



Article 29 Report

June 2025

tobam^{*}
unbiased.

Agenda

01. General Approach

02. Internal Resources

03. Governance

03. Engagement & Voting

04. EU Taxonomy alignment & Fossil Fuels

05. Paris Agreement Alignment

06. Alignment with biodiversity objectives

07. Sustainability risks

08. Action Plan

Regulations References

The Article 29 of the Energy Climate Law (LEC) of November 8, 2019 cancels and replaces the provisions of Article 173 of the Energy Transition Law and revises, clarifies and strengthens sustainability-related financial disclosures for market players.

The LEC Article 29 and its implementing decree No. 2021-663 of May 27, 2021 also align and coordinate the French regulatory framework with Regulation EU 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR).

BELIEFS AND PRINCIPLES

Since its creation, TOBAM has decided that sustainable development would be explicitly core to its values.

Our clients have a long-term approach to investing and our sustainable way addresses these concerns. TOBAM has a long-standing commitment to uphold sustainability challenges and opportunities. These principles are integral in the rules structuring our activities. We aim to act in a socially responsible manner via our business, our social relations and our long-term vision of sustainable growth.

TOBAM's approach is to define responsible investment principles that can be translated into concrete steps which will be implemented gradually and enhanced over time, ideally in collaboration with its partners.

Some investment beliefs related to responsible investments:

01. Adoption of a long-term view (vs. short-term view)

In alignment with the long-term views of our investors, every initiative we take at tobam is looked at with a long-term view. Short-term gains may seem attractive but what matters is longevity (in terms of resource efficiency, responsible use of resources, human and financial capital etc.). TOBAM focuses on the long term, a notion that is at the heart of our investment philosophy and applies both on the corporate and investment level. Incorporating sustainability challenges and opportunities within our investment process is not intended to provide additional performance, but rather is instrumental in managing the risks and aligns well within the larger context of long-term investment.

02. Research-based sustainability Integration enhancements:

TOBAM spends a significant amount of its time and budget researching topics around sustainable investments working on the development of pragmatic and research-based Responsible Investment integration approaches.

Our objective is to come up with rational and professional ways in which to implement further sustainability challenges and opportunities, while not changing the nature of our investment philosophy.

03. Focus on Data Quality and Relevance

At TOBAM, research and scientific rigor are the bedrock of our operations. As a quantitative manager, our reliance on data is paramount. Early in our journey, we made a pivotal decision to utilize raw sustainability data rather than relying on external providers' scores or ratings. This choice was driven by comprehensive analyses conducted by our research team, which revealed significant inconsistencies and a lack of correlation in sustainability assessments across various data providers.

Recognizing these discrepancies, we committed to using raw, publicly available, and high-quality data. We invest considerable time and resources to ensure the integrity of this data, scrutinizing elements such as carbon emissions, sustainability performance, biodiversity, autocratic risks, and any other relevant criteria.

This meticulous approach empowers us to effectively integrate sustainability challenges and opportunities into our strategies, ensuring that our decisions are grounded in accurate and relevant information.

04. Transparency

Transparency is a core value of TOBAM, at the investment level (Investment process, Research, SRI policy) as well as at the corporate level in the HR management, and communication to clients, partners, shareholders and employees.

05. Responsible Use of Influence

TOBAM believes in the benefits of actively trying to promote good practices. TOBAM leverages its ownership position in companies to further its commitment to socially responsible investing on behalf of clients, and to improve corporate governance. This has translated in direct as well as collaborative engagement.

Most of our clients have a long-term investment horizon and will have to deal with major sustainability-related challenges that lead to tangible impacts on investment portfolios (stricter sustainability regulatory framework, multiplication of norms and standards, pressure from stakeholders, etc.). As a result, sustainability issues cannot be considered as “extra-financial” criteria, as they form an integral part of the factors to be considered, alongside traditional ones.

We believe that incorporating sustainability in our investment process is not meant to deliver a moral or ethical point of view, nor provide additional performance, but rather is instrumental in managing the risks and makes absolute sense in the context of long-term investments. More details on exclusion, voting, engagement and SRI policies are available on TOBAM website.

KEY PILLARS TO OUR SI PROCESS

In its investments, TOBAM is committed to consider, monitor and integrate sustainability risks and opportunities by systematically applying the following features to all its funds and mandates:



EXCLUSION POLICY

Exclusion of companies involved in controversial products (Tobacco, Coal, Weapons) as well as controversial behaviours (Human rights violations, Environment and International Laws severe damages or breaches)



SYSTEMATIC CARBON FOOTPRINT REDUCTION

Reduction of at least 20% versus the reference benchmark's carbon footprint across TOBAM's equity and fixed income portfolios and mandates. Additional reduction can be done to some strategies.



SUSTAINABLE PERFORMANCE FOOTPRINT INTEGRATION

Assessing the Sustainability Performance Footprint at each individual stock level, based on a proprietary approach, TOBAM is integrating this assessment into its portfolios by ensuring that the strategies' Sustainability Performance Footprints are at minima at the same level than the respective benchmark's Sustainability Performance Footprint.



RESPONSIBLE OWNERSHIP: VOTING & ENGAGEMENT

TOBAM defines active ownership and corporate engagement as using its shareholder position on behalf of its client to influence company management decision making and the further integration of sustainability principles and good corporate governance in the companies in which it invests.

ADDITIONAL FEATURES

Additionally, to the key features in place in all of TOBAM's strategies, the following initiatives have been put in place in some strategies:



PARIS AGREEMENT ALIGNEMENT

Some of TOBAM's strategies are aligned with the Paris agreement, hence featuring additional commitments (fossil fuels exclusion, -50% carbon reduction, temperature alignment...)



CONSIDERATIONS OF EXPOSURE TO AUTOCRATIC REGIMES

TOBAM's range of strategies called LBRTY addresses the risks of exposure to autocracies. These strategies have a dedicated process to answer these specific risks and opportunities. Furthermore, authoritarian exposure is assessed for all portfolios (LBRTY and other ranges of strategies).

TOBAM Sustainable Investment Policy is applied by default to all open-ended funds and mandates invested in equity, fixed income and multi asset strategies. Some additional exclusions might be decided for some open-ended funds, and some additional features as well.

Exclusion, ESG integration and stewardship is not applicable on strategies invested only on digital assets, these strategies have some particular sustainability integration features.

Communication Documents

- Prospectus (*available online*)
- Website Sustainability Section (*updated with latest news and documents updates*)
- Strategy Presentation (*communicated to clients directly*)
- Sustainability Presentation (*communicated to clients directly*)
- Strategy Factsheets (*Monthly emailing to clients*)

₿TOBAM

TOBAM has launched a dedicated investment activity on digital assets in 2016.

In an effort to remain consistent throughout its range of products and in line with our commitment to integrate sustainability far as we can in all our investment processes, TOBAM is committed to the following for its ₿TOBAM range of asset classes:

- **Investment in Bitcoin-related stocks**

Strategies or investment buckets invested in bitcoin-related stocks, apply TOBAM's mainstream SRI Policy: Exclusion, Carbon reduction of at least -20%, sustainability performance monitoring, Votes & Engagement.

Share of Total AuM integrating ESG into the process

97%

AS OF DECEMBER 2024	EU SFDR Regulation (Regulation EU 2019/2088)			AuM % out of total AuM (including mandates and closed end funds not listed here)
OPEN ENDED FUNDS AT TOBAM	Article 6	Article 8	Article 9	
Equity Anti-Benchmark Strategies				As of December 2024
MDP AB Canada		✓		0.30%
MDP MaxDiv EM		✓		1.30%
MDP AB Euro		✓		0.90%
MDP AB Global		✓		2.70%
MDP AB Japan		✓		0.70%
MDP AB Pacific Ex-Japan		✓		0.30%
MDP AB Switzerland		✓		3.40%
MDP AB US		✓		8.00%
MDP AB World		✓		0.70%
MDP AB World ex Switzerland		✓		3.80%
MDP Maxdiv World Protected		✓		5.00%
Fixed Income Anti-Benchmark Strategies				
MDP AB Global HY		✓		1.40%
MDP AB Global IG		✓		2.60%
Multi Asset Anti-Benchmark Strategies				
MDP AB Multi Asset		✓		2.90%
LBRTY Equity strategies				
LBRTY Emerging Markets Equity			✓	2.70%
LBRTY ACWI Equity			✓	0.80%
§TOBAM Strategies				
TOBAM Bitcoin CO2 Offset	✓			1.70%
TOBAM BTC-Linked & Blockchain Equity		✓		0.20%
MDP Global Blockchain Equity		✓		0.30%

Please note that assets under management by TOBAM not listed above, are not eligible for SFDR classification : Mandates or dedicated strategies for clients. Most of these have the exact same sustainability integration features than their open-ended funds equivalent classified 8 or 9, but are not classified per se.

Exclusion List

Controversies

**Voting &
Engagement**

**EU Taxonomy
Alignment**

PAI Monitoring

**Carbon
emissions**

ISS ESG 
ethix • climate • eekom

**Sustainability
Performance
Footprint
Raw data**

Bloomberg

Biodiversity



**Paris Aligned
Agreement**

Bloomberg

ISS ESG 
ethix • climate • eekom

Echoing its team-based approach to investment management, the **Sustainability Committee includes membership drawn from Portfolio Management, Business Development, Operations and the Executive Committee as well as an external consultant dedicated to SRI and CSR policies and implementations.**

TOBAM's Sustainability Committee also relies on TOBAM's investment teams, with SRI referents; together, they are TOBAM's SRI Task Force.

This working group is in charge of brainstorming, coordinating, investigating and monitoring ESG integration within TOBAM's investment process via research projects or implementation initiatives.

Organisation described below:

Created in 2016, in charge of piloting all CSR and RI related topics, ensuring that these considerations and projects remain on top on TOBAM's agenda as well as coordinating with various teams any new projects or ideas.

SUSTAINABLE COMMITTEE



INVESTMENT TEAM & RESEARCH REFERENTS



9 members from the investment team are involved in ESG research, integration, implementation and monitoring. Each team has an SRI leader and on average, app. 20% of TOBAM's team is dedicated to ESG

Trainings

All employees including interns at TOBAM benefit from a structured training program, allowing them to gain a good grasp of TOBAM's core expertise. Trainings cover a wide range of topics: TOBAM's Mission, Values and Principles, Maximum Diversification® for beginners, Credit Markets, Cybersecurity, Indices, Research Team, The Equity Risk Premium.

TOBAM sustainability committee provides at minima an annual presentation on TOBAM's SRI policy and sustainable approach, but also provides this training regularly during the year to new joiners and interns as well as other teams if new methodology or updates to process should arise.

Remuneration policy

The remuneration structure does not encourage excessive risk-taking with respect to sustainability risks. Employees that are designated as being relevant to the sustainability measures at TOBAM are notified as such and this metric is included in their annual performance review. **TOBAM's performance management, reward and personal development processes such as end of year appraisal processes have a responsible investment element for managers and employees involved in sustainability risks and opportunities considerations. Goals and responsible investment considerations are included in appraisal processes and variable pay is linked to the inclusion of risks and opportunities related to sustainability.**

Structured oversight: Sustainability Committee & SRI Task Force

We decided in 2016 to set up a Steering Committee dedicated to sustainability topics to challenge and monitor our approach and maintain a high level of commitment over time (see focus below).

The committee is in charge of piloting all CSR and SRI related topics, ensuring that these considerations and projects remain on top on TOBAM's agenda. The committee is in charge of coordination with the various different teams any new projects or ideas.

As a UN Global Compact and PRI signatory, we are committed to complying with these internationally renowned Responsible Investment-ESG reporting standards.

We consider transparency as a key component of our responsible governance of Corporate Social Responsibility and Responsible Investment matters: and as such demonstrate our dedication to transparency by posting on our website in public access all information related to our SRI policies, engagement and voting decisions, as well as all CSR initiatives.

20% of TOBAM's team is dedicated to ESG

➤ App.

330 000 € per year

dedicated to research / data / consulting capabilities

US\$ 1.9bn
under
management
(as of December 2024)

Topics covered by the Committee

- PRI & Global Compact and CDP Adhesions & reporting processes
- SRI
 - Research projects
 - Further ESG integration initiatives
 - Exclusion list Monitoring
 - Engagement & Collaborative actions
- CSR
 - Sustainability Employee Initiative
 - Coordination with Human Rights NGOs – Donations
 - Youth Sponsoring Initiative
 - KPI monitoring
 - Carbon Footprint Measure & Offsetting programs

Executive Committee Supervision of TOBAM's sustainability policies

Two executive committee members are key participants to ESG research and implementation initiatives

TOBAM's Deputy CEO, Christophe Roehri, is a member of the Sustainability Committee, with 25 years of experience in asset management and instrumental contribution to TOBAM's ESG evolution over the years

TOBAM's Chief Operating Officer with over 25 years of experience in asset management and sustainability integration, oversees implementation and compliance of TOBAM sustainability policies.

Excom members report to the entire executive committee on all activities related to Sustainability.

VOTING

We believe that over the long run, good corporate governance should lead to both better corporate performance and improved shareholder value. Therefore, on behalf of clients, we use our ownership position in companies to further our commitment to socially responsible investing and to improve corporate governance by exercising proxy voting rights.

While the overall exercise of voting rights is based on ISS's "SRI International Proxy Voting guidelines", we have gone one step further by **defining our own voting principles on certain key corporate governance issues.**

Our role as a shareholder is therefore to make sure the appropriate governance systems are in place in the companies we invest in, rather than judging management decisions per se.

Thus, we have decided to closely monitor the appointment process for Board members, and to supplement ISS voting policy with **some proprietary voting guidelines, with a particular emphasis on boards' diversity and independence.**

Additionally, as we consider sustainability as a risk management and performance factor over the long run, we believe that it is our role as a shareholder to exercise our voting rights on behalf of our clients to improve the sustainable development of the firm in which we invest. **Our proprietary voting principles therefore support shareholder proposals asking for more transparency on sustainability issues** (ESG board committee, Improvement of Human Rights Standards or Policies, etc.)

KEY DOCUMENTS

[Stewardship
Policy](#)

[Voting Report](#)

ENGAGEMENT

Recognizing the value of different forms of engagement, TOBAM carries out **direct engagement** as well as **collaborative engagements with other partners or investors.** TOBAM acts individually or collectively based on information gathered by its partner ISS, or issued by other stakeholders such as investors or human rights NGO's.

All engagement initiatives are discussed and decided during the Sustainability Committee.

TOBAM is currently actively engaged in dialogue on different topics: Human Rights Campaign on companies involved in controversies about forced labour in China with the Uyghur population and monitoring on the principal adverse impacts related to human rights policies and due diligence processes.

KEY DOCUMENTS

[Engagement
Policy](#)

[Engagement
Report](#)

% FOSSIL FUELS EXPOSURE
(on TOTAL AUM)

5.87%

As of December
2024, **44% of
TOBAM's
AuM** are
committed to
fossil-fuel free

% ALIGNEMENT TO EU
TAXONOMY (on TOTAL AUM)

1.09%

Although our alignment with Taxonomy is currently low, this is mainly due to the lack of available data, in particular for investments outside the EU.

TOBAM implements a systematic reduction of at least 20% versus the reference benchmark's carbon footprint across TOBAM's equity and fixed income portfolios and mandates.

All new strategies launched with an equity or fixed income component are applying this carbon footprint reduction constraint.

TOBAM uses reported carbon emissions data by companies and has built a proprietary methodology to calculate accurately carbon emissions on equity and credit portfolios based on carbon intensity. The exact same methodology is applied to TOBAM's portfolios and benchmarks to make the reduction consistent.

TOBAM is committed to reduce its carbon emissions by 20% compared to the corresponding benchmarks, in all its article 8 and 9 strategies. There is no absolute emissions commitment and TOBAM has not taken any pledge to be net zero by 2030 or 2050.

However we are strongly committed to do as much as we can at any given moment.

- We are committed to dedicated at least 20% of our research capability on how to integrate further considerations for climate change and ESG criteria in general.
- We are committed to engage with our investee companies to influence best practices and change in the industries.
- We are committed to exclude companies involved in coal mining or any severe environmental breaches.

Furthermore, TOBAM has taken the initiative to align some of its flagship strategies with the Paris agreement of keeping global warming below the 1.5° C commitment.

For those strategies, TOBAM applies the following additional ESG features:

- Carbon Footprint Reduction of 50% vs. Benchmark (versus 20% for the other sub-funds) considering Scope 1, 2 and 3 (when possible)
- Additional and more restrictive exclusions on Fossil Fuel related industries (Coal; Threshold at 1% of revenues, Oil: threshold 10% of revenues, Natural Gas: threshold 50% of revenues; High GHG emissions electricity producers: threshold >100gCO₂/kwh (50% of revenues)
- Optimization constraint of temperature contribution of each holding to reach a 1.5° C portfolio in line with the latest IPCC climate scenarios.
- Best effort additional feature, to incorporate companies' commitment to the Science Based Targets initiative (monitored on a yearly basis).

**Proprietary
methodology
Based on
collaboration
with University
of
Southampton**

As of December
2024, **39% of
TOBAM's
AuM** are Paris
Agreement
Aligned

The three objectives of the Convention on Biological Diversity, adopted on June 5, 1992 during of the Earth Summit in Rio de Janeiro, are the following:

- Conservation of biodiversity;
- The sustainable use of its components;
- Fair and equitable sharing of benefits arising from the exploitation of resources energy and knowledge traditional ones associated with it.

TOBAM's assessment of the impact of our strategies on biodiversity is organized as follows:

1. TOBAM's proprietary Sustainability Performance Footprint methodology considers variables that influence biodiversity, such as:

- Existence of a climate change policy at the firm level,
- Existence of a biodiversity policy,
- Existence of a water usage policy

2. Monitoring Principal Adverse Impacts (PAI):

As part of monitoring the Principal Adverse Impacts indicators in its strategies, TOBAM tracks PAI #7: Activities negatively affecting biodiversity.

Companies with a significant negative impact on biodiversity will be addressed through dialogue with the company.

3. Proprietary methodology to assess the impact of invested companies on biodiversity:

After several years of research, particularly in sourcing reliable and qualitative data to assess biodiversity impacts, TOBAM began using publicly available data from the CDP Green Finance Accelerator platform.

While the coverage for our investment universes is satisfactory, it is expected to improve as mandatory biodiversity disclosure requirements are implemented over the next few years.

TOBAM has developed a proprietary methodology to assess the impact of invested companies on biodiversity. TOBAM examines two indicators available on the platform : "Water Impact Level" and "Forest Impact Level", ranking the investee company's biodiversity impact, from "None" to "Critical". This allows TOBAM to establish a Biodiversity Impact Level indicator both at the company level and for each managed portfolio.

RISK ASSESSMENT

The overseeing of Sustainability Risks - including Climate and Biodiversity Risks - at TOBAM is performed by the members of the Risk committees.

These members have expertise in sustainability, finance, risk management and use different contributions (governmental initiatives, NGOs, data providers...) to integrate environmental science analyses.

The scope of the overseeing is wide as it concerns globally all types of assets, contracts (stocks, bonds, cash, derivatives, etc.) and liabilities (money from investors, prospects, public or private sectors).

The identification of the specific climate-related risks to be considered is following the standard approach of the European Commission (https://climate.ec.europa.eu/climate-change_en) with physical risks (e.g. High temperatures, Drought and wildfires, Availability of fresh water, Floods, Sea-level rise and coastal areas, Biodiversity, Soils, Inland water, etc.) and transition risks (e.g., policy changes, technological advancements impacting industries, market risk from rising raw material prices or changing consumer behaviour, reputational risk related to taken actions or specific sensitive sectors).

The materiality of identified Physical and Transition risks is assessed with their potential financial impact. This involves evaluating the likelihood and severity of these risks. The Risk cartography of TOBAM includes a matrix combining identified risks and opportunities for TOBAM, analysed over several dimensions such as:

- Analytical Tools
- Portfolio & Strategies impact
- Regulatory requirements
- Reputation
- Time horizon

The concept of double materiality adopted by Article 29 is referenced, as well as the Corporate level climate considerations.

RISK MONITORING

Data Integration

In order to assess the climate-related risks, TOBAM gathers data allowing the computation of carbon footprint (GHG data, CO2 data, scopes related, CDP data, ICB sectors, Sales, etc), computes carbon footprint, temperature impact of the activities of the selected securities (for the Funds using a Paris Aligned strategy, the implemented constraint is targeting to contain the warming of the earth below 1.5 degrees Celsius).

Real-time monitoring

The Risk Management team makes sure that scopes 1&2 carbon intensities of all strategies are computed on a real-time basis in the Portfolio Management tool, trigger alerts when computed threshold are exceeding maximum levels (during simulations, order preparation or even when ESG data are updated).

Additionally, two daily automated reports (the ex-ante one generated at the end of the day before orders execution, and the ex-post one, generated in the morning following order executions) are monitored by Portfolio Managers, Risk and Compliance Officers. They make sure that a minimum systematic reduction of 20% in comparison to the portfolios' benchmarks is applied. The temperature impact is also daily monitored for the Funds using a Paris Aligned strategy, targeting to limit the computed temperature increase to 1.5°C during rebalancing sessions.

Exclusion policies detailed below are part of the same real-time monitoring, alerting and Reporting system.

All historical data used in the Sustainability Risk monitoring process are available to Portfolio Managers, Risk and Compliance teams, within the Portfolio Management tool.

The Portfolio Management team and the Risk Management control the quarterly PAI reports: exhaustiveness of the coverage, inclusion of all selected PAIs, coherence of data, relative value of portfolios' figures against their benchmark, data values in line with the precited exclusions (controversies, excluded sectors, etc.).

BACK TESTING

All quantitatively driven strategies are back tested by TOBAM, using a timeframe that is long enough to include historical stress testing and check the ESG constraints are met by the strategies in these stressed conditions.

RISK MITIGATION STRATEGIES

The investment strategies of TOBAM are based on a quantitative approach focusing on risk mitigation strategies, including ESG risks and involving:

- Portfolio Diversification to reduce exposure to high ESG risk sectors or companies. This helps mitigate the impact of ESG-related risks, Climate and Biodiversity Risks on overall portfolio performance.
- Engagement and Stewardship with active engagement with portfolio companies to encourage better ESG practices. This includes direct dialogue with company management, voting on shareholder resolutions, and collaborating with other investors on ESG initiatives.
- Exclusion Policies to avoid investments in companies or sectors with unacceptably high ESG risks, Climate and Biodiversity Risks.

The DNSH principle is applied in the context of EU Taxonomy Regulation and the Sustainable Finance Disclosure Regulation. Before any investment is made by TOBAM's funds (not only sustainable investments but all investments), the investment has to pass a negative screening filter (e.g. exclusion of coal mining, defined levels for coal/oil/natural gas for Fossil Free strategies, etc.). Companies under severe controversies, companies part of controversial sectors, or unsustainable industries due to extremely high transition risks or physical risks are excluded from TOBAM's investment universe.

The addition or removal any new criteria to TOBAM's exclusion policy is discussed and decided by the Sustainability Committee according to an official procedure (aligning itself with the PRI and UN-Global Compact guidelines and cooperating with ISS-Ethix to determine the list of issuers and securities relevant for exclusions given our investment universe). The Committee meets every quarter and is notably in charge of ensuring the legitimacy and consistency of the exclusions, and their alignment with TOBAM's mission and values.

The Risk Management team controls the implementation of the exclusion policy by checking the automated exclusion rules, following alerts triggered on potential problems and making sure the divestments are performed on the newly excluded securities.

Moreover, as there are different products offered by TOBAM, depending on the implemented strategy and the environmental requirements of the clients, specific universe filters / constraints / optimizations can be applied on the managed portfolios.

TOBAM has established a list of engagement priorities with companies to analyse the materiality of the controversies and how they address them. Human rights are notably a key criterion of engagement for TOBAM alongside carbon emissions reporting and developers of new coal mining projects.

Furthermore, the Principal Adverse Impacts ("PAI") indicators have notably been considered through an exclusionary investment policy of several key sectors considered as significantly material in terms of negative impacts while also being monitored as part of the regulatory monitoring of PAI indicators.

Negative impacts are monitored based on their seriousness by the sustainability committee in charge of identifying companies responsible.

REPORTING AND TRANSPARENCY

A transparent reporting on ESG risks and risk management practices is essential for regulatory compliance and investor confidence.

ESG risks and their potential financial impact are disclosed in annual reports, investor communications, and regulatory filings. This includes detailing the methods used for ESG risk assessment and scenario analysis.

Climate-risk related elements are reported internally and externally to clients through periodic factsheets (displaying the corresponding metrics such as the carbon intensity), different dashboards published by TOBAM (emails and website), SFDR reporting.

The current scenario analyses are based on temperature increase and systematic reduction of the carbon footprint in comparison to the reference investment universe.

CONTINUOUS IMPROVEMENT

In relation to investment stewardship, TOBAM adopts ISS SRI voting policies with additional ESG criteria and follows 'Call for Action' proposals (for example proposals requesting the adoption of specific GHG goals, requiring director nominees to have certain environmental qualifications, establishing a new E&S committee, or requiring the adoption of specific diversity requirements).

As Climate-related risks are dynamic and evolving, TOBAM has an ongoing monitoring and review to stay abreast of new risks, emerging best practices, regulatory changes, and will follow closely scientific developments in the field of climate change. A regular reassessment and update the climate risk will take place in the Sustainability and Risk committees.

The changes in the regulatory framework are also closely monitored to anticipate the Climate-related risk measures applicable to the asset management activities (SFDR, etc.)

On top of a pooled engagement with ISS, TOBAM is a signatory to some collaborative initiatives and take an active role on those most relevant to us (UNPRI, UN Global Compact, CDP, The Global Statement on investor obligations -The Sustainable Stock Exchanges Investor Working Group -The Global Investor Statement to Governments on Climate Change, etc.)

By following this comprehensive process, TOBAM can effectively identify and assess climate-related risks, integrate them into their investment strategies, and contribute to sustainable and responsible investing practices.



TOBAM invests a significant amount of time and resources in researching sustainable investment topics.

Our research team dedicates over 20% of its time to these areas, focusing on developing practical and scientifically grounded approaches to integrating responsible investment practices. We strongly believe in utilizing high-quality, transparent, and unbiased raw data.

RESEARCH PROGRAM

A substantial portion of our research program is dedicated to sourcing data and analyzing its relevance, consistency, and availability.

Through leveraging TOBAM's quantitatively driven research capabilities, we continually strive to assess and improve methods of sustainability challenges and opportunities integration.

The primary focus of the Research team's efforts includes:

- Biodiversity analytics

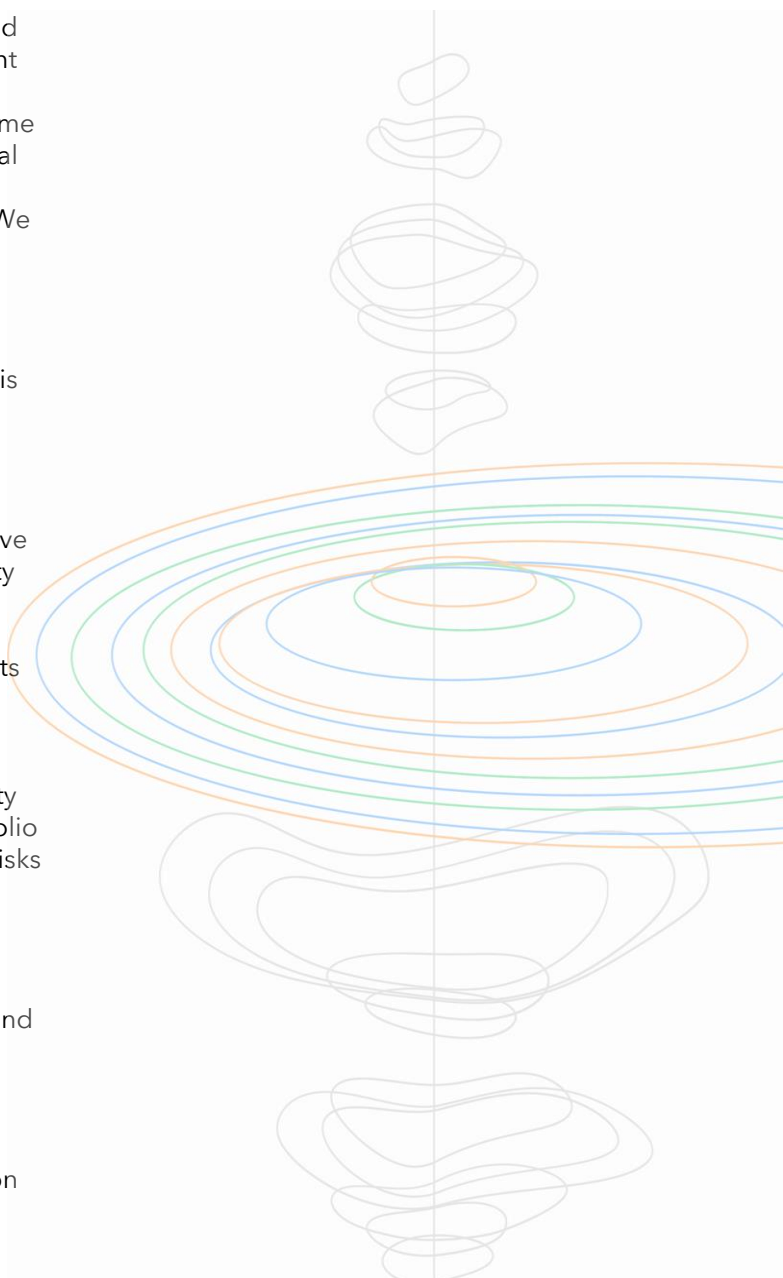
We are deepening the coverage and materiality testing of nature-related datasets so that portfolio construction can faithfully reflect the financial risks and opportunities linked to ecosystem degradation and restoration.

- Data-quality enhancement through AI

Leveraging state-of-the-art machine-learning and large-language-model techniques, we aim at improving the quality and breadth of datasets. The resulting higher-fidelity data feed both sustainability and non sustainability related research, sharpening risk signals and attribution analysis across all our strategies.

REPORTING

We are looking to continue our efforts to develop further our reporting capabilities via the Article 29 report or any other support aiming at communicating our processes and actions to our clients and prospective investors.



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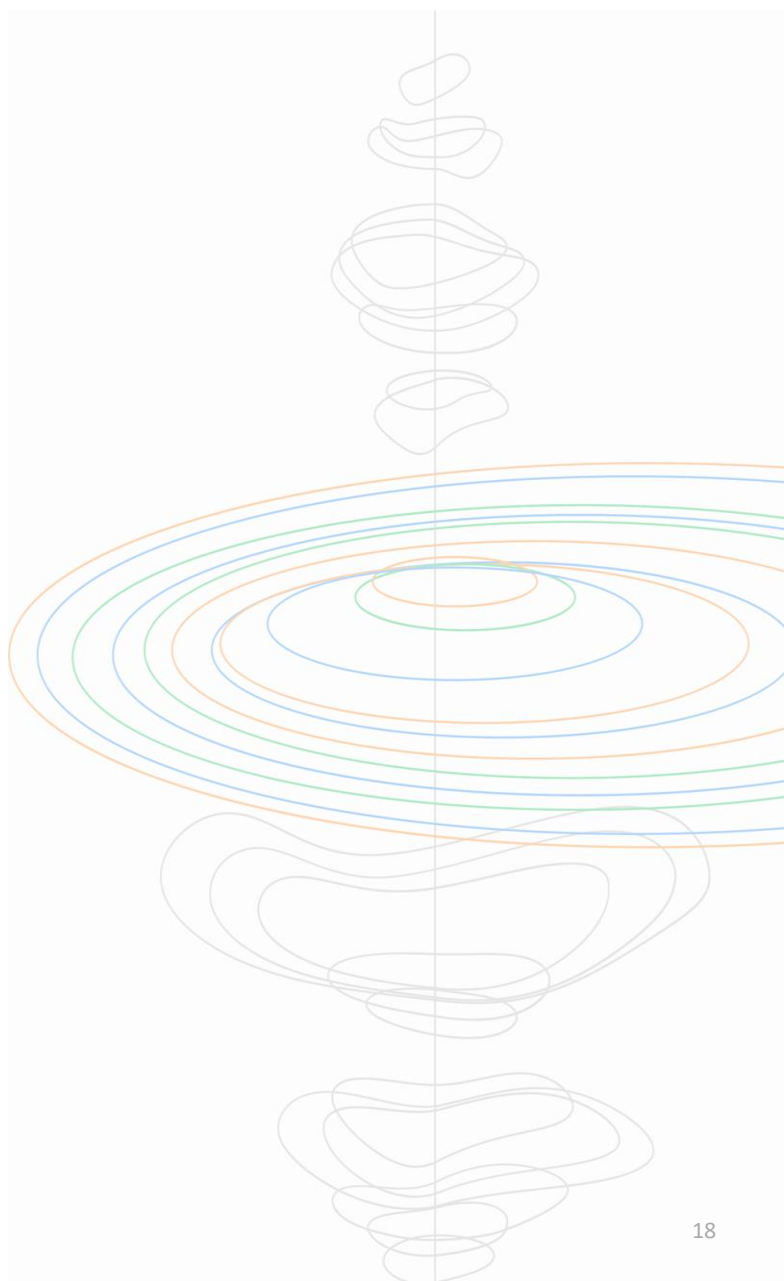
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TOBAM reserves the right to modify the information presented in this document at any time without notice, and in particular anything relating to the description of the investment process, which under no circumstances constitutes a commitment from TOBAM.

TOBAM's quantitative investment process is supported by extensive proprietary computer code. TOBAM's researchers, software developers, and IT teams follow a structured design, development, testing, change control, and review processes during the development of its systems and the implementation within our investment process. These controls and their effectiveness are subject to regular internal reviews. However, despite these extensive controls it is possible that errors may occur in coding and within the investment process, as is the case with any complex software or data-driven model, and no guarantee or warranty can be provided that any quantitative investment model is completely free of errors. Any such errors could have a negative impact on investment results. We have in place control systems and processes which are intended to identify in a timely manner any such errors which would have a material impact on the investment process.

Although we endeavour to ensure its accuracy and completeness, we assume no responsibility for any reliance upon it.

ZCAAGR



TOBAM is an asset management company offering innovative capabilities designed to maximize the benefits of scientific research to build efficient investment exposures.

TOBAM's expertise relies on three core pillars:

- TOBAM's Maximum Diversification® approach, supported by original, patented research and a mathematical definition of diversification, provides clients with diversified core exposure in equity and fixed-income markets.
- A research-driven Solutions division (TOBAMSolutions®) dedicated to building customized solutions and services for sophisticated institutional investors.
- A LBRTY® strategy range aims to help investors substantially mitigate their exposure to autocratic regimes in their portfolio.

In line with its mission statement and commitment to diversification, TOBAM also launched a satellite activity (CRYPTOBAM®) on cryptocurrencies in 2017.

TOBAM Maximum Diversification®, TOBAMSolutions®, TOBAM LBRTY® and CRYPTOBAM® illustrate TOBAM's systematic "out of the box" dedication to demanding investors.

For more information, please visit www.tobam.fr or tobamdirect.com.

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