims to reduce the carbon footprint of the buildings it uses, the natural resources its offices consume, and the impact of employee travel and has set up an internal environmental committee which measures, monitors and sets targets for the impact of all aspects of its business, from business travel, electricity consumption and commuting to paper consumption and waste production.

Unigestion monitors its organisational carbon footprint on an ongoing basis and reports on progress in the Sustainability Report 2023. In addition, Unigestion has defined environmental goals for 2025 which include a reduction of the GHG emissions per full-time employee as compared to the baseline carbon footprint in 2019.

Further information on Unigestion's approach to GHG emission reduction, energy efficiency and green mobility is available in the CSR Report 2022/23.

2. Product level

As part of its responsible investing process, Unigestion places a particular focus on climate change mitigation and SDG 13 and employs various strategies to track GHG emissions and carbon intensity and promote GHG emissions reduction. In the funds managed by Unigestion France, the following strategies are used:

2.1. Exclusion of thermal coal

In all equity and private equity strategies, Unigestion excludes companies with more than 10% of revenue coming from thermal coal in the context of the norm-based screening in Pillar I of the responsible investing process (see Section A 3.1 above).

2.2. Exclusion of high carbon emitters

In all equity, private equity and sovereign bond strategies, Unigestion excludes high carbon emitters as part of the exclusionary screening in Pillar II of the responsible investing process (see Section A 3.2 above).

2.3. GHG intensity and temperature alignment

For all equity strategies, Unigestion ensures that the total GHG emissions intensity (tCO₂e/USD million revenues) is, at least, 20% better than that of the relevant benchmark chosen for the portfolio.

Unigestion France's funds currently do not employ temperature alignment, but Unigestion France will consider this technique when setting up suitable new funds in the future.

GHG emissions intensity as compared to the relevant benchmark as well as the temperature alignment are reported to investors on a regular basis as part of the overall ESG reporting (see Section A 5 above).



G. STRATEGY FOR ALIGNMENT WITH LONG-TERM BIODIVERSITY TARGETS

Unigestion is aware that biodiversity risks and impacts can be important considerations for investment decisions made by Unigestion. Unigestion currently considers biodiversity risks as part of its sustainability risk management (see Section 0 below) and certain impact drivers for biodiversity loss (e.g. water consumption, waste) as part of the ESG Score in Pillar III of the responsible investing process (see Section A 3.3 above). In addition, for certain funds and mandates Unigestion collects information on PAI indicator No. 7 Table 1 Annex SFDR RTS which relates to activities negatively affecting biodiversity-sensitive areas.

Unigestion currently does not assess compliance with the goals set out in the [Convention on Biological Diversity](#) to align with long-term biodiversity targets and does not use a biodiversity footprint indicator. When considering biodiversity risks and impacts as part of its overall strategies, Unigestion aims to contribute to reducing main pressures and impacts on biodiversity defined by the [Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services](#). Unigestion does not collect indicators to measure compliance with international biodiversity targets.

We recently joined Spring, a PRI stewardship initiative for nature, convening investors to use their influence to halt and reverse global biodiversity loss by 2030. We are now supporting investors on the engagements with: Banco Bradesco, L'Oreal S.A., Reckitt Benckiser Group plc and Toyota.

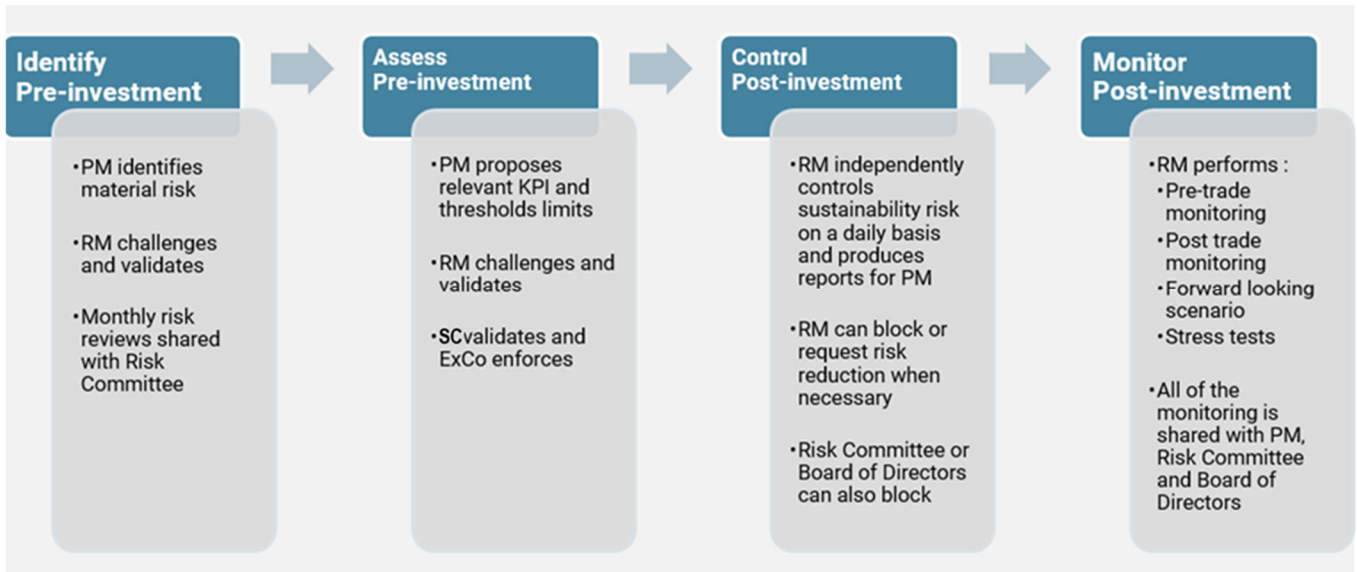


H. APPROACH TO INTEGRATING ESG CRITERIA INTO RISK MANAGEMENT

Unigestion believes that integrating ESG criteria into its investment and decision-making processes is essential to reducing the risks of its investments.

1. Risk management process

Unigestion applies ESG risk analysis throughout its investment decision-making process (before and after investment), according to the steps described below. For further details on the governance of Unigestion’s responsible investing process, reference is made to Section 0 1 above.



Source: [Responsible Investing Policy](#) p. 23

ESG risks are considered across all investment strategies offered by Unigestion. Due to the differences between the investment strategies, different risk management approaches may be applied (see Section 4 below).

1.1. Risk identification

Prior to investment, all staff in investment lines and support functions contribute to the identification of material risks pre-investment through a due diligence process. Post-investment risk management is applied through the regular review of investment risks in portfolios in partnership with the investment lines and the investment risk management function, and then further by ad-hoc reporting to management or the Risk Committee.

1.2. Risk assessment

For all risks identified, the investment lines work in collaboration with the risk management function to select one or several risk measures for regular risk assessment. Where relevant, early warning thresholds and limits are defined and agreed by investment line management and risk management. Thresholds and limits are validated by the Sustainability Committee and enforced by the Executive Committee.

1.3. Risk controlling

Risks are managed on a daily basis by the investment lines and the operations teams, based on the performance and risk information produced internally or by the Risk Management function. Whenever required or deemed necessary, the risk management function, Unigestion’s Risk Committee or the board of directors have power to instruct investment lines to act on portfolios in order to reduce risks that may be considered unacceptable.

1.4. Risk monitoring

The monitoring of portfolios vs the regulatory, contractual and policy thresholds and limits is performed pre-trade (whenever required) and close-of-business (always) by the risk management function and reported to the respective investment lines, the Risk Committee and the board of directors on the appropriate frequency with the required granularity in order to allow efficient decision



making. In addition to the regular monitoring of risk measures, Investment lines and the risk management function may perform forward-looking scenario analysis and stress tests on all risk types in order to test the resilience of the investment management process and of the portfolios.

Product level ESG risk monitoring takes place on an ongoing basis via:

- ▶ Update of external ESG ratings (for liquid assets only) and ESG Scores.
- ▶ Regular update of risk reports for liquid assets.
- ▶ Discussion in Investment Committee meetings.

2. ESG risk categories

In line with Art. 2 (22) SFDR Unigestion considers a 'sustainability risk' or 'ESG risk' to be an ESG event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment. ESG risks could impact credit spreads and rates of return, ratings, future cash flows, valuations of financial and real assets. In this context, these risks directly affect the assets managed by Unigestion on behalf of its clients.

In order to identify risks, Unigestion takes into consideration various criteria, such as whether they are current or emerging, exogenous or endogenous to the entity, their occurrence, their intensity, and the time horizon that characterizes them. Unigestion identifies ESG risks according to the economic sectors and geographic zones concerned by these ESG risks, the recurrent or one-off nature of the risks selected, and their possible weighting.

Unigestion applies the following ESG risk categories:

ESG Risks	Description
Environment-related (E)	Environment-related risks are driven by environmental factors. Unigestion understands them as the financial risks posed by the institution's exposure to assets that may potentially contribute to or be affected by climate change and other forms of environmental degradation (such as air pollution, water pollution, scarcity of fresh water, land contamination, biodiversity loss and deforestation). Climate-related risks may arise from transitional risks as a consequence of the transition to a low-carbon economy or from physical risks as a consequence of the physical effect of climate change.
Society-related (S)	Society-related risks are financial risks that arise from, for example, sub-standard working conditions, slavery and child labour, damage to local communities including indigenous communities, damage to health and lack of safety, damage to employee relations and diversity.
Governance-related (G)	Governance-related risks are financial risks that arise from, for example, the insufficient governance including, for example, unsustainable executive pay, bribery and corruption, political lobbying and donations, board diversity and structure, tax strategy.

3. Non-exhaustive list of ESG risks

3.1. Climate risks

Climate risks mainly relate to potential climate-related physical events resulting from climate change (physical risks), for example the risk of significant damage land, buildings and infrastructure due to an increase in irregular and potentially catastrophic weather phenomena such as droughts, floods and heavy precipitation, heat/cold waves and temperature changes, or storms.

Climate risks also include the risk to businesses and assets because of policy, legal and market changes as the world seeks to transition to a lower carbon economy (transition risks).



3.2. Social risks

Societal events (e.g. inequality, integration, labor relations, investment in human capital, accident prevention, changing customer behavior, etc.) or governance shortcomings (e.g. significant and recurrent breach of international agreements, corruption issues, product quality and safety, sales practices, etc.) can also translate into ESG risks.

3.3. Regulatory risks

Increasing regulatory requirements that result, directly or indirectly, from the adjustment process towards a low-carbon and more environmentally sustainable economy can lead to significant ESG risks that could hamper business models, revenues and overall investment value. These financial losses may be due, for example, to changes in the regulatory framework, such as carbon pricing mechanisms, stricter energy efficiency standards, political and legal risks, or the transition to a low-carbon economy.

3.4. Technological progress

The transition to a low-carbon economy may also have a negative impact on organizations due to technological evolutions. These evolutions lead to the substitution of existing products and services by lower-emission options, which can lead to the potential failure of investments in new technologies.

3.5. Reputation risk

Raising awareness of ESG issues can expose investments to a reputation risk, for example through campaigns run by NGOs or consumer organizations.

3.6. Industry/sector related risks

The stigmatization of an industry sector, changing consumer preferences and increasing shareholder concerns and adverse reactions resulting from growing concerns about climate change can have a negative impact on the value of investments.

3.7. Risks associated with small companies

If investments are made in smaller companies there is a risk of failing to identify, manage or mitigate ESG risks properly at company level since smaller companies generally devote fewer resources to ESG and provide less rigorous information than larger companies.

4. ESG risk management process for individual strategies

4.1. Equity strategies

Unigestion adopts a 360° approach to risk assessment in its investment process for equity strategies.





Source: [Responsible Investing Policy](#) p. 18

The ESG risk assessment consists of qualitative and quantitative elements, being (i) exclusions applied in the context of the norm-based screening (Pillar I of Unigestion's responsible investing process, see Section A 3.1 above) and the exclusionary screening (Pillar II of Unigestion's responsible investing process, see Section A 3.2 above), (ii) the ESG Score determined in the context of Pillar III of Unigestion's responsible investing process (see Section A 3.3 above) and (iii) stress tests and scenario analysis described below.

Climate risk assessment

The implementation of a quantitative model for the assessment of sustainability risks on the value of portfolios is a vast endeavor that will rely heavily on data that may not be available imminently. Therefore, the Unigestion risk management team has decided to adopt a staggered approach, concentrating on the ESG risks related to climate change in the first stage. From an investor's perspective, climate change is a threat which could potentially negatively impact economic growth, inflation and investment returns.

The Inter-Governmental Panel on Climate Change ("IPCC") has provided four main scenarios for future carbon emissions and associated global warming projections, known as Representative Concentration Pathways ("RCPs"), which are based on the human production of GHG from all sources. The IPCC chose to represent a broad range of climate outcomes, from which Unigestion has decided to concentrate on the RCP 2.5 and RCP 8.5 scenarios. These scenarios correspond respectively to the expected outcome of the Paris Agreement, which aims to hold the increase in the global average temperature to well below 2 degrees Celsius above pre-industrial levels, and to an unmitigated scenario in which emissions continue to rise throughout the 21st century.

Climate change does not impact all investment assets in an equal manner. Several recent studies have shown that there is a significant relationship, over long time periods, between temperature change and GDP growth. This can be linked to the expected returns of two factors that Unigestion has constructed with the aim at capturing the effect of the transition and physical risks respectively. Unigestion has created a model, based on the relationship between the returns of the assets in the portfolios it manages and the expected outcome of the RCP scenarios on the two transition risk and physical risk factors, that allows Unigestion to estimate the impact of the various climate change scenarios on the portfolio's value over various time horizons. For all of the potential and material non-climate risks, in addition to Unigestion's norm-based exclusions, Unigestion conducts a qualitative assessment on a case-by-case basis. Portfolio management performs qualitative reviews of each instrument covering all material ESG aspects, while risk management performs independent climate-related stress tests.

4.2. Commodities in the context of multi-asset strategies

The ESG risk assessment consists of qualitative and quantitative elements, being (i) exclusions applied in the context of the exclusionary screening (Pillar II of Unigestion's responsible investing process, see Section A 3.2 above), (ii) a parallel process as part of Pillar IV of Unigestion's responsible investing process described below and (iii) a qualitative expert assessment for stress tests and scenario analysis.

For precious metals (gold and silver), Unigestion follows the Responsible Gold Guidance of the London Bullion Market Association ("LBMA"), effectively investing in LBMA approved good delivery gold or derivatives backed by such delivery. The Responsible Gold Guidance for good delivery refiners in order to combat serious abuses of human rights, to avoid contributing to conflict, to comply with high standards of anti-money laundering and combating terrorist financing practice. In practice, this means using European Listed Physical Exchanged Traded Products (ETPs) backed by LBMA gold bars or gold forward contracts referenced by the London gold price. Risk management performs checks on a case-by-case basis based on the materiality.

4.3. Sovereign bond strategies

The ESG risk assessment consists of qualitative and quantitative elements, being (i) exclusions applied in the context of the exclusionary screening (Pillar II of Unigestion's responsible investing process, see Section A 3.2 above), (ii) the ESG Score determined in the context of Pillar III of Unigestion's responsible investing process (see Section A 3.3 above) and (iii) a parallel process as part of Pillar IV of Unigestion's responsible investing process (which includes favouring green bonds over other types of sovereign bonds).

4.4. Private equity strategies

The ESG risk assessment consists of qualitative and quantitative elements, being (i) exclusions applied in the context of the norm-based screening (Pillar I of Unigestion's responsible investing process, see Section A 3.1 above) and the exclusionary screening (Pillar II of Unigestion's responsible investing process, see Section A 3.2 above), (ii) the ESG Score determined in the context of Pillar III of Unigestion's responsible investing process (see Section A 3.3 above) and (iii) stress tests and scenario analysis described below.

Unigestion performs a qualitative and quantitative assessment of material ESG risks at company or fund level based on risk categories specific to the company's industry sector or fund's target industry sector. The material ESG risks identified for the investment opportunity are formally documented in an early warning memo for consideration by the Investment Committee. During due diligence, the direct investment team performs a quantitative assessment of the material ESG risks, selecting key performance indicators measurable pre- and post-investment and calculating the expected financial impact should the material ESG-related risks



materialise (ESG stress scenario). The results of this quantitative assessment are documented in the investment recommendation alongside the remainder of the ESG due diligence outcome. Portfolio management performs the assessment and the stress test analysis and risk management checks independently.

5. Framework review

The ESG risk management framework is reviewed on a regular basis by the Risk Committee but at least annually and required changes are presented to the Sustainability Committee for decision.

6. Anticipated financial effects

Information on the anticipated financial effects of ESG risks on the funds managed by Unigestion France is available in the reporting to investors. Unigestion regularly analyses such effects for its portfolios as part of the stress testing and scenario analysis (see Section 4 above).

7. Evolution of the applied methodology

Unigestion regularly reviews the methodology applied to the integration of ESG criteria in risk management and makes adjustments, where necessary. In 2023, no major adjustments have been carried out.



APPENDIX: MAIN DEFINITIONS

"AGMs"	Means the annual general meetings of investee companies
"AuM"	Means assets under management
"Climate Delegated Act"	Means Delegated Regulation (EU) 2021/2139
"CMF"	Means the French Monetary and Financial Code (<i>Code Monétaire et Financier</i>)
"CSR Report 2022/23"	Means the Corporate Social Responsibility Report 2022/23 of Unigestion
"EU Taxonomy"	Means Regulation (EU) 2020/852
"ESG"	Means environmental, social and governance
"ESG Score"	Means the ESG Score for investments determined by Unigestion based on its proprietary methodology
"GDP"	Means Gross Domestic Product
"GHG"	Means greenhouse gases
"IPCC"	Means the Inter-Governmental Panel on Climate Change
"ISS"	Means Institutional Shareholder Services Inc.
"LBMA"	Means the London Bullion Market Association
"LEC"	Means the French Energy and Climate Act no. 2019 - 1147 of 8 November 2019 (<i>Loi Énergie Climat</i>)
"PAI"	Means principal adverse impacts of investment decisions on sustainability factors in the context of SFDR
"Paris Agreement"	Means the Paris Agreement under the United Nations Framework Convention on Climate Change, signed on 22 April 2016
"RCPs"	Means Representative Concentration Pathways
"Report"	Means this report for Unigestion France prepared in accordance with Art. 29 LEC
"Responsible Investing Policy"	Means Unigestion's Responsible Investing Policy
"SASB"	Means the Sustainability Accounting Standards Board
"SDGs"	Means the Sustainable Development Goals adopted by the United Nations in 2015
"SFDR"	Means Regulation (EU) 2019/2088
"SFDR RTS"	Means Commission Delegated Regulation (EU) 2022/1288



"TCFD"	Means the Task Force on Climate-related Financial Disclosures
"UN PRI"	Means Principles for Responsible Investment supported by the United Nations
"Unigestion"	Means Unigestion S.A., Switzerland, Unigestion France and all of their affiliates
"Unigestion France"	Means Unigestion Asset Management (France) S.A.