



**LFR EURO DEVELOPPEMENT
DURABLE ISR**

Annual report as of December 30, 2022

Company: La Financière Responsable

Registered Office: 52 rue de Ponthieu 75008 Paris

Depositary: BNP PARIBAS SA

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Sommaire

Management report

Investment orientation.....	3
Investment policy	9

Annual accounts

Active balance sheet	43
Liability balance sheet.....	44
Off-balance sheet.....	45
Income statement.....	46

Annual accounts – Annex

Accounting rules and methods	47
Change in net assets	50
Additional information 1.....	51
Additional information 2.....	52
Breakdown of receivables and payables by type	54
Breakdown by legal or economic nature of instrument.....	55
Breakdown of assets, liabilities and off-balance sheet items by type of interest rate	56
Breakdown by residual maturity of assets, liabilities and off-balance sheet items	57
Breakdown of assets, liabilities and off-balance sheet items by quotation currency	58
Income allocation	59
Table of net income and other characteristic elements over the last five years	71
Inventory of financial instruments at 30 December 2022	78

ORIENTATION

IDENTIFICATION

INVESTMENT OBJECTIVE

The investment objective is to outperform the Euro Stoxx 50 index (net dividends reinvested), net of fees, over the recommended minimum investment period of 5 years, by investing at least 90% in securities (of which at least 75% from European Union countries), selected on the basis of extra-financial (ESG) criteria and using a proprietary SRI methodology called "Integral Value Approach IVA®". This approach combines the implementation of a "Socially Responsible Investment" strategy with financial profitability.

SFDR classification (EU Regulation 2019/2088) of the fund:

The Fund meets the definition of Article 8 of Regulation (EU) 2019/2088 SFDR (Sustainable Finance Disclosure Regulation) sur la prise en compte des aspects extra-financiers dans les investissements. According to its definition, it is a financial product which does not have the objective of sustainable investment but promotes environmental and/or social characteristics, or a combination of these characteristics, provided that the companies in which investments are made, apply good governance practices. The analysis of extra-financial aspects aims in particular to identify the sustainability risks of issuers in the investment universe.

Regulations relating to the European Taxonomy (EU Regulation 2020/852) of the mutual fund:

The principle of "cause no significant harm" applies only to investments underlying the financial product that take into account the European Union's criteria for environmentally sustainable economic activities.

Investments underlying the remaining portion of this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities, within the meaning of the Regulation.

BENCHMARK

The Euro Stoxx 50 index (net dividends reinvested) - Bloomberg code SX5T - is a comparative equity index given for information purposes only to reflect the standardized performance of the investment universe. It does not integrate ESG criteria. Due to its management objective and discretionary strategy, no relevant benchmark can be indicated for this Fund. The Euro Stoxx 50 index is made up of fifty major listed companies in the Eurozone. It is calculated by Stoxx Ltd. Information on this index is available at www.stoxx.com. The administrator of the Euro Stoxx 50 (Net Dividend Reinvested) benchmark index, Stoxx Ltd., is listed in the register of administrators and benchmark indices maintained by ESMA (European Securities and Markets Authority). The asset management company has a procedure specifying the measures to be implemented in the event of substantial changes to or cessation of the supply of the reference indicator.

INVESTMENT STRATEGY

1. Description of strategies used:

The purpose of the LFR Euro Développement Durable ISR fund is to invest at least 90% of its net assets in shares of companies whose registered office is located in a European Union country (min. 75% of net assets) and/or in other OECD member countries (max. 25% of net assets) and which meet so-called "socially responsible" criteria.

Socially responsible investment (SRI) covers all approaches that integrate social, environmental and governance criteria, or more broadly, criteria of responsibility towards society, into investment decisions and the management of the portfolio, in addition to financial criteria.

These approaches take different forms:

- **Sustainable development:** The criteria are based on the integration of the three dimensions of performance (economic, social and environmental), as well as other extra-financial dimensions (governance, social responsibility, etc.), when valuing companies.
- **Exclusions:** Companies engaged in certain practices that are deemed to be contrary in themselves to the convictions of the management team are excluded from the portfolios: companies that lay off employees without providing them with additional support, that violate human rights, that have a direct link with activities related to cluster bombs and anti-personnel mines and that are involved in the exploitation or use of coal according to the terms of the coal policy formalised by the LFR teams.

Also excluded are companies that do not disclose the financial and/or non-financial information necessary for shareholder decision-making.
- **Shareholder engagement:** The requirement for social responsibility is applied not only in the stock selection process, but also in the relationship with companies making up the portfolio (use of voting rights at general meetings, pressure expressed in the relationship with management).

The fund has been awarded the French Label ISR.

• Investment process:

Stock picking is based on a combination of strategic analysis, extra-financial analysis (ESG) and financial analysis.

The investment strategy of LFR Euro Développement Durable ISR is based on an active and discretionary selection of companies in the fund's investment universe (head office in a European Union country and/or other OECD member countries), using a "best-in-universe" approach consisting of giving preference to the best-rated companies from an extra-financial point of view, independently of their sector of activity, by assuming sectoral biases, since sectors that are generally considered to be more virtuous will be more represented. This approach will be applied without any claim to application in the strict sense of the word.

Stock picking is a two-stage process based on extra-financial criteria and SRI methodology:

- initially on a selection filter, based on sustainable development criteria.

A filter is applied to the universe of stocks to select those that best meet sustainable development criteria. Company actions are assessed on their socially responsible behaviour in 6 areas: human resources, respect for the environment and human rights, relations with shareholders, with civil society and relations with their customers or suppliers.

secondly, the stock picking process implemented by the asset management company incorporates an investment process based on the following steps in particular:

- **Macroeconomic analysis:** identifying promising macroeconomic trends as a basis for investment;
- **ESG exclusions:** check that the companies under review are not concerned by the ESG exclusion criteria adopted by La Financière Responsable (direct or indirect link with activities related to cluster bombs and anti-personnel mines, proven controversies in the field of human rights, unaccompanied redundancy practices over the last three years, refusal to communicate the extra-financial and/or financial information essential to the analysis, involvement in the exploitation or use of coal in accordance with the terms of the coal policy formalised by the LFR teams);
- **IVA®:** seeking consistency between the strategic, extra-financial and financial analyses of companies.

Integral Value Approach IVA® is applied mainly to equity universe, to select equities that best meet sustainable development criteria. The investment strategy implemented as part of the fund's management is based on a bottom-up approach to selecting equities on the basis of their fundamental qualities (strategic fundamental analysis taking into account the consistency of standard financial ratios) with extra-financial indicators and the company's growth model. The asset manager looks at the company in terms of both its non-financial aspects and its financial results, in order to arrive at an assessment that takes account of all these parameters and their interactions in its overall environment.

LFR EURO DEVELOPPEMENT DURABLE ISR

The company's growth and development are examined from various angles: social relations, relations with customers, suppliers and subcontractors, links with civil society and the environment, as well as its mode of governance and the management of its executives. Consistency between strategy, stakeholder engagement and financial performance is a key factor in the fund's stock selection process.

La Financière Responsable has developed a proprietary extra-financial database containing more than 135 indicators on nearly 200 European companies. Updated annually since 2006, it is used by the management team as part of IVA®. By way of example, the following ESG indicators can be taken into account as part of the extra-financial analysis of companies: the proportion of waste recycled, the proportion of energy consumed from renewable sources, water consumption, the proportion of fixed-term contracts, the absenteeism rate, the severity rate of workplace accidents, the number of hours of employee training, the percentage of employee share ownership, the separation of the functions of chairman and chief executive, the proportion of independent directors, the proportion of women on executive committees.

The extra-financial analysis carried out on the basis of the ESG indicators selected enables the asset manager to assess the companies analysed and classify them according to the typology shown in the table below:

Investissable	Leader	Comprehensive and exemplary communication High-quality extra-financial results Solid progression program
	Good performer	Communication almost comprehensive Satisfactory extra-financial results Engaged and constructive dialogue
	Promising	Communication in early stages but improving Patchy but satisfactory results Active dialogue to identify areas for improvement
Non investissable	Dillettante	Practices deemed insufficient Minimum engagement No significant improvement
	Communicator	Prioritises communication for limited extra-financial practices Significant extra-financial risk
	Not involved	Absence or lack of interest in non-financial issues Few indicators provided

Companies classified by the asset manager as "Dillettante", "Communicator" or "Not involved" are not eligible for investment in the fund portfolio. The investment strategy seeks to generate performance by applying the discretionary stock selection process described above. It is based on an in-depth analysis of stocks and business sectors: this process should enable to identify stocks with potential added value.

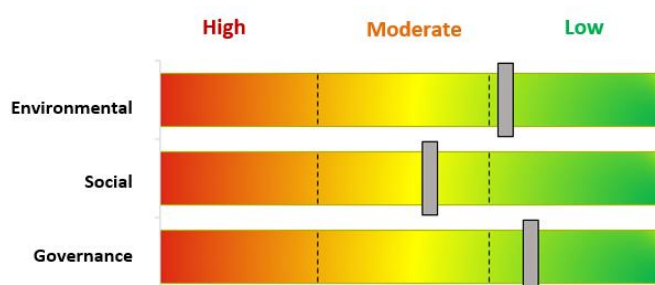
In addition, following the entry into force of the SFDR regulation, La Financière Responsable has developed and implemented a sustainability risk assessment methodology designed to reduce exposure to these risks. They are addressed in the following ways:

- Environment: issues relating to physical risks and transition in the field of climate/climate change (air pollution, carbon intensity, greenhouse gas emissions, etc.), natural resource and waste management within companies, impact on housing, resources (water, natural disasters, etc.) or issues relating to local and international environmental regulations.
- Social: issues relating to the rights, well-being, health and safety of employees and customers, parity, discrimination and relations with suppliers.
- Governance: issues relating to corporate strategy, reputation, creation of shareholder value, corporate culture, balance of power, risk of shareholder disengagement, risk of lack of dialogue, policies to prevent the risk of money laundering and terrorist financing, and policies to prevent corruption.

LFR EURO DEVELOPPEMENT DURABLE ISR

These themes, assessed as part of the extra-financial analysis integrated into the Integral Value Approach (IVA) process, are used to establish a sustainability risk assessment gauge based on the following model:

- whether the potential impact on the share is low, medium or high;
- whether the probability of occurrence is low, medium or high;
- and whether the identification and control of the risk is low, medium or high.



Legend for sustainability risk assessment

- Risk well identified and well controlled by the company; low to medium impact
- Low to medium risk; low to acceptable control; medium impact; monitoring required and, if necessary, via the commitment activity
- Significant risk with little or no control by the company; potential impact on value deemed medium or significant put the company under surveillance if it is in the portfolio, or even do not to invest

The level of extra-financial analysis will exceed 90% of the fund's net assets.

This selective SRI approach allows a reduction of at least 20% in the investment universe.

The main methodological limitation of the extra-financial strategy is that the asset management company relies mainly on information provided by companies to determine the internal rating.

The investment process aims to reduce sustainability risk, as defined in the "Risk profile" section (see dedicated section). A periodic report on non-financial characteristics is made available to investors. For further information, please refer to the La Financière Responsable website (www.la-financiere-responsable.fr), in particular in the section "SRI/ESG regulatory documentation".

• Investment universe

Because it is eligible for the PEA, at least 75% of the Fund is permanently invested in shares of companies that have their registered office in the European Union. The remaining 25% of the net assets may be invested outside the European Union in shares of companies whose registered office is in another OECD member country. Investments in shares of small and mid-cap listed companies (less than €3.5bn) are limited to 40% of the fund's net assets.

Its exposure to one or more equity markets is always within a range of between 90% and 100% of the net assets.

The remainder of the assets may also be invested directly or indirectly in fixed income and/or cash products via French or foreign UCIs (up to a maximum of 10% of the net assets) in order to reduce the portfolio's exposure to the equity markets, where appropriate, through diversification. The targeted debt securities and money market instruments will be denominated in euros, will be investment grade (rated BBB- or above by Standard & Poor's or deemed equivalent by the asset manager) and will be issued by both the public and private sectors, depending on market opportunities.

LFR EURO DEVELOPPEMENT DURABLE ISR

Up to 35% of the Fund's net assets may be exposed to currency risk on currencies of European Union countries outside the eurozone and/or currencies of OECD countries outside the European Union.

2. Assets (excluding embedded derivatives):

Equities:

At least 90% of the Fund's net assets will be invested in equities (of all market capitalisations and in all sectors), including:

- a minimum of 75% in shares of companies with their registered office in a European Union country, making the fund eligible for PEA personal equity savings plans;
- 25% maximum in companies with their registered office in another OECD member country.

Investments in shares of small and mid-cap listed companies (less than €3.5bn) are limited to 40% of the fund's net assets.

Debt securities and money market instruments

The Fund may also invest (up to a maximum of 10% of net assets), directly or indirectly via UCIs, in euro-denominated bonds, debt securities or money market instruments.

The targeted debt securities and money market instruments will be denominated in euros, will "be investment grade" (rated BBB- or above by Standard & Poor's or deemed equivalent by the asset manager) and will be issued by both the public and private sectors, depending on market opportunities. The list of bonds and debt securities that may be held in the portfolio is as follows: Treasury bills, commercial paper, certificates of deposit, fixed-rate or floating-rate bonds.

Units or shares in UCITS, AIFs and other foreign law investment funds

The Fund may also invest up to 10% of its net assets in UCITS governed by French or European law, in AIFs governed by French law or established in other EU Member States and in investment funds governed by foreign law which meet the conditions set out in 1° to 4° of Article R214-13 of the French Monetary and Financial Code. In accordance with article 321-52 of the AMF General Regulations, it is stated that these UCIs may be managed by the asset manager or an affiliated company. They can be used to manage cash-flow.

3. Derivatives used to achieve the investment objective:

Derivative instruments: n/a

Securities with embedded derivatives

The Fund may hold equity warrants on an ancillary basis, in particular as part of securities transactions, used to hedge the portfolio against equity market risks.

Deposits: n/a

Cash borrowing: The fund is not intended to be a cash borrower. However, it may carry out temporary cash borrowing transactions up to a limit of 10% of its net assets.

Temporary purchases and sales of securities: N/A

OVERALL RISK

The method chosen by the management company to measure the overall risk of the UCI it manages is the commitment calculation method.

RISK PROFILE

Your money will mainly be invested in financial instruments selected by the asset manager. These instruments will be subject to changes and uncertainties on the markets.

The Fund is exposed to a number of risk factors:

(I) Risk of capital loss: investors are warned that the performance of the Fund may not be in line with their objectives and that their invested capital (less subscription fees) may not be returned in full.

(II) Equity risk: Fluctuations in the equity markets may lead to significant fluctuations in assets, which may result in a fall in the net asset value of the mutual fund. The Fund's exposure to equity risk will be between 90% and 100% of the Fund's net assets.

(III) Sustainability risk: a sustainability risk is an environmental, social or governance event or situation which, if it occurred, could have a significant actual or potential negative impact on the value of an investment.

Sustainability factors include environmental, social and employee-related issues, employees, respect for human rights and the fight against corruption and bribery. The Fund is exposed to a wide range of sustainability risks.

Details of La Financière Responsable's sustainability risk integration policy for the Fund, including, but not limited to, a description of how sustainability factors and risks are identified and, subsequently, how they are integrated into the investment decision-making processes, are available at: www.la-financiere-responsable.fr

(IV) Small and mid-cap risk: the Fund may invest up to 40% of its assets in small and mid-cap companies. Investors' attention is therefore also drawn, where necessary, to the fact that the regulated market in France or other equivalent markets abroad are markets designed to host small and mid-cap companies which, due to their specific characteristics, may present risks for investors. On these markets, the volume of shares listed on the stock exchange is small, so market movements are more pronounced on the downside and faster than on large caps. The fund's net asset value may therefore fall quickly and sharply.

(V) Discretionary asset management risk: the discretionary management style is based on anticipating trends on the various equity markets in the investment universe. The fund's performance depends on the companies selected by the manager. There is therefore a risk that the manager may not select the best-performing securities.

(VI) Currency risk: This is the risk that the investment currencies will fall against the portfolio's reference currency, the euro. If a currency falls against the euro, the net asset value may fall.

Ancillary risks (up to 10% of net assets):

(I) Interest rate risk: The interest rate risk corresponds to the risk linked to a rise in bond market rates, which causes a fall in bond prices and consequently a fall in the net asset value of the Fund.

(II) Credit risk: this is the risk that the credit quality of a private issuer will decline or that the issuer will default. The value of the debt securities in which the Fund invests may fall, causing the net asset value to fall.

• Capital guarantee or protection:

The Fund offers no guarantee or protection.

RECOMMENDED HOLDING PERIOD

Over 5 years.

MANAGEMENT REPORT

STATUTORY AUDITORS

Deloitte & Associés

INVESTMENT POLICY

Review of administrative changes to the Fund

2022 performance review

Management of the portfolio over the 2022 financial year

From 1 January 2022 to 8 March 2022, galloping inflation and launch of the Russian offensive in Ukraine.

From 8 March 2022 to 4 April 2022: a context of great uncertainty in the face of the arsenal of Western sanctions against Russia, favouring defensive sectors and growth stocks.

From 4 April 2022 to 9 May 2022: strict central bank rhetoric against the backdrop of the war in Ukraine and the maintenance of the eurozone's monetary policy "Zero-Covid" in China.

From 9 May 2022 to 7 June 2022: reduction in health restrictions in China against a backdrop of war in Ukraine and inflation.

7 June 2022 to 5 July 2022: ambushed by inflation and downward revisions to growth forecasts following the slowdown in economic activity.

From 5 July 2022 to 16 August 2022: period of quarterly company publications illustrating a certain resilience on the part of companies in such a tumultuous environment.

From 16 August 2022 to 29 September 2022: economic slowdown and continuing inflation in a climate of great uncertainty. **From 29 September 2022 to 1 December 2022**: rise in the markets against a backdrop of reduced volatility and risk aversion on the part of investors.

From the 1 December 2022 to 31 December 2022: tightening of monetary policy to combat inflation against the backdrop of the war in Ukraine.

Outlook for 2023

Appendix 1: Stocks added to portfolio in 2022

AP Moeller-Maersk
Segro
Michelin
Roche
Deutsche Telekom
Iberdrola
EssilorLuxottica
AstraZeneca
Diasorin
GTT.

Appendix 2: Stocks removed from portfolio in 2022

Accell Group
SAP
De Longhi
Segro

Amplifon

Puma

Appendix 3: Proportion of assets invested in PEA-eligible securities or rights

Appendix 4: Method of calculating the total risk of the UCIF

Appendix 5: Proportion of income eligible for the 40% allowance under Article 158 of the General Tax Code.

Appendix 6: Information on the inclusion in the investment policy of criteria relating to compliance with social, environmental and governance quality objectives (so-called "ESG" criteria) and the monitoring of securities.

Appendix 7: Refer to the website for details of the policy for selecting and assessing entities that provide services (selection of intermediaries).

Appendix 8: Remuneration policy

Appendix 9: Information on the SFTR regulation

Appendix 10: Information on efficient portfolio management techniques

1. **Administrative changes to the Fund**

On the decision of the CEO of La Financière Responsable, with the assistance of the Managing Director, who is also in charge of the management team, following the entry into force of the European regulation (EU) 2019/2088 known as the *Sustainable Finance Disclosure Regulation - SFDR* on 10 March 2021, La Financière Responsable has noted that the Fund meets the definition of Article 8 of the said regulation in 2021 and maintained this classification in 2022. This is a financial product that promotes environmental and/or social characteristics, or a combination of these characteristics, provided that the companies in which the investments are made apply good governance practices.

Updated regulatory documents that have come into force are available on the La Financière Responsable website on the page dedicated to LFR Euro Développement Durable ISR: <https://www.la-financiere-responsable.fr/lfr-euro-developpement-durable-isr/>.

1 Undertaking for Collective Investment

LFR EURO DEVELOPPEMENT DURABLE ISR

2. Performance review 2022

In 2022, the LFR Euro Développement Durable ISR fund posted the following performance:

Unit	2022 Performance	Benchmark - Euro Stoxx 50 DNR	Negative difference
E - FR0013143203	-23.85%	-9.49%	-1.436 base points
GP - FR0010585307	-23.92%		-1.443 base points
I - FR0010526079	-24.30%		-1.481 base points
L - FR0011802685	-23.70%		-1.421 base points
M - FR0010649350	-22.58%		-1.309 base points
P - FR0010585281	-24.75%		-1.526 base points

At 31/12/2022, assets under management in the Fund totalled 98.68 million euros (€).

Since 31 December 2009, the date on which our current management methodology was implemented, the LFR Euro Développement Durable ISR fund has posted the following performances:

Unit**	Performance since 31/12/2009*	Benchmark – Euro Stoxx 50 DNR	Positive (+) or negative (-) difference
I - FR0010526079	+64.78%	+82.87%	-1.809 base points
M - FR0010649350	+107.83%		+2.496 base points
GP - FR0010585307	+67.87%		-1.500 base points
P - FR0010585281	+54.91%		-2.796 base points

*date of implementation of our current management methodology

**The E (FR0013143203) and L (FR0011802685) units were launched after 2010 and are therefore not shown in this table.

Based on analysis of the year's performance we are able to identify the impact of our choices and the 'active' and 'passive' contributions of the various stocks.

The relative contribution of the 19 sectors to the performance of the Eurostoxx 50 index was down on average by -0.46%, but some sectors stood out, with only 4 making a positive contribution (from +0.11% to +1.69%): **Financial Services** (led by Deutsche Boerse AG), **Telecommunications**, **Insurance** and the **Energy** sector (led by Total Energies). Conversely, all the other sectors made a negative contribution. This was particularly true of 4 sectors, which made a relative contribution of more than -0.46% over the year: the **Automotive and Equipment** sector (-0.59%), **Real Estate** (-0.64%), **Consumer Staples** (-2.16%) and the **Technology** sector (-4.16%).

Against this backdrop, for the Euro Développement Durable ISR fund, the biggest contributions to relative performance came from our stock picks in the **Utilities** (+0.22% thanks to the selection of Iberdrola) and **Telecommunications** (+0.05% thanks to the selection of Deutsche Telekom) sectors. In addition, our absence from certain sectors penalised the fund: the **Insurance** sector performed positively, penalising the fund by -0.45% in relative contribution, while the **Energy** sector, boosted by Total Energie, penalised the fund by -1.69% in relative contribution.

LFR EURO DEVELOPPEMENT DURABLE ISR

However, our absence from the **Food, Drink and Tobacco** sector, which made a relative contribution to the index of -0.18% over the year, **Retail** (-0.07% relative contribution), **Personal Care and Specialist Stores** (-0.06%), **Travel and Leisure** (-0.04%) and **Banks** (-0.04%) kept the fund at -0.39%.

In terms of stock selection, the 3 best performers were Novo Nordisk, EssilorLuxottica and Accell Group, which contributed +0.59%, +0.41% and +0.39% respectively to relative performance. Novo Nordisk shares (Danish pharmaceuticals company) rose by 29.58%. EssilorLuxottica (optical lenses) returned 20.94% over the year, while Accell Group (bicycles) gained 19.79% over the holding period following its takeover by KKR. Some of the fund's stock picks had a negative impact on performance. This was the case with ASML (-27.84%, after 2 consecutive years of increases), Kingspan (-51.48%) and Sartorius (-37.74%), which contributed -1.83%, -1.61% and -1.45% respectively to the fund's relative performance.

Stocks in the index that performed well but were not included in our portfolio had a negative impact the fund's relative performance: Total Energies (-1.55%), Munich Reinsurance Company (-0.30%) and Sanofi (-0.25%). Conversely, our absence from the index of Adyen NV (-0.89%), Adidas (-0.81%) and Vonovia (-0.64%) offset the relative performance of 2.35%.

Lastly, the fund's turnover rate for 2022 is 56%. This calculation is based on the formula specified by the AMF:

$$\frac{(\text{purchases} + \text{sales}) - (\text{subscriptions} + \text{redemptions})}{\text{average net assets}}$$

Subscriptions and redemptions are calculated by LFR, excluding client purchases and sales

There are several reasons for this turnover rate. In 2022, while waiting for more visibility on the extent of the slowdown in the economies, we repositioned the portfolio to accompany the successive rate rises. The latter are penalising highly valued growth stocks, particularly those in the health and technology sectors. With rising energy prices, transport costs, raw materials and shortages restricting the production of certain goods, it is difficult to anticipate a fall in medium-term inflation in 2022. In this unstable environment, quality, resilient stocks with the ability to maintain growth appear to be safe havens, despite a stock market environment that may temporarily penalise their valuations and share prices. Our rate of 56% is explained by a sector rotation from the most cyclical sectors to more defensive sectors offering visibility. The fund has seen the entry of several new convictions and the exit of stocks with little resistance to the inflationary environment and fears of recession. (These choices of securities are detailed in Appendix 1 for securities entering the portfolio during 2022 and in Appendix 2 for securities leaving the portfolio during 2022 of this report).

For information, the 2021 turnover rate was 39% and the 2020 rate was 49%.

Past performance is not indicative of the Fund's future results.

3. Management of the portfolio over the 2022 financial year

2022 was an exceptional year, both economically and in terms of the markets. The war in Ukraine was an unexpected event with far-reaching consequences, and one that greatly increased uncertainty. But in purely macroeconomic terms, inflation was much higher than expected around the world, and widespread. At the same time, the reaction of central banks was in line with this inflation: their monetary policy was much more aggressive than expected, so that interest rates rose very significantly in Europe and the United States, as well as in other regions. It also means a reduction in global liquidity. The scenario of sustained growth at the start of 2022 as we emerge from the pandemic has been sharply revised downwards over the quarters. The macroeconomic slowdown affected all the world's major economies: United States, Europe and China.

Against this backdrop, the financial markets behaved negatively. Rising interest rates, liquidity restrictions and inflation hit bond markets hard, resulting in a negative annual performance worldwide. In particular, government bond indices in certain regions, such as the United States and the Eurozone, lost more than 10% of their value on an annual basis. Equities also suffered, more so in the US than in the Eurozone, although estimates and actual earnings adjustments were not as severe as the context might suggest.

Nevertheless, the most negative trend in asset prices occurred in the first eight months of the year. During this period, investors have had to adjust their expectations to a rapidly changing monetary policy environment that is becoming more aggressive by the day. Secondly, the last quarter of the year was a little more optimistic, as the most negative scenario had already been incorporated and inflation began to fall slightly. But the main thing to remember about the year was the combined underperformance of most asset classes, a very rare phenomenon in history.

LFR EURO DEVELOPPEMENT DURABLE ISR

La Financière Responsable pursued its SRI objective with a solid and coherent investment process, which we felt was a real guarantee of prudence in the interests of our customers. Regulatory changes (in particular the SFDR Regulation) in force from 2021 have led to greater transparency and the introduction of normative standards that will enable the affirmation of successful SRI models.

From 1 January 2022 to 8 March 2022, *galloping inflation and launch of the Russian offensive in Ukraine*

In the context of the end of the Covid-19 health crisis, the Central Banks (ECB and FED) agreed that variants were no longer the main threat to the economy, which contributed to a slight return of enthusiasm. However, the latter was soon overtaken by persistent high inflation in the United States, to such an extent that the Federal Reserve (FED) was forced to raise its key interest rates. This news was accompanied by a half-point drop in the IMF's outlook for global growth. This macroeconomic context was also overtaken, if not supplanted, by a geopolitical reality in Europe: the Russian attack on Ukraine on 24 February. Although in preparation for several months, it took everyone by surprise and triggered a series of decisions by the Western bloc, culminating in economic and financial sanctions against Russia. These actions led to a fall in Russian assets, with fears for the international banking system. Additionally, as Russia is one of the world's leading energy producers, prices soared, fuelling fears of excessive inflation. With growth forecasts revised downwards, the position of central banks has become delicate and their decisions have come under close scrutiny. Diplomatic negotiations failed to bring about any change, and the bombardment of Ukrainian soil and civilians continued. Sanctions against Russia and the war have disrupted supply chains and weighed on global growth. We have witnessed a desynchronisation between the United States and Europe. Inflation continued to rise in the United States, with the risk of the economy overheating against a backdrop of tighter monetary policy. In China, the economy slowed as the epidemic spread rapidly, prompting the Chinese authorities to once again confine Shanghai and gradually shut down a growing proportion of the country's economic activities.

Over the period from 1 January 2022 to 8 March, the LFR Euro Développement Durable ISR fund posted the following performance figures:

Unit	Performances 01/01/2022 – 08/03/2022	Benchmark – Euro Stoxx 50 DNR	Negative difference
<i>E - FR0013143203</i>	-22.98%	-18.29%	-469 base points
<i>GP - FR0010585307</i>	-22.99%		-470 base points
<i>I - FR0010526079</i>	-23.06%		-477 base points
<i>L - FR0011802685</i>	-22.95%		-466 base points
<i>M - FR0010649350</i>	-21.63%		-334 base points
<i>P - FR0010585281</i>	-23.15%		-486 base points

From 8 March 2022 to 4 April 2022: *a context of great uncertainty in the face of the arsenal of Western sanctions against Russia, favouring defensive sectors and growth stocks.*

Despite the many economic uncertainties and heightened volatility, the equity markets stabilised. Our 2022 scenario has evolved over the period. The war in Ukraine has generated considerable uncertainty about the economic outlook and global growth. Activity and inflation projections remained uncertain. The repercussions of this geopolitical crisis differ from one geographical area to another, accentuating the desynchronisation of economies over time. In this unstable environment, quality stocks that are resilient and capable of preserving growth are emerging as safe havens.

LFR EURO DEVELOPPEMENT DURABLE ISR

Over the period from 8 March 2022 to 4 April, the LFR Euro Développement Durable ISR fund posted the following performance figures:

Unit	Performances 08/03/2022 – 04/04/2022	Benchmark – Euro Stoxx 50 DNR	<u>Positive</u> difference
<i>E - FR0013143203</i>	+13.83%	+12.81%	+102 base points
<i>GP - FR0010585307</i>	+13.82%		+101 base points
<i>I - FR0010526079</i>	+13.78%		+97 base points
<i>L - FR0011802685</i>	+13.84%		+103 base points
<i>M - FR0010649350</i>	+13.41%		+60 base points
<i>P - FR0010585281</i>	+13.73%		+92 base points

From 4 April 2022 to 9 May 2022: strict central bank rhetoric against the backdrop of the war in Ukraine and the maintenance of the "Zero-Covid" policy in China.

The global economic and geopolitical situation has changed little. The equity markets were subjected to speeches by central bankers on the inevitability of raising interest rates, which is essential if we are to control inflation, which has continued to rise. The Fed has reduced its bond holdings at a maximum rate of \$95 billion a month and the minutes of the last FOMC (*Federal Open Market Committee*) showed that the governors were considering raising rates more aggressively. More than two months after the start of the Russian-Ukrainian conflict, we can only conclude that the fighting has stalled. Sanctions against Russia have increased, as has military aid to Ukraine. This situation has kept up strong pressure on commodity, food and energy prices. It also added to supply chain tensions, which remained high as China maintained its 'zero-covid' policy and its economy slowed.

Over the period from 4 April 2022 to 9 May the LFR Euro Développement Durable ISR fund posted the following performance figures:

Unit	Performances 04/04/2022 – 09/05/2022	Benchmark – Euro Stoxx 50 DNR	<u>Negative</u> difference
<i>E - FR0013143203</i>	-14.93%	-9.67%	-526 base points
<i>GP - FR0010585307</i>	-14.94%		-527 base points
<i>I - FR0010526079</i>	-14.98%		-531 base points
<i>L - FR0011802685</i>	-14.91%		-524 base points
<i>M - FR0010649350</i>	-14.90%		-523 base points
<i>P - FR0010585281</i>	-15.03%		-536 base points

LFR EURO DEVELOPPEMENT DURABLE ISR

From 9 May 2022 to 7 June 2022: *reduction in health restrictions in China against a backdrop of war in Ukraine and inflation.*

Macroeconomic risks associated with inflation and the war in Ukraine persisted. Central banks maintained their aggressive stance on inflation, which reached record levels in Europe. The war in Ukraine continued. Western countries tightened the conditions for an embargo on Russian oil. Energy prices hit record highs. The good news comes from China, which has begun a process of decontaminating its population affected by health restrictions, which has brought a return of enthusiasm to the markets.

Over the period from 9 May 2022 to 7 June 2022 the LFR Euro Développement Durable ISR fund posted the following performance figures:

Unit	Performances 09/05/2022 – 07/06/2022	Benchmark – Euro Stoxx 50 DNR	<u>Negative</u> difference
<i>E - FR0013143203</i>	+6.85%	+8.52%	-167 base points
<i>GP - FR0010585307</i>	+6.84%		-168 base points
<i>I - FR0010526079</i>	+6.79%		-173 base points
<i>L - FR0011802685</i>	+6.86%		-166 base points
<i>M - FR0010649350</i>	+6.88%		-164 base points
<i>P - FR0010585281</i>	+6.74%		-178 base points

7 June 2022 to 5 July 2022: *ambushed by inflation and downward revisions to growth forecasts following the slowdown in economic*

Upward inflation continued to surprise, rising above 8.5% in May in both the United States and Europe. Economic growth has been revised downwards one after the other. The first signs of an economic slowdown in the United States have materialised (manufacturing and services PMIs, slowdown in retail sales, fall in housing starts and building permits, etc.). Europe soon followed suit in terms of disappointing economic data, with falling PMI indices, a slowdown in industrial orders and falling consumer confidence indices.

Over the period from 7 June 2022 to 5 July 2022 the LFR Euro Développement Durable ISR fund posted the following performance figures:

Unit	Performances 07/06/2022 – 05/07/2022	Benchmark – Euro Stoxx 50 DNR	<u>Positive</u> difference
<i>E - FR0013143203</i>	-11.50%	-11.70%	+20 base points
<i>GP - FR0010585307</i>	-11.50%		+20 base points
<i>I - FR0010526079</i>	-11.54%		+16 base points
<i>L - FR0011802685</i>	-11.48%		+22 base points
<i>M - FR0010649350</i>	-11.47%		+23 base points
<i>P - FR0010585281</i>	-11.58%		+12 base points

LFR EURO DEVELOPPEMENT DURABLE ISR

From 5 July 2022 to 16 August 2022: *period of quarterly company publications illustrating a certain resilience on the part of companies in such a tumultuous environment*

On the equity markets, there were new surprises every month. After a very sharp fall in June due to fears of recession, the equity markets rebounded strongly over the period. In our view, there are two main reasons for this rebound:

- 1) Firstly, the central banks (FED and ECB) confirmed and demonstrated through their decisions their determination to fight inflation, which continued to surprise with its upward course. The decisions to raise key interest rates and the scenario of a gradual slowdown in US growth being sought by the Fed, reassured the market.
- 2) Secondly, the publication of quarterly corporate results that were better than expected, contrasting with the pessimism of market participants in June. While these results acted as a barometer of the resilience of economies since the start of the year, they have above all highlighted the ability of companies in different sectors to cope with diverse and complex economic environments.

Over the period from 5 July 2022 to 16 August 2022 the LFR Euro Développement Durable ISR fund posted the following performance figures:

Unit	Performances 05/07/2022 – 16/08/2022	Benchmark – Euro Stoxx 50 DNR	<u>Positive difference</u>
<i>E - FR0013143203</i>	+16.67%	+13.43%	+324 base points
<i>GP - FR0010585307</i>	+16.65%		+322 base points
<i>I - FR0010526079</i>	+16.59%		+316 base points
<i>L - FR0011802685</i>	+16.69%		+326 base points
<i>M - FR0010649350</i>	+16.72%		+329 base points
<i>P - FR0010585281</i>	+16.51%		+308 base points

From 16 August 2022 to 29 September 2022: *economic slowdown and continuing inflation in a climate of great uncertainty*

After a previous positive period for the equity markets, this new part of 2022 has seen a resurgence in investor risk aversion. The main concern was the slowdown in economic activity and even the fear of a recession in the United States. In Europe, the ECB was forced to follow in the footsteps of its US counterpart, as inflation in Europe showed no signs of abating. Added to this was the fear of an energy crisis, reinforced after Russia's Gazprom announced the closure of the Nord Stream 1 gas pipeline at the beginning of September. Energy prices are continuing their meteoric rise, with gas and electricity prices hitting all-time highs. The euro continued to depreciate and, for the first time in twenty years, the US dollar was trading at a higher price than the euro. In China, a number of factors continued to affect growth, and the outlook did not seem to be improving: the "zero covid" policy persisted, drought-related electricity shortages impacted production in the south-west of the country, and finally, exports fell as a result of the slowdown in global growth. The second half of the period confirmed fears of a global slowdown in economic activity. The rise in government bond yields and the publication of downbeat economic indicators pointing to recession (except for inflation) are putting severe pressure on bond and equity markets, where visibility remains very low and volatility high. For investors, the forthcoming corporate earnings season will be a risky one.

LFR EURO DEVELOPPEMENT DURABLE ISR

Over the period from 16 August to 29 September 2022 the LFR Euro Développement Durable ISR fund posted the following performance figures:

Unit	Performances 16/08/2022 – 29/09/2022	Benchmark – Euro Stoxx 50 DNR	<u>Negative difference</u>
<i>E - FR0013143203</i>	-15.87%	-13.74%	-213 base points
<i>GP - FR0010585307</i>	-15.88%		-214 base points
<i>I - FR0010526079</i>	-15.93%		-219 base points
<i>L - FR0011802685</i>	-15.85%		-211 base points
<i>M - FR0010649350</i>	-15.83%		-209 base points
<i>P - FR0010585281</i>	-16.00%		-226 base points

From 29 September 2022 to 1 December 2022: *rise in the markets against a backdrop of reduced volatility and risk aversion on the part of investors.*

This new period illustrates a return to the positive for equity markets. This significant rise can be explained by a sharp fall in market volatility and risk aversion, and by optimism linked to a season of publications that were less negative than expected. Investors have the feeling that central banks will start to soften their stance. The results publication season was favourable for oil, airline and mining company stocks, from which we are absent, while defensive sectors suffered the most. Growth and quality companies were neglected, but they offer much-appreciated visibility in this uncertain macroeconomic climate, which is likely to persist.

Against this backdrop, the Fed and ECB once again raised their key rates by 75 basis points. Moreover, central banks took a more measured approach to future rate hikes, suggesting that December's hikes could be lower than expected. This is fuelling market expectations of a global slowdown and/or short recession. The other good news welcomed by investors came from the inflation figures for Europe and the United States: inflation remained at high levels, but there was a dip in the rate of increase, which was below expectations. In China, the macroeconomic environment was less favourable over the period, with continued confinement and falling industrial output due to the global slowdown. Despite signs of improvement on the markets, we felt that caution and selectivity were still called for at these market levels, especially given that interest rates are still set to rise in 2023, inflation is likely to remain high for several months yet and there seems to be no diplomatic solution to the war in Ukraine. For these reasons, we continued to favour quality, low-debt companies that can weather price rises. For cyclical stocks, we focused our portfolio on companies with high visibility over their order books.

LFR EURO DEVELOPPEMENT DURABLE ISR

Over the period from 29 September to 1 December 2022 the LFR Euro Développement Durable ISR fund posted the following performance figures:

Unit	Performances 29/09/2022 – 01/12/2022	Benchmark – Euro Stoxx 50 DNR	<u>Negative</u> difference
E - FR0013143203	+17.33%	+21.76%	-443 base points
GP - FR0010585307	+17.31%		-445 base points
I - FR0010526079	+17.21%		-455 base points
L - FR0011802685	+17.37%		-439 base points
M - FR0010649350	+17.40%		-436 base points
P - FR0010585281	+17.08%		-468 base points

From the 1 December 2022 to 30 December 2022: *tightening of monetary policy to combat inflation against the backdrop of the war in Ukraine.*

The stock market continued to face the challenges of inflation and monetary tightening. The tougher tone adopted by central banks and signs of an economic slowdown around the world accounted for the fall in the markets. The FED and the ECB raised their key rates by 50 bp, once again confirming their determination to fight inflation at the expense of economic growth. Risk aversion was also fuelled by rising energy prices in Europe and falling retail sales and manufacturing activity in the US. However, a gap appeared to be opening up between the USA and the Eurozone, with the USA likely to be the first to reach its inflation peak, while Europe continued to be affected by the consequences of the war in Ukraine.

Over the period from 1 December 2022 to 30 December 2022 the LFR Euro Développement Durable ISR fund posted the following performance figures:

Unit	Performances 01/12/2022 – 31/12/2022	Benchmark – Euro Stoxx 50 DNR	<u>Negative</u> difference
E - FR0013143203	-6.23%	-4.79%	-144 base points
GP - FR0010585307	-6.24%		-145 base points
I - FR0010526079	-6.28%		-149 base points
L - FR0011802685	-6.22%		-143 base points
M - FR0010649350	-6.20%		-141 base points
P - FR0010585281	-6.32%		-153 base points

LFR EURO DEVELOPPEMENT DURABLE ISR

Overall, after a turbulent and uncertain year, and in many respects a break with 2021 and 2020, the LFR Euro Développement Durable ISR fund posted a performance in 2022 of:

Unit	2022 Performance	Benchmark - Euro Stoxx 50 DNR	<u>Negative</u> difference
<i>E - FR0013143203</i>	-23.85%	-9.49%	-1.436 base points
<i>GP - FR0010585307</i>	-23.92%		-1.443 base points
<i>I - FR0010526079</i>	-24.30%		-1.481 base points
<i>L - FR0011802685</i>	-23.70%		-1.421 base points
<i>M - FR0010649350</i>	-22.58%		-1.309 base points
<i>P - FR0010585281</i>	-24.75%		-1.526 base points

Past performance is not indicative of the Fund's future results.

Changes during the period

01/10/22: Change of custodian from BNP Paribas Securities Services to BNP PARIBAS SA.

3. Outlook for 2023

Consensus forecast is for very weak global growth in 2023, particularly in the Eurozone and the United States, due to the impact of rising interest rates and falling real incomes. At the same time, inflation is set to fall sharply to levels compatible with "price stability", in the language of central banks, by the end of the year. Against this backdrop, central banks are expected to raise rates a little further, reaching their ceiling in the spring and ending the upward cycle. For asset prices, this is a 'Goldilocks' (almost perfect) scenario: better-than-expected growth, but low enough to keep inflation under control, and central banks reducing their aggressive stance. This may be too good to be true, as the markets will have to cope with, among other things, a future reduction in liquidity from central bank balance sheets.

But other risks could emerge. The first is the possibility that inflation will be higher than forecast. In this case, central banks would be more aggressive than expected. On the other hand, growth could be much weaker than expected, which would derail earnings and valuations. There are also a number of geopolitical risks which could have an impact on economic indicators. The biggest risks to watch, in our view, are energy prices and the war in Ukraine.

Even in the detail of the equity asset class, expectations are better than in 2022. This idea is based on the above: the end of interest rate hikes and growth that seems to be better than expected a few weeks ago. Indeed, positive macroeconomic surprises appear to be the main driver of share prices at the time of writing. However, there is a major risk: earnings estimates do not appear to be fully aligned with a reduced growth rate. Although there may be some explanations for this, mainly based on liquidity flows, it could be that a further adjustment is taking place.

In terms of business typology, the environment has changed significantly and permanently. This means that the winners of the last ten years will probably not be the same in 2023. From now on, we should give priority to companies with solid balance sheets, low debt, strong pricing power and stable margins.

Appendix 1

Securities added to the portfolio during 2022
Article 33 of AMF Instruction 2011-19

AP Moeller-Maersk - (January 2022)

AP Moller-Maersk is a Danish company specialising in container transport and logistics services, with a leading position in the market. It owns the world's largest container liner, one of the world's top five container ports (APM Terminals) and a growing logistics business. The company has succeeded in setting up three complementary divisions offering a synergy of services coupled with cost optimisation. The contraction of maritime trade is now forcing it to diversify into logistics and services.

ESG issues are well identified by the Group. As far as the environment is concerned, Maersk is a forerunner in a number of areas, notably the reduction of energy consumption and the ambition to be carbon neutral by closely monitoring CO2 emissions through the choice of sustainable fuels, while including in-depth research into its impact on biodiversity. On the social front, the company has placed particular emphasis on the health and safety of its employees and on recruiting and retaining the talent that will enable it to consolidate its competitive edge.

In financial terms, despite its capital-intensive business, the company's balance sheet is much stronger than that of its peers, and its debt levels are well under control. Thanks to an exceptional market environment, earnings and margins have risen, as has cash flow generation.

Since being included in the portfolio, the AP Moeller-Maersk stock has returned -26.72% at 31 December 2022.

Segro – (January 2022)

Segro has the best-valued portfolio of logistics warehouses in Europe: 40% of these warehouses are located in Greater London, the area with the highest penetration of e-commerce. The dynamism of e-commerce is a development opportunity for the company. In the rest of Europe, development still has a long way to go.

Segro has the most advanced extra-financial communication (ESG) in the sector. On the social front, we can see the company's determination to put in place a talent retention policy. Regular surveys are organised to understand employees' needs. In addition, employees receive benefits such as share-based remuneration, whether they want it or not (more than 95% of people responding favourably to this form of remuneration in 2021). Segro stands out in terms of the environmental impact of its buildings. The company offers its customers the construction of net-zero energy buildings, enabling them to meet CSR objectives and thereby contributing to the differentiation of its offering. The reduction in GHG emissions is continuing, and the targets are still ambitious but achievable. The materials used to build warehouses are increasingly "green" in their total composition. Since being included in the portfolio, the Segro stock has returned -48.54% at 31 December 2022.

Michelin – (January 2022)

Michelin probably has the strongest brand in the global tyre market. Its history, capacity for innovation and presence in every market have made it a key differentiator. The company is very involved in the development of sustainable mobility, and this is reflected in the analysis of its non-financial communications. The company is committed to social responsibility and succeeds in retaining its talent thanks to high-quality working conditions. In terms of the environment, it has set targets for reducing its impact, which is falling every year. The group is also heavily involved in the development of sustainable mobility, offering tyres that outperform the competition. The differentiation strategy is firmly anchored in the company and guaranteed by a governance structure committed to the long term.

Since being included in the portfolio, the Michelin stock has returned -29.97% at 31 December 2022.

Roche – (May 2022)

At the beginning of the month, the LFR team initiated a position in the Roche group, renowned worldwide for its immuno-oncology drugs. It is also the world leader in in vitro diagnostics. Once the patents on its three main drugs had entered the public domain, Roche underwent a phase of transition towards new molecules. In addition, the health crisis has boosted sales of its "Diagnostics" division.

From the point of view of its extra-financial publications, Roche has communicated consistently on ESG for many years. The Group reports on a wide range of indicators, and since the last IVA[®] analysis, it has also responded to the Empreinte Ecosociale[®] questionnaire, providing new indicators. The analysis of the social aspect confirms the differentiation strategy, while the solid environmental results testify to Roche's investment in this area. Pending more extensive communication, commensurate with the size of the company, the "Good" classification still seems appropriate. Roche's financial statements are robust. Debt levels are low, and profitability is high. Since being included in the portfolio, the Roche stock has returned -12.51% at 31 December 2022.

Deutsche Telekom - (June 2022)

At the beginning of the month, the LFR team initiated a position in the Deutsche Telekom group, recognised worldwide for the quality of its telecommunications services. Faced with the continuing disruption of the telecoms sector by smaller but much more aggressive players, Deutsche Telekom is redoubling its ingenuity to avoid losing its customers. Today, the strategy is based on a quality offering, well-defined geographical areas, a smaller network that promises speed, reliability and accessibility, and strategic partnerships in premium technologies that are not widely available. The company is classified under the SRI system as "Good" in extra-financial terms thanks to its involvement. From a financial point of view, debt remains the main concern of investors today: the company is well aware of this and plans to sell 40,000 masts in order to generate cash quickly and reduce network and maintenance costs in the medium term. In terms of valuation, the stock offers growth potential. Since being included in the portfolio, the Deutsche Telekom stock has returned +4.68% at 31 December 2022.

Iberdrola - (July 2022)

Iberdrola AG is a Spanish group specialising in the production and distribution of renewable energy, with a presence in Europe and abroad. Iberdrola is a well-managed company, with a clear strategic direction, controlled execution and prudent financial management. Iberdrola communicates clearly and comprehensively on its social policy. There is a correlation between the increase in training hours and the reduction in accident frequency, which testifies to the company's efforts. Each year, the Group produces a GHG emissions inventory report in which it sets out the major environmental indicators as well as complete information on the Group's direct and indirect emissions. Iberdrola is already a major player in the transition, and we can expect this contribution to accelerate in line with future regulations. Finally, Iberdrola's remuneration policy demonstrates an alignment of interests between management and shareholders and demonstrates increased accountability. Since being included in the portfolio, the Iberdrola stock has returned +11.78% at 31 December 2022.

EssilorLuxottica – (September 2022)

Essilor Luxottica is a world leader in the design, manufacture and distribution of ophthalmic lenses, frames and sunglasses. Following the merger and takeover of GrandVision, EssilorLuxottica is now positioned as a direct competitor for the optical distribution industry. Thanks to its size and international presence, EssilorLuxottica has a decisive cost advantage in the market.

EssilorLuxottica is committed to social responsibility, with low accident rates. There has also been a real effort on the environmental front, with very ambitious short-term targets and a general downward trend in consumption and waste indicators. The Group plans to be carbon neutral worldwide for scope 1 and 2 emissions by 2025. The current upheaval in the Group's governance following the death of Mr Del Vecchio, Chairman and founder of the company, is leading to a number of changes. On the other hand, the management team is distinguished by its experience and close relationship with Mr Del Vecchio and shows a desire to extend and preserve the same guidelines as before his death, which should reassure investors.

Since being included in the portfolio, the EssilorLuxottica stock has returned +20.94% at 31 December 2022.

AstraZeneca – (October 2022)

AstraZeneca is a major player in the pharmaceutical industry. The Group has a history of integrations and strategic partnerships that have enabled it to expand its R&D capabilities and develop successful innovative treatments. Managing Director Pascal Soriot took the company in a major new direction as soon as he arrived: oncology.

LFR EURO DEVELOPPEMENT DURABLE ISR

This shift has been crowned with success and places AstraZeneca at the forefront of this therapy. R&D capacity remains a differentiating force, reflected in a high success rate, a rich pipeline and successful blockbusters. On the social front, results show a real desire to provide a pleasant and safe working environment for its employees. On the environmental front, AstraZeneca continues to demonstrate commitment to its extra-financial practices and to maintain an industry-leading position through the implementation of its sustainability strategy. AstraZeneca's strength lies in its communication and the progress it makes every year. Finally, in terms of governance, shareholders' interests appear to be aligned and the current CEO is leading the Group's strategy of differentiation and sustainable development.

Since being included in the portfolio, the AstraZeneca stock has returned +11.81% at 31 December 2022.

DiaSorin – (October 2022)

DiaSorin is a niche player in the in vitro diagnostics market. The LFR teams have been following this company for several years and were waiting for the share price to become attractive again before repositioning themselves. The company has historically specialised in immunoassay technology, and has chosen to offer less common, but higher-margin tests. With the acquisition of Focus in 2016 and above all Luminex in 2021, DiaSorin is accelerating its development in the promising field of Molecular Diagnostics. Through Luminex, it is acquiring multiplexing technology, the fastest-growing sub-market. DiaSorin's extra-financial communication is comprehensive, in the sense that it covers the usual ESG indicators essential to IVA® analysis. It also has good environmental results, while the social indicators confirm the quality of the Group's strategy. However, it needs to be expanded to cover more indicators. This shortcoming can be attributed to the relatively 'small' size of the company.

Since being included in the portfolio, the stock has returned -1.44% at 31 December 2022.

GTT – (November 2022)

The LFR team has initiated a position in Gaztransport et Technigaz (GTT), a French company which is the world leader in cryogenic membranes for the storage of liquefied natural gas (LNG). The company dominates the market with a 100% market share of new orders. This is made possible by the quality of the design of its membranes, and the support and monitoring provided on site during and after delivery. In the years ahead, following the Russian invasion of Ukraine, the Group will benefit from Europe's drive for greater energy independence. Similarly, its strategic positioning means that it is well placed to take advantage of the increase in orders for LNG carriers and the market for LNG-fuelled ships. The Group is also positioning itself in new high-potential markets such as LNG fuel and hydrogen, with the acquisition of Elogen and ArevaH2gena. The Group's ESG analysis is consistent with the specialist strategy. Salaries are high and talent retention policies are a key concern. The environmental aspect is excellent, with the company emitting virtually no CO2 and consuming very little energy. Since being included in the portfolio, the GTT stock has returned -10.61% at 31 December 2022.

Past performance is not indicative of the Fund's future results.

Appendix 2

Stocks removed from the portfolio during 2022

Article 33 of AMF Instruction 2011-19

Accell Group - (February 2022)

As the company was the subject of a takeover bid by KKR, the LFR teams decided to take all profits from their positions; the share price has risen by 20% since the start of the year.

SAP – (July 2022)

The last decade has been key for the Group, which launched its differentiated cloud offering and its new ERP system against a backdrop of intensifying competition, particularly from hyperscalers. Today, the transition is a long one and is being felt, as SAP is the software sector stock that has performed the worst over the last 3 years. Since the last analysis, SAP has disappointed expectations in terms of the execution of its differentiation strategy and the results achieved. Within the software sector, the portfolio focuses on Capgemini and Dassault Systèmes. The position in the SAP Group has been fully closed out.

De Longhi - (July 2022)

The weakness of consumer spending and the lack of visibility over the coming months on the outlook for household spending have led the LFR team to sell the De Longhi line completely, as there is little potential for its share price to recover.

Segro – (September 2022)

The position in the Segro group has been completely closed out. Given the economic situation in the UK, with borrowing and mortgage rates reaching historic highs, we lack visibility on the property sector and prefer to remove the stock from our portfolio.

Amplifon – (November 2022)

The decision has been taken to close out the entire position held in Amplifon, as the LFR team believes that the company will experience difficulties over the coming months, with falling demand, a high level of debt weighing on external growth and a clear lack of visibility in this inflationary environment.

Puma – (November 2022)

The decision has been taken to close out the position in Puma in full following the announcement of the departure of CEO Bjorn Gulden, a key pillar of the group according to the LFR management team, who will be joining Adidas in January 2023. Additionally, in the absence of a context justifying a recovery in consumption and greater visibility over the outlook for household spending, we do not see any recovery in its share price.

Appendix 3

Proportion of assets invested in PEA personal equity savings plans -eligible securities or rights
Official Tax Gazette 5 I-8-06

In accordance with its prospectus, 82.23% of the fund was invested in PEA-eligible securities at 31/12/2021.

Appendix 4

Method for calculating the overall risk of the Fund

Article 16 of AMF Instruction 2011-15

- Considering that at least 90% of the fund is invested in securities (including at least 75% from European Union countries), selected on the basis of extra-financial criteria and according to an SRI methodology, combining the implementation of a "Socially Responsible" strategy and financial profitability, and that investors are warned that their capital is not guaranteed and may not be returned,
- Whereas investors are also advised that the Fund may be exposed to the risk of a fall in the equities or equity UCIs held in the portfolio,
- Considering that fluctuations in the equity markets may generate significant variations in the net assets, which could lead to a substantial fall in the net asset value of the fund.

As a result, the asset manager has decided not to use any specific calculation method to control the risk taken, such as VaR or setting a volatility limit, either simple or relative to an index (tracking error).

The overall exposure is calculated using the commitment method.

Appendix 5

Proportion of income eligible for the 40% allowance under Article 158 of the General Tax Code.
Schedule 3 to the General Tax Code - Article 41 (xvi) H

LFR EURO DEVELOPPEMENT DURABLE ISR

All units (E, GP, I, L, M and P) of the LFR Euro Développement Durable ISR fund are accumulation units and therefore do not distribute any income. They are therefore not covered by the provisions of this schedule.

Appendix 6

Inclusion in the investment policy of criteria relating to compliance with social, environmental and governance quality objectives (so-called "ESG" criteria) and the monitoring of securities.

Articles L533-22-1 and D533-16-1 of the French Monetary and Financial Code

During the year, all (i.e. 100%) of the listed securities making up LFR Euro Développement Durable ISR were analysed on the basis of criteria relating to compliance with social, environmental and governance quality (ESG) objectives.

These analyses were carried out using the IVA® method developed by La Financière Responsable. Based on an understanding of the growth strategy pursued by the company's management team, this concept involves assessing the degree of consistency and the results achieved by the company across all its policies and practices, both extra-financial and financial.

In order to determine a company's responsible behaviour, La Financière Responsable has developed a specific internal evaluation method based on six major areas that define the integral development of each company and enable us to assess its commitment to CSR and sustainable development issues:

1. attention to human resources and social practices;
2. consideration of environmental issues, policies and practices;
3. integration of customers, suppliers and partners;
4. relations with civil society and attention to social issues;
5. internal and external corporate governance;
6. assessing the quality of management;

These analyses are carried out upstream of the financial analysis and result in an in-house assessment by La Financière Responsable's teams. Finally, the following companies were excluded from any investment:

- (E) Having direct and indirect impacts on the environment that are not compatible with sustainable development issues;
- (E) Using thermal coal (extraction, energy source, etc.) in accordance with the levels and thresholds defined in the "Coal Policy" available on its website;
- (S) Subject to controversy and proven social or human rights violations;
- (S) Having made unaccompanied redundancies in the last three years;
- (G) Directly or indirectly related to cluster bombs and anti-personnel mines;
- (G) Refusing to provide or providing inadequate non-financial and/or financial information.

Regulations relating to the European Taxonomy (EU Regulation 2020/852) of the fund:

The aim of the European Union's Taxonomy Regulation is to identify economic activities considered to be environmentally sustainable ("Sustainable Activities").

The Taxonomy Regulation identifies these activities according to their contribution to six major environmental objectives:

- 1) climate change mitigation,
- 2) adaptation to climate change,
- 3) Sustainable use and protection of aquatic and marine resources,
- 4) Transition to a circular economy,
- 5) Pollution prevention and control,
- 6) Protection and restoration of biodiversity and ecosystems.

To be considered sustainable, an economic activity must demonstrate that it makes a substantial contribution to one or more of the six objectives, that it does not cause significant harm to any of these objectives (the so-called "DNSH" principle) and that it is carried out in compliance with the minimum guarantees set out in Article 18 of the Taxonomy Regulation.

The principle of "do no significant harm" applies only to investments underlying the financial product that take into account the European Union's criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

LFR EURO DEVELOPPEMENT DURABLE ISR

At the date of the last update of the prospectus, the strategy implemented in the Fund does not take into account the European Union's criteria for environmentally sustainable economic activities. The target percentage for alignment with the Taxonomy Regulation is 0%.

At 31 December 2022, 7.00% of the portfolio was aligned with the Taxonomy. This calculation is carried out under a contract with the specialist company Sequantis.

SFDR classification (EU Regulation 2019/2088) of the fund:

The Fund meets the definition of Article 8 of Regulation (EU) 2019/2088 SFDR (Sustainable Finance Disclosure Regulation) on the inclusion of extra-financial aspects in investments. According to its definition, this is a financial product whose objective is not sustainable investment but the promotion of environmental and/or social characteristics, or a combination of these characteristics, provided that the companies in which the investments are made apply good governance practices. The analysis of extra-financial aspects aims in particular to identify the sustainability risks of issuers in the investment universe.

To enhance transparency, La Financière Responsable maintains a page dedicated to its Socially Responsible Investment policy on its website: <https://www.la-financiere-responsable.fr/documentation-reglementaire-isr-esg/>

UNDER SURVEILLANCE: Vinci and Novo Nordisk

Vinci

Vinci Construction France was indicted in February 2022 in connection with a private corruption case. The affair came to light on 21 May 2022 via AFP and Franceinfo. The Nanterre public prosecutor's office suspects Vinci Construction France of having paid several million euros, in particular through two subsidiaries (Petit and GTM Bâtiment), to a shell company belonging to the former Qatari wealth manager, Chadia Clot. The examining magistrate suspects Chadia Clot of having secured certain agreements, such as the renovation of the lounges at the Hotel Ritz and the refurbishment of the Samaritaine in Paris. Between 2008 and 2016, several million euros were allegedly disguised as "so-called decoration work on construction sites" invoiced by Vinci Construction France. It would therefore appear that accounts were falsified in order to conceal transfers of money to Chadia Clot's French Property Management fund.

In November 2022, the LFR teams report no progress in this story and no new publications have been reported. This is hardly surprising, since the verdict is expected at the end of this year or early next year, and the company has not been accused of any other offences.

Following the implementation of a shareholder engagement action directly with the company, the LFR teams had the opportunity to discuss the subject with a member of the group:

The group has not yet made any public statement on the subject, but this should not be long in coming, as it believes it would be a mistake not to do so. During an ESG call with the company at the end of June 2022, the director of the team in charge of relations with the Group's investors drew attention to various matters of which the public is unaware. Firstly, some investors wrongly drew a link between the alleged problems in Qatar and the current corruption affair. This confusion stems from the fact that until June 2017 Chadia Clot headed the fund dedicated to the French investments of the former Qatari Emir Hamad Ben Khalifa Al-Thani. There is no connection between these two stories, as the controversy surrounding the construction of football stadiums in Qatar dates back to 2018. This case seems to have been settled, and only Sherpa is continuing to fight against the group, but internal audits organised by Vinci's trade unions prove that working conditions are acceptable.

According to the company, it was former French employees (2006 to 2014) who made the slanderous remarks and fabricated the story after being dismissed for bad behaviour. Accordingly, this is a private matter internal to Vinci that should not have been made public. If the company were to lose this case, it would cost it a maximum of 10 million euros, an insignificant figure in view of its annual turnover. On the other hand, the brand image would be affected, which is more problematic for the Group. In the 130 years of its existence, very few cases have marred the company's reputation. Vinci also intends to sue the former employees for defamation.

This is why Vinci is seeking to raise employee awareness as much as possible and avoid the occurrence of this sort of mishap. Particular attention is paid to employee ethics, and the company already has a well-established code of conduct and whistleblowing policy.

The Vinci Group is often confronted with such allegations. Accusations of corruption are commonplace in the construction and concessions sector. In this industry, many projects are won via calls for tender. The number and quality of contacts in the sector play an important role in winning certain contracts. Sometimes it is the payment of a more or less substantial sum of money (a bribe) that enables a bidder to stand out from the others, as the competition is so fierce.

Investigations into corruption and favouritism are regularly opened against Vinci, but they have always been dismissed, as have the vast majority of accusations against the group. This was the case in 2020, for example, with construction contracts for two secondary schools that were allegedly awarded thanks to a former Vinci executive who became administrative manager of the region in question. There was also the corruption case in Russia in 2016, which was never followed up.

Conclusion: Vinci is no longer on the watch list as of 8 November 2022. The case seems to have been on hold since the revelations in May, and apart from waiting for the verdict in the trial at the end of the year (which could last several years if the company appeals), no one knows anything more about it. Vinci seems confident because it believes that it has been the victim of defamation by former employees who were fired. Furthermore, the company has historically lost very few court cases, despite the fact that there are many frequent cases in this sector. LFR's teams also believe that the risk associated with this case remains minimal and that the company seems to have the situation under control.

Novo Nordisk

In May 2022, Novo Nordisk's IVA® analysis was updated at the Investment Committee meeting. Faced with a number of questions, it was agreed that a commitment document would be drawn up in order to examine in greater depth the subject of rebates in the United States, the accusations of minimisation of side effects by Novo Nordisk sales representatives (Victoza 2017 case) and to obtain more information from management on the role of the Novo Foundation in the Group's strategy. Pending further information, the company has been placed under surveillance. A number of ESG issues were addressed, including the treatment of animals in laboratories and water abstraction in water-stressed areas.

In July 2022, the LFR teams obtained an interview with the company's head of investor relations on the subjects described above:

1. The drug pricing process: Novo Nordisk proposes a price for a new drug to the health authorities (demonstration of beneficial effects for the patient, premium compared with a drug already on the market with the same molecule). The price initially set by the company is accepted or lowered by the health authorities. The price set is called the "list price". This is the price a patient has to pay for the drug. Insureds will therefore pay the list price less the amount reimbursed by their insurance company (from 0 to 100%).

In the United States, PBMs (Pharmacy Benefit Managers) act as intermediaries between healthcare providers (laboratories) and insurers. The insurers' aim is to delegate the management of these cases to specialists, large purchasing groups capable of putting drug 'suppliers' in competition with each other and reducing the insurance companies' expenditure. For laboratories, it's a race for listings, since the PBMs choose which drugs will be reimbursed by which insurers. For Novo Nordisk, the only way to market a drug in the United States and obtain a listing on the list of drugs covered by insurers is to go through the PBMs, negotiating prices and offering discounts (e.g. for product X purchased, you are reimbursed 25%). The larger the rebate, the more likely the PBM will be to select and reference Novo Nordisk's drug at the top of the insurers' list of preferred drugs (called Tier-1 preferred), leading the patient to choose this drug rather than that of a competitor. For each prescription for Novo Nordisk drug X, the insured must pay a rebate to the PBM. As the number of intermediaries is limited (concentrated market), their power to exert pressure on prices is all the greater. They negotiate large volumes and demand ever greater discounts in return. It is for this reason that Novo Nordisk is accused of colluding with its peers in the United States to maintain a floor price for drug sales. The pressure from PBMs is such that, without regulation, net prices paid by PBMs to healthcare providers could stagnate in the years to come, while rebates would continue to increase exponentially. Yet the price paid by patients continues to rise. Novo Nordisk is aware of this injustice, because rebates do not help patients. In particular, the company supports Biden's proposal to allocate rebates directly to patients rather than to the PBM.

The company would be in favour of ending PBMs for Medicaid/Medicare Part B and D plans, where the state would become the exclusive intermediary for negotiating prices.

In addition, the company offers a number of essential treatments for uninsured patients. The "My\$99Insulin" plan, for diabetic patients, which offers a 30-day supply of injectable bottles or pens for \$99. Novo also offers human insulin for \$25 at CVS and Walmart.

Today, Novo is locked into a very specific US healthcare system, and the increase in drug prices is not even in its favour. It only serves PBMs and insurers. After a number of discussions with management, Novo Nordisk has taken a clear pro-patient stance and is trying to offset the price increases with a number of much less costly initiatives.

2. Minimisation of side effects by Novo Nordisk sales staff: in 2011, Novo Nordisk sales staff were accused of minimising the cancer risks of the drug Victoza. After a 6-year legal battle, the company decided to pay \$58.65 million in 2017 to put an end to allegations that the company had not complied with the Risk Evaluation and Mitigation Strategy (REMS) imposed by the US Food and Drug Administration (FDA) for its Victoza drug. The head of investor relations says that to date Novo Nordisk is still "not guilty" and has preferred to avoid years of unnecessary legal expense. The company's guilt has not been legally proven. The person we spoke to said that today the company makes it a point of honour to follow the strategy imposed by the FDA in order to be as transparent as possible about the marketing of a new treatment (in particular, the side effects of drugs are described on the company's website). Novo Nordisk has a Business Ethics Code of Conduct that must be followed by all employees (including sales representatives). The company has set up a compliance helpline and regularly conducts an internal audit on compliance with ethical business standards.

3. Foundation: Novo Holdings A/S is 100% owned by the Novo Nordisk Foundation and has the majority of votes at general meetings. It should be remembered that "the Foundation's shareholding structure meets the need to be both commercially successful and sensitive to the wider needs of society. The aim of the Novo Nordisk Foundation is to provide a stable basis for the commercial and research activities of Novo Nordisk and Novozymes and to support broader scientific, humanitarian and social objectives." Having a foundation as a shareholder sets Novo Nordisk apart from other pharmaceutical groups. There is always a risk of striking a balance between helping patients and ensuring a financial return. The LFR teams note the difficulty of obtaining more information, with the exception of the payment in 2021 of almost \$1 billion in subsidies and the funding of almost \$2 billion in diabetes research.

4. ESG:

➤ Use of animals for research:

Novo Nordisk is the only pharmaceutical company to be so transparent on the subject. In particular, the company has introduced the 3Rs policy (Reduce, Refine and Replace). The company is aware that it will not be able to replace all animal experiments in the years ahead, but it is continually trying to improve animal care and use by developing procedures that reduce and/or replace animal experiments by applying, for example, computer simulation, tissue cultures and cell-based methods. The person we spoke to at the company also shared a number of documents attesting to these principles, such as its Bioethic policy, drawn up in 2015, on the use of animals in pharmaceutical research, and Animal Model Sharing, with the example of the use of mice for the treatment of NASH. In addition, animal purchases have fallen by 29% over the last 5 years.

➤ Water use in water-stressed areas:

Novo Nordisk's ambition for 2030 is to use 95% of water from areas not subject to water stress or major seasonal variations. In its Sustainable Business Act, Novo undertakes to ensure that "all suppliers must have a water management plan to reduce their water consumption and wastewater discharges and improve recycling if they are located in an area of high-water stress (as defined by the World Resources Institute - WRI)".

Conclusion: this act of engagement has paid off. Unlike many companies in the pharmaceutical sector, the company is transparent on a number of controversial issues. Sustainability risks appear to be well addressed by management. Following discussions and the submission of a large number of additional documents, the surveillance order of Novo Nordisk was lifted on 11 August 2022.

Appendix 7

Refer to the website for details of the policy for selecting and assessing entities that provide services (selection of intermediaries).
Article 321-115 of the AMF General Regulation

The website of La Financière Responsable, www.la-financiere-responsable.fr, provides all the legal information concerning the policy for selecting and assessing the entities that provide services. These details are set out in the "Legal information" section - "MiFID regulations" – "Best execution" and "Analyst selection policy".

Appendix 8

Remuneration policy

UCITS V Directive

The broad outlines of the remuneration policy are described below. La Financière Responsable's Remuneration Committee and Governance Board have validated these rules and approve the policy implemented every year.
Availability of these rules is indicated on the website.

EMPLOYEES

The fixed and variable remuneration of employees is approved annually by the Remuneration Committee on the recommendation of senior management. *Fixed employee remuneration*: employee remuneration is set when the employee is hired, based on market conditions, and increases either automatically in accordance with the collective agreement, or through an annual appraisal based on the employee's skills development.

Variable employee remuneration: variable remuneration may be granted without any guarantee whatsoever. Variable remuneration can only be paid if the company achieves results that are sufficiently positive. The terms and conditions of the award and the maximum limit in relation to fixed remuneration are set out in the Remuneration Policy document.

EXECUTIVES

Fixed remuneration of executives: the fixed remuneration of senior executives is set by the company's Governance Council, on the recommendation of the Remuneration Committee, which is chaired by a member of the Governance Council who does not play an operational role in the company.

Variable remuneration for executives: executives are eligible for variable remuneration on the same terms and conditions as employees. This remuneration is also subject to approval by the Remuneration Committee, which reports to the company's Governance Council.

SUSTAINABILITY RISKS TAKEN INTO CONSIDERATION

Pursuant to Article 5 of Regulation (EU) 2019/2088, known as the Sustainable Finance Disclosure Regulation (SFDR), individual assessments and targets include qualitative and quantitative elements relating to the environmental or social characteristics of investments and the sustainability risk of managed portfolios.

The qualitative and quantitative criteria used differ according to the function of the staff identified. The appraisals and remuneration of the staff concerned will be determined on the basis of the achievement of these qualitative and quantitative targets.

LFR EURO DEVELOPPEMENT DURABLE ISR

Total remuneration paid by the asset manager to its employees for the 2022 financial year.

	Amount (in €k)	Number of beneficiaries
Fixed remuneration	644,443	11
Variable remuneration	32,500	7
<i>Carried interest</i>	-	-

Aggregate amount of remuneration, broken down between the asset manager's senior executives and other employees whose activities have a significant impact on the risk profile of the UCITS.

	Amount (in €k)
Senior executives	232,966
Other employees	254,821

Appendix 9

Information on the SFTR regulation

During the financial year, the Fund did not carry out any securities financing transactions covered by SFTR regulations.
Completed on 16 January 2023

Appendix 10

Information on efficient portfolio management techniques

During the year, the Fund did not use efficient portfolio management techniques.

ANNEX II

Template pre-contractual information for financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and in the first paragraph of Article 6 of Regulation (EU) 2020/852

Product name: LFR Euro Développement Durable ISR

Legal entity identifier: 969500NU1CAYDHMA7E10

Environmental and/or social characteristics

Sustainable investment

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

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

Does this financial product have a sustainable investment objective?



Yes



No



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



in economic activities that qualify as environmentally sustainable under the EU taxonomy



in economic activities which are not considered environmentally sustainable under the EU Taxonomy



It will make a minimum of **sustainable investments with a social objective**: ____%



It **promotes environmental and/or social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments.



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



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



with a social objective



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

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

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

LFR Euro Développement Durable ISR, which has the SRI label, is made of a selection of stocks of listed European companies (at least 90% of net assets, with a minimum of 75% in the European Union) whose selection process is based, in particular, on extra-financial criteria and according to an SRI methodology, Integral Value Approach or IVA[®], specific to La Financière Responsable.

This management and stock-picking process enables the teams of La Financière Responsable to select quality companies committed to sustainable development and growth. It combines the implementation of a sustainable development strategy with the prospect of financial performance.

The specificity of IVA[®] is the search for consistency between the company's strategy, its extra-financial practices and its financial statements, with the aim of adopting a position of conviction on the stock.

Using this methodology, all listed stocks selected must, without exception, be systematically analysed on the basis of their environmental, social and governance (ESG), financial and stock market qualities before being invested in the LFR Euro Développement Durable ISR fund.

To ensure full control over extra-financial data, the teams at La Financière Responsable have developed the Empreinte Ecosociale[®], their own database dedicated to ESG data.

The LFR Euro Développement Durable ISR fund therefore promotes both environmental and social characteristics.

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

The IVA[®] method used by La Financière Responsable aims to integrate sustainability risks into the fund's investment approach and to seek consistency between financial and extra-financial aspects.

The ESG analysis carried out as part of its proprietary company selection methodology (IVA[®] Integral Value Approach) includes the examination and analysis of a variety of E, S and G indicators, thanks to its proprietary database, the Empreinte Ecosociale[®] dedicated to ESG data and compiling over 170 ESG indicators for more than 240 European companies. This database is populated based on specific questionnaires developed in-house and sent to companies and is updated annually.

However, in order to reconcile its convictions and, in particular, to meet the requirements of the SRI label, La Financière Responsable has set the following financial and extra-financial objectives for the LFR Euro Développement Durable SRI fund, in comparison with the fund's benchmark index, the Euro Stoxx 50 DNR:

- Outperform the benchmark index over the medium term (recommended holding period: 5 years)

- Encourage the transition to a sustainable economy by targeting a majority of Global Compact signatory companies within the funds. The Global Compact is an initiative of the United Nations to promote a commitment to sustainable development, the fight against corruption and respect for human rights. The following indicator is used for this purpose: percentage of companies that are signatories to the Global Compact
 - Take into account the climate impact of its investments by ensuring that the carbon footprint of its portfolios is less than or equal to that of the benchmark index; to achieve this, the following indicator is considered: carbon intensity expressed per € million of sales
 - To be rooted in the real economy by selecting companies that are more dynamic in terms of employment than those making up the benchmark index: to do this, the following indicator is considered: average annual growth rate in headcount
 - Selecting companies that demonstrate a commitment to sustainable development on the part of their management, with the aim of selecting a majority of companies in its funds that have introduced social and environmental responsibility criteria into their management remuneration policies. To do this, the following indicator is considered: the proportion of companies that have introduced extra-financial criteria in executive remuneration.
- ***What are the objectives of the sustainable investments that the financial product is intended to achieve partially and how does the sustainable investment contribute to these objectives?***

LFR Euro Développement Durable ISR has not defined sustainable investment objectives.



Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

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

LFR Euro Développement Durable ISR has not defined sustainable investment objectives.

Nevertheless, all listed stocks selected by the LFR Euro Développement Durable ISR fund must, without exception, be systematically analysed on the basis of their environmental, social and governance (ESG), financial and stock market qualities. This is the essence of the Integral Value Approach (IVA®).

This analysis is based on the Empreinte Ecosociale®, a proprietary database of ESG data compiling over 170 ESG indicators for more than 240 European companies. This questionnaire includes the mandatory and optional Principal Adverse Indicators ("PAI") of the SFDR regulation on all the extra-financial pillars defined in the regulation. They are assessed for each company in the light of its sector, its strategy and also the progression of the company's practices over time.

It is of course necessary for the company under review to provide sufficient information in its annual reference documents, or in response to our questionnaire, for us to be able to carry out the analyses we deem necessary. Although we have found that very high response rates are rare, we reserve the right to exclude companies that intentionally provide insufficient or superficial information.

The information we collect becomes meaningful, in both environmental and social terms, when we establish coherent links with the strategy chosen by the company (in the sense of Michael Porter's generic strategies). This quest for coherence gives ESG information a particular strength, as it is no longer simply a juxtaposition of data, but proof that management action is being implemented rationally within the company. As a result, the financial results and their projections for the future gain in solidity and credibility.

Our detailed analyses enable us to identify the sustainability risks that the company may face, based on the issues specific to the sector of activity and/or the businesses in which it operates.

Lastly, opportunities for improvement identified in the ESG and financial areas are the subject of commitments to the company's management, which is responsible for taking the appropriate decisions in response to our requests and suggestions.

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

Through the IVA® management process, the research carried out by La Financière Responsable's manager-analysts ensures that the main adverse impacts are taken into account at several stages of the process, via:

- Application of exclusion criteria;
- The assessment grid for the different sustainability risks for each ESG pillar for each of the companies selected;
- Controversy management;
- The integration of all the Principal Adverse Impacts (PAIs) indicators into the Empreinte Ecosociale® ESG questionnaire. These indicators will also be recorded in a periodic report.
- Direct engagement with companies in the event of failure to meet the mandatory criteria of the PAIs, as these are necessary for analysis before a decision is taken by the Monthly Investment Committee meeting, and may lead to exclusion of the stock if it is deemed relevant.

To what extent are the sustainable investments in line with the OECD Guidelines for Multinational Enterprises and the UN Guidelines on Business and Human Rights? Detailed description:

LFR Euro Développement Durable ISR has not defined sustainable investment objectives.

Nevertheless, the companies selected by the LFR Euro Développement Durable ISR fund must be exemplary in terms of human rights.

To ensure that this is the case, the team of manager-analysts systematically excludes companies that are the subject of controversy and proven breaches of social or human rights standards.

In addition, as part of the SRI label, an extra-financial objective has been set for the fund: companies that are signatories to the United Nations Global Compact must represent at least half of the companies in the portfolio.

In addition, the IVA® analysis process also considers indicators relating to companies' tax practices as well as an assessment of controversies in the company's value chain ([controversy monitoring and management policy](#)).

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The principle of "do no significant harm" applies only to investments underlying the financial product that take into account the European Union's criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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



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

Yes

No

For La Financière Responsable, addressing adverse impacts related to sustainability ("PAI") means selecting high-quality issuers committed to sustainable development within the fund. Such selection helps to reduce the negative externalities induced by its investments.

To achieve this, it has developed a number of systems:

- The Empreinte Ecosociale®: a proprietary database containing a history of 174 indicators (68 social, 67 environmental and 39 related to governance practices) updated annually since 2009 using a questionnaire developed by LFR teams and sent annually to more than 240 issuers;
- This database already includes the mandatory and optional PAI indicators set out in the SFDR regulation, covering all the extra-financial pillars defined in the regulation. The Principal Adverse Impacts (PAIs) indicators are also integrated into the ESG questionnaire of the Empreinte Ecosociale®. The indicators are assessed for each company in the light of its sector, its strategy and also the progression of the company's practices.
- An original investment process, notably through the SRI typology presented below;
- A formalised exclusion policy;
- A controversy management policy;
- A voting and engagement policy;

Finally, from 2023, LFR Euro Développement Durable ISR's annual ESG report will include indicators relating to the PAIs to report on LFR's Socially Responsible Investment (SRI) approach. This report will be available on the LFR website: <https://www.la-financiere-responsable.fr/>

What investment strategy does this financial product follow?

LFR Euro Développement Durable ISR, which has the SRI label, is made up of a selection of listed European companies (at least 90% of net assets) whose selection process is based, in particular, on extra-financial criteria and according to an SRI methodology, Integral Value Approach or IVA®, specific to La Financière Responsable.

This unique and proprietary management method is a conviction-based approach and is applied to all listed stocks in the portfolio without exception.

It consists of selecting growth companies after a detailed analysis, divided into 3 inseparable parts:

1. Strategic analysis: analysis of the company's business and strategy, in its economic context;
2. Non-financial analysis: analysis of the implementation of this strategy, the practices of the management team and relations with all the company's stakeholders. This analysis is carried out entirely in-house using a proprietary database, the Empreinte Ecosocial®, dedicated to ESG data.
3. Financial and valuation analysis: analysis of the company's financial strength, profitability (past and future) and the value of its shares on the stock market.

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

One of the key features of IVA[®] is that extra-financial data is taken into account upstream of the financial analysis of companies.

At least 20% of the issuers in the investment universe are excluded when applying this investment strategy. This is also a requirement of the SRI Label to which LFR Euro Développement Durable ISR is subject.

In addition, as part of the SRI Label, LFR Euro Développement Durable ISR has set itself the following extra-financial objectives:

- Encourage the transition to a sustainable economy by targeting a majority of Global Compact signatory companies within the funds. The Global Compact is an initiative of the United Nations to promote a commitment to sustainable development, the fight against corruption and respect for human rights. The following indicator is used for this purpose: percentage of companies that are signatories to the Global Compact.
- To take account of the climate impact of its investments by ensuring that the carbon footprint of its portfolios is less than or equal to that of the benchmark index. To do this, the following indicator is considered: carbon intensity expressed per € million of sales.
- To be rooted in the real economy by selecting companies that are more dynamic in terms of employment than those making up the benchmark index. The following indicator is used for this purpose: average annual growth rate in headcount.
- Selecting companies that demonstrate a commitment to sustainable development on the part of their management, with the aim of selecting a majority of companies in its funds that have introduced social and environmental responsibility criteria into their management remuneration policies. To do this, the following indicator is considered: the proportion of companies that have introduced extra-financial criteria in executive remuneration.

The implementation of sustainable investment objectives defined in the SRI Label ensures a selection of listed companies committed to all the pillars of sustainable development (Social, Economic and Environmental).

These ESG indicators are monitored on a monthly basis as part of the portfolio monitoring process, and are included in the fund's monthly report and in the dedicated annual ESG report.

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

There are a number of constraints that come into play throughout the investment and company selection process in order to achieve environmental and social aspects promoted by LFR Euro Développement Durable ISR:

▪ Application of exclusion criteria:

Prior to reviewing stocks using the IVA[®] Integral management method, La Financière Responsable's investment process systematically excludes companies based on the following criteria:

- Environment: exclusion of companies that use coal as a source of energy or heat according to thresholds defined in [La Financière Responsable's coal policy](#) exclusion of companies that have a direct or indirect impact on the environment that is incompatible with the challenges of sustainable development
- Social: exclusion of companies with a proven record of human rights controversies; exclusion of companies that have made unaccompanied redundancies over the last three years
- Governance: exclusion of companies with direct links to activities linked to cluster bombs and anti-personnel mines; exclusion of companies that refuse to disclose the extra-financial and/or financial information required for IVA[®] analysis.

LFR's exclusion criteria are constantly monitored by the LFR management team. The list of excluded companies is documented and updated monthly.

- The classification of companies according to their SRI typology, allowing them to be eligible or not:

As part of the investment process and the IVA[®] analysis, each company is assigned a classification according to the SRI typology developed by LFR's teams. This classification makes it possible to assess its extra-financial practices and to classify the companies subject to investment as follows:

Investissable	Leader	Comprehensive and exemplary communication High-quality extra-financial results Solid progression program
	Good performer	Communication almost comprehensive Satisfactory extra-financial results Engaged and constructive dialogue
	Promising	Communication in early stages but improving Patchy but satisfactory results Active dialogue to identify areas for improvement
Non investissable	Dilettante	Practices deemed insufficient Minimum engagement No significant improvement
	Communicator	Prioritises communication for limited extra-financial practices Significant extra-financial risk
	Not involved	Absence or lack of interest in non-financial issues Few indicators provided

The classification of companies according to this SRI typology makes it possible to define whether or not the company analysed is investable, as well as the quality of its extra-financial practices.

As a result, only companies with "Leader", "Good" or "Promising" status may be eligible for investment in the portfolio of the LFR Euro Développement Durable ISR fund.

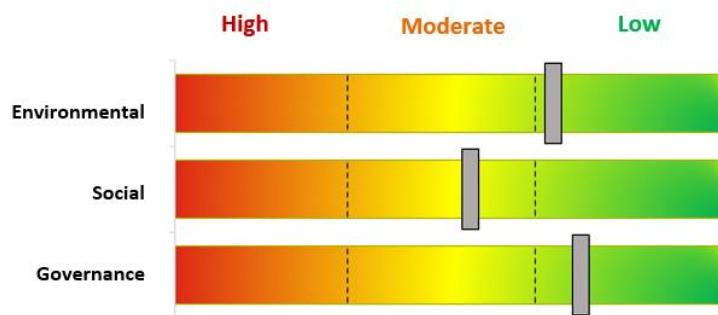
- Assessing the sustainability risks that may lead to companies being eligible or ineligible:

In order to reduce investors' exposure to the sustainability risks introduced by the European SFDR regulation, an assessment system has been established.

Sustainability risks are addressed in the following ways:

- Environmental: issues relating to physical risks and transition in the field of climate/climate change (air pollution, carbon intensity, greenhouse gas emissions, etc.), natural resource and waste management within companies, impact on housing, resources (water, natural disasters, etc.) or issues relating to local and international environmental regulations.
- Social: issues relating to the rights, well-being, health and safety of employees and customers, parity, discrimination and relations with suppliers.
- Governance: issues relating to corporate strategy, reputation, creation of shareholder value, corporate culture, balance of power, risk of shareholder disengagement, risk of lack of dialogue, policies to prevent the risk of money laundering and terrorist financing, and policies to prevent corruption.

As part of its non-financial analysis, the manager-analyst will use an assessment grid to gauge the various sustainability risks and will incorporate the following sustainability risk scale into its analysis:



Legend for sustainability risk assessment:

- Risk well identified and well controlled by the company; low to medium impact
- Low to medium risk; low to acceptable control; medium impact; monitoring required and, if necessary, via the commitment activity
- Significant risk with little or no control by the company; potential impact on value deemed medium or significant put the company under surveillance if it is in the portfolio, or even do not to invest

As part of his extra-financial research, the manager-analyst must base his analysis on an assessment grid for each E, S and G risk, and will determine:

- 1) whether the potential impact on the share is low, medium or high;
- 2) whether the probability of occurrence is low, medium or high;
- 3) and whether the identification and control of the risk is low, medium or high.

The valuation proposed by the managing analyst is assessed and validated by the monthly Investment Committee.

When examining the value, the latter identifies the relevant extra-financial indicators based on the company's business and/or strategy, and even the extra-financial challenges of its sector of activity.

LFR's manager-analysts reserve the right to consider the most relevant non-financial indicators for the company's sector of activity, on a case-by-case basis, in order to reach a conviction on the value.

This means that only stocks with low or moderate sustainability risks are eligible for investment in the portfolio.

- **What is the committed minimum rate to reduce the scope of the investments**

considered prior to the application of that investment strategy?

At least 20% of the issuers in the investment universe are excluded when applying this strategy. This is also a requirement of the SRI Label.

● ***What is the policy implemented to assess the good governance practices of the companies benefitting from investments?***

La Financière Responsable's IVA[®] analysis process aims to integrate good governance practices on the part of the companies selected in the portfolios by analysing the organisation of corporate governance, its missions and its functions.

The issue is therefore systematically examined and measured against objective criteria. This enables us not only to assess the quality of the practice, but also to identify any sustainability risks that the company might encounter.

This analysis takes place at several levels in the management process:

- When applying Governance-related exclusion criteria: exclusion of companies with direct links to activities linked to cluster bombs and anti-personnel mines; exclusion of companies that refuse to disclose the extra-financial and/or financial information required for IVA[®] analysis;
- When collecting the non-financial indicators in the Empreinte Ecosociale[®] questionnaire, such as compliance with applicable laws and regulations, the gender balance in management bodies, the organisation of the Chairman/Chief Executive Officer roles, the inclusion of ESG criteria in executive remuneration, the operation of boards and management committees, etc. It is of course necessary for the company under review to provide sufficient information in its annual reference documents, or in response to our questionnaire, for us to be able to carry out the analyses we deem necessary. Although we have found that very high response rates are rare, we reserve the right to exclude companies that intentionally provide insufficient or superficial information;
- When identifying and monitoring controversies: this is a way of demonstrating the quality of companies' governance practices in the context of their activities, and of monitoring portfolio companies. These events may affect the issuer's stakeholders: employees, customers, suppliers, partners, the environment, society and shareholders. La Financière Responsable has formalised a controversy management policy as part of the LFR Euro Développement Durable ISR investment process, which is available here: <https://www.la-financiere-responsable.fr/wp-content/uploads/Gestion-des-controverses-dans-la-gestion-de-LFR.pdf>;
- During dialogue with the company on governance issues that may lead to acts of engagement;
- Within the framework of the voting policy: this is one of the acts of engagement made in the area of governance. Votes in this area are recorded and published in the annual report.

Finally, among the extra-financial objectives pursued by the fund and defined as part of the SRI Label, the LFR Euro Développement Durable ISR fund aims to encourage the transition to a sustainable economy by selecting a majority of Global Compact signatory companies within the portfolio. The Global Compact is an initiative of the United Nations to promote a commitment to sustainable development, the fight against corruption and respect for human rights. The share of Global Compact signatory companies in the LFR Euro Développement Durable ISR portfolio is monitored on a monthly basis as part of the portfolio monitoring process, and is included in the fund's monthly report and in the dedicated annual ESG report.

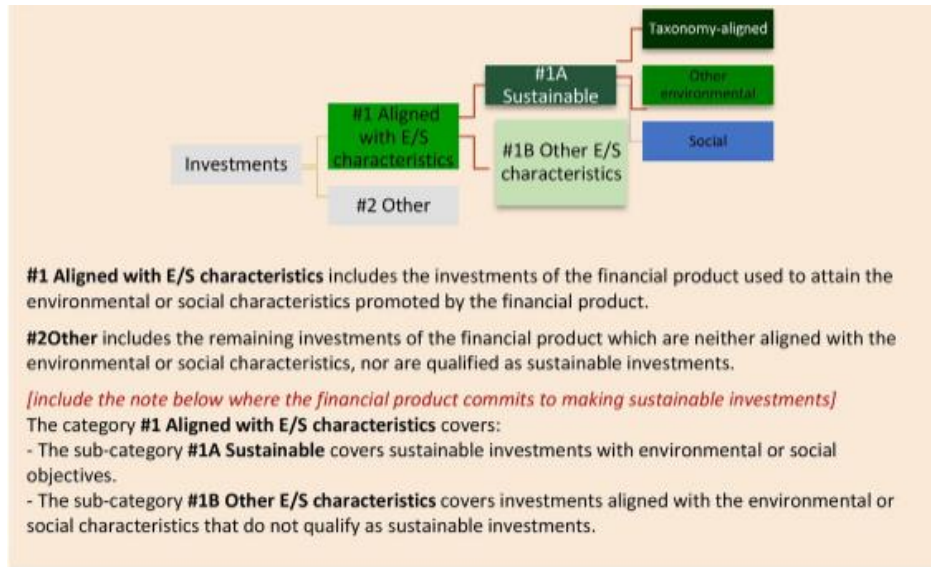


What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

LFR Euro Développement Durable ISR, which has been awarded the Label ISR, is made up of a selection of stocks of listed European companies (minimum 90% of net assets) within the limits described in the prospectus.

At least 90% of the stocks in the portfolio are subject to ESG analysis and the promotion of social and/or environmental characteristics, but their objective is not sustainable investment, as defined by the SFDR regulations, nor alignment with environmentally sustainable activities as defined by the European Taxonomy. Assets not covered by an ESG analysis are cash and cash equivalents.



Taxonomy-aligned activities expressed as a share of:

- **Turnover** reflecting the share of revenue from green activities of investee companies;
- **Capital expenditure (CapEx)** showing the green investments made by investee companies, e.g., for a transition to a green economy;
- **Operational**

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

The fund does not use derivatives.



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

LFR Euro Développement Durable ISR has not defined sustainable investment objectives nor a threshold for alignment with the European Taxonomy. However, at least 90% of the listed securities in the portfolio are subject to ESG analysis. Assets not covered by an ESG analysis are cash and cash equivalents.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● What is the minimum share of investments in transitional and enabling activities?

LFR Euro Développement Durable ISR has not defined a minimum share of investments in the transitional and enabling activities of the European Taxonomy.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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



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

LFR Euro Développement Durable ISR has not defined sustainable investment objectives for environmental issues nor a threshold for alignment with the European Taxonomy. However, at least 90% of the listed securities in the portfolio are subject to ESG analysis. Assets not covered by an ESG analysis are cash and cash equivalents.



What is the minimum share of socially sustainable investments?

LFR Euro Développement Durable ISR has not defined sustainable investment objectives for social issues. However, at least 90% of the listed securities in the portfolio are subject to ESG analysis. Assets not covered by an ESG analysis are cash and cash equivalents.



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

Investments included in the "#2 Other" category correspond to any cash holdings that may change within the limits defined in the fund prospectus and within regulatory limits.



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

No.

The benchmark index for the LFR Euro Développement Durable ISR fund is the Eurostoxx 50 DNR index. This index cannot be used to determine whether LFR Euro Développement Durable ISR is aligned with the environmental and/or social characteristics it promotes. Nevertheless, thanks to the Empreinte Ecosociale®, which is updated annually, the team of analysts and managers has access to the extra-financial data of the companies that make up the benchmark index.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on an continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for calculation of the designated index be found?***

N/A

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



Where can I find more product-specific information online?

More details on La Financière Responsable's investment strategy and the LFR Euro Développement Durable ISR fund are available on its website <https://www.la-financiere-responsable.fr/lfr-euro-developpement-durable-isr/>.

All documents relating to compliance with environmental and social aspects are available on the following page: <https://www.la-financiere-responsable.fr/documentation-reglementaire-isr-esg/>

Balance sheet - assets

	Financial year 30/12/2022	Financial year 31/12/2021
Net fixed assets	-	-
Deposits	-	-
Financial instruments	87,995,051.45	121,697,008.57
Equities and equity equivalents	86,833,051.45	120,350,948.57
Traded on a regulated or equivalent market	86,833,051.45	120,350,948.57
Not traded on a regulated or equivalent market	-	-
Bonds and equivalent securities	-	-
Traded on a regulated or equivalent market	-	-
Not traded on a regulated or equivalent market	-	-
Debt securities	-	-
Traded on a regulated or equivalent market - Negotiable debt securities	-	-
Traded on a regulated or equivalent market - Other debt securities	-	-
Not traded on a regulated or equivalent market	-	-
UCI securities	1,162,000.00	1,346,060.00
General purpose UCITS and AIFs for non-professionals and equivalent investors in other EU Member States	1,162,000.00	1,346,060.00
Other funds intended for non-professional and equivalent investors in other EU Member States	-	-
Professional general purpose and equivalent funds in other countries EU Member States and listed securitisation vehicles	-	-
Other funds intended for professional and equivalent investors in other EU Member States and unlisted securitisation vehicles	-	-
Other non-European undertakings	-	-
Temporary securities transactions	-	-
Receivables representative of securities received under repurchase agreements	-	-
Receivables representative of loaned securities	-	-
Securities borrowed	-	-
Securities delivered under repurchase agreements	-	-
Other temporary transactions	-	-
Financial futures	-	-
Transactions on a regulated or equivalent market	-	-
Other transactions	-	-
Other assets: Loans	12,635.08	3,056.27
Other financial instruments	-	-
Receivables	12,635.08	3,056.27
Forward currency transactions	1,256,419.00	6,335,635.82
Other	1,256,419.00	6,335,635.82
Financial accounts	-	-
Liquid assets	-	-
TOTAL ASSETS	89,264,105.53	128,035,700.66

Balance sheet - liabilities

	Financial year 30/12/2022	Financial year 31/12/2021
Equity	-	-
Share capital	86,263,848.06	117,121,594.55
Undistributed previous net capital gains and losses (a)	-	-
Retained earnings (a)	-	-
Net capital gains and losses for the period (a, b)	2,963,167.66	11,788,670.06
Net income for the period (a, b)	-104,581.03	-3,563,062.67
Total equity (= Representative amount of net assets)	89,122,434.69	125,347,201.94
Financial instruments	-	-
Disposal transactions involving financial instruments	-	-
Temporary transactions involving securities	-	-
Debts on securities given under repurchase agreements	-	-
Liabilities for borrowed securities	-	-
Other temporary transactions	-	-
Financial futures	-	-
Transactions on a regulated or equivalent market	124,758.48	2,671,608.72
Other transactions	-	-
Liabilities	124,758.48	2,671,608.72
Forward currency transactions	16,912.36	16,890.00
Other	16,912.36	16,890.00
Financial accounts	-	-
Current bank financing	-	-
Borrowings	-	-
TOTAL LIABILITIES	89,264,105.53	128,035,700.66

(a) Including adjustment accounts.

(b) Less interim dividends paid during the period.

Off-balance sheet items

	Financial year 30/12/2022	Financial year 31/12/2021
Hedging transactions		
Commitments on regulated or equivalent markets		
OTC commitments		
Other commitments		
Other transactions		
Commitments on regulated or similar markets OTC commitments		
Other commitments		

Income statement

	Financial year 30/12/2022	Financial year 31/12/2021
Income from financial transactions	-	-
Income from shares and similar securities	1,388,260.29	986,746.88
Income from bonds and similar securities	4,481.00	-
Income from debt securities	-	-
Income from temporary acquisitions and sales of securities	-	-
Income from financial futures	-	-
Income from deposits and financial accounts	2,590.14	-
Income on loans	-	-
Other financial income	-	-
TOTAL I	1,395,331.43	986,746.88
Expenses in respect of financial transactions	-	-
Charges on temporary acquisitions and sales of securities	-	-
Charges on financial futures	-	-
Charges on financial debts	-19,714.25	-276,250.74
Other financial charges	-	-
TOTAL II	-19,714.25	-276,250.74
Income from financial transactions (I + II)	1,375,617.18	710,496.14
Other income (III)	-	-
Management fees and depreciation and amortisation allowances (IV)	-1,602,196.31	-4,236,959.71
Net income for the year (I + II + III + IV)	-226,579.13	-3,526,463.57
Adjustment of income for the year (V)	121,998.10	-36,599.10
Interim dividends paid during the period (VI)	-	-
Net income (I+ II + III - IV + V+ VI)	-104,581.03	-3,563,062.67

Accounting Rules and Methods

The annual accounts are presented in the form provided by ANC regulation no. 2014-01 of January 14, 2014, as amended.

The accounting currency is the Euro.

All securities in the portfolio are carried at historical cost, excluding expenses.

Securities and financial instruments with firm and conditional futures held in the portfolio in foreign currencies are converted into the accounting currency on the basis of the exchange rates recorded in Paris on the day of valuation.

The portfolio is valued at each net asset value and when the accounts are closed using the following methods:

Securities:

Listed securities: at market value - accrued coupons included (closing day price).

However, securities whose price was not recorded on the day of the evaluation, or quoted by contributors and for which the price was corrected, as well as securities which are not traded on a regulated market, are valued under the responsibility of the management company (or the board of directors for a Sicav), at their probable trading value. Prices are corrected by the management company based on its knowledge of issuers and/or markets.

UCIs: at the last known net asset value, failing which at the last estimated value. The net asset values of securities of foreign collective investment valuing on a monthly basis are confirmed by the fund administrators. Valuations are updated weekly on the basis of estimates communicated by the administrators of these UCIs and validated by the manager.

Negotiable debt and similar securities which are not the subject of significant transactions are valued by applying an actuarial method, the rate being used is the one applicable to issues of equivalent securities affected, where applicable, by a difference representative of the intrinsic characteristics of the issuer. In the absence of sensitivity, securities with a residual duration equal to three months are valued at the last rate until maturity and those acquired at less than three months, the interests are linearized.

Financial management fees and administrative costs external to the management company

- 1.60% including tax maximum for I unit
- 0.80% including tax maximum for L unit
- 1.00% including tax maximum for E unit
- 0.60% including tax maximum for M unit
- 1.10% including tax maximum for GP unit
- 2.20% maximum including tax for P unit

The endowment is calculated on the basis of net assets. These costs, not including transaction costs, will be charged directly to the Fund's income statement.

These fees cover all fees charged to the OPC, with the exception of transaction fees. Transaction costs include intermediary fees (brokerage, stock market taxes, etc.) and the movement commission, where applicable, which may be collected in particular by the depositary and the management company.

Research fees

N/A

Performance fees

- 25% (incl. tax) of the outperformance of the benchmark index (subject to a positive performance condition) for I, P, GP, M and L units based on assets net of fixed costs, before variable costs.
- 15% (incl. tax) of the outperformance of the benchmark (subject to a positive performance condition) for E units based on assets net of fixed costs, before variable costs.

The performance fee is based on a comparison between the performance of the LFR Euro Développement Durable ISR mutual fund and the

benchmark index defined below, over the financial year. In all that follows, it will be assumed that, for 2022, the financial year begins on 1 January 2022 and ends on 31 December 2022.

The performance fee is calculated on the basis of a comparison between the fund's assets after operating and management costs and a benchmark asset that has performed identically to the benchmark over the calculation period, with the same variations due to subscriptions and redemptions of the fund.

Each time the net asset value is established, the performance fee, defined as 25% (incl. tax) (I, P, GP, M and L units) or 15% (inclusive of tax) (E units) of the performance in excess of the Euro Stoxx 50 net dividend reinvested benchmark index (Bloomberg ticker: SX5T Index), is covered by a provision, or a reversal of provision limited to the existing allocation.

If, over the financial year in question (i), over the last five years (ii), or since the last crystallisation date (iii), the performance of the mutual fund is less than that of the benchmark asset, the performance fee will be nil and any underperformance in relation to the benchmark index will have to be made up before the performance fees become payable again.

It is understood that in the case of I, P, GP, L and E units, all reference periods are reset to zero on 1 January 2022. For each unit class concerned, the reference value for the different periods corresponds to the net asset value at 31/12/2021.

In the specific case of M units, for which the annual closing date for performance fees is currently 31 March each year, these units will be subject to deferred crystallisation on 31/12/2022.

If, during the year, the fund outperforms the benchmark asset over the three reference periods, a provision for an performance fee will be made when calculating the net asset value.

The three reference periods used are:

- (i) The financial year in question, i.e. a 12-month period running from 1 January to 31 December each year;
- (ii) The period begins on the closing date of the 5th financial year preceding the net asset value calculation date;
- (iii) The period commencing on the last accounting closing date for which the provision for the performance fee has been crystallised, provided that this period does not exceed 5 years;

The performance fee will be provisioned when the three conditions listed above are met: (i) an outperformance over the current year AND (ii) since the end of the 5th financial year preceding the current financial year AND (iii) since the last accounting closing date giving rise to the crystallisation of the performance fee provision, provided that this does not exceed 5 years.

If another year of underperformance occurs within this first 5-year period and has not been made up by the end of this first period, a new period of up to 5 years begins from this new year of underperformance.

In the event of underperformance relative to the benchmark asset, the observation period will be extended by one year, so that any past underperformance can be made up before new performance fees become payable. Past underperformance that has not yet been offset is erased from the history after a period of five years.

It is specifically stated that the performance fee is conditional on the fund achieving a positive performance over the financial year. Any negative performance by the fund during the financial year in question will result in the cancellation of the performance fee provision.

For each unit class, the basis for calculating outperformance is the net assets after deduction of fixed management fees and before allocation of provisions for the performance fee. These performance fee provisions are charged directly to the fund's income statement at each net asset value. The provision established is definitively crystallised and acquired by the asset manager at the end of each financial year. The provision, when positive, is therefore reset to zero each year.

If the fund outperforms during a financial year without this outperformance giving rise to a provision for an outperformance fee, the calculation file may be reset to zero at the end of the financial year at the discretion of the management company.

If redemptions are centralised while a provision for the outperformance fee has been made, the portion of the provisioned fee corresponding to the units redeemed is definitively acquired by and paid to the asset manager.

Retrocession of management fees

Retrocessions are recorded as they are received.

Method of accounting for interest

Interest received

Allocation of income earned

I Unit: Accumulation L
Unit: Accumulation E
Unit: Accumulation M
Unit: Accumulation GP
Unit: Accumulation P
Unit: Accumulation

Allocation of net realised capital gains

I Unit: Accumulation L
Unit: Accumulation E
Unit: Accumulation M
Unit: Accumulation GP
Unit: Accumulation P
Unit: Accumulation

Changes affecting the fund

N/A

Change in net assets

	Financial year 30/12/2022	Financial year 31/12/2021
Net assets at the start of the period	125,347,201.94	87,626,885.98
Subscriptions (including subscription fees accruing to the UCI)	28,613,170.53	30,391,425.57
Redemptions (less redemption fees accruing to the UCI)	-34,239,141.49	-21,869,531.35
Capital gains realised on deposits and financial instruments	6,433,369.74	13,093,514.57
Capital losses realised on deposits and financial instruments	-3,075,349.21	-1,323,172.58
Capital gains realised on financial futures	-	-
Capital losses realised on financial futures	-	-
Transaction fees	-159,858.01	-166,692.53
Foreign exchange differences	-58,459.42	-11,563.06
Changes in the valuation differential for deposits and financial instruments:	-33,511,920.26	21,132,798.91
Valuation differential for N	9,641,614.59	43,153,534.85
Valuation differential for N-1	-43,153,534.85	-22,020,735.94
Changes in the valuation differential for financial futures:	-	-
Valuation differential for N	-	-
Valuation differential for N-1	-	-
Distribution in respect of net capital gains and losses during the previous period	-	-
Distribution of previous year's result	-	-
Net income for the period before accruals	-226,579.13	-3,526,463.57
Interim dividends paid in respect of net capital gains and losses during the period	-	-
Interim dividends paid in respect of net income during the period	-	-
Other items	-	-
Net assets at the end of the period	89,122,434.69	125,347,201.94

Additional information 1

	Financial year 30/12/2022
Commitments received or given	
Commitments received or given (capital guarantee or other commitments) (*)	-
Present value of financial instruments held in the portfolio as collateral deposits	
Financial instruments received as collateral and not recorded in the balance sheet	-
Financial instruments pledged as collateral and held in their original position	-
Portfolio financial instruments issued by the provider or its group entities	
Deposits	-
Equities	-
Fixed income securities	-
UCI	1,162,000.00
Temporary purchases and sales of securities	-
Swaps (nominal)	-
Present value of financial instruments subject to temporary acquisition	
Securities purchased under repo agreements	-
Securities held under repo agreements	-
Securities borrowed	-

(*) For guaranteed UCIs, the information is included in the accounting policies.

Additional information 2

	Financial year 30/12/2022	
Issues and redemptions during the accounting period	Number of securities	
Class I category (Currency: EUR)		
Number of shares issued	3,154.000	
Number of shares redeemed	19,273.358	
Class P category (Currency: EUR)		
Number of shares issued	30,774.892	
Number of shares redeemed	33,262.089	
Class GP category (Currency: EUR)		
Number of shares issued	9,707.239	
Number of shares redeemed	19,577.858	
Class M category (Currency: EUR)		
Number of shares issued	-	
Number of shares redeemed	-	
Class L category (Currency: EUR)		
Number of shares issued	1,351.668	
Number of shares redeemed	35.000	
Class E category (Currency: EUR)		
Number of shares issued	-	
Number of shares redeemed	460.000	
Subscription and /or redemption fees	Amount (EUR)	
Subscription fee accruing to the UCI	-	
Redemption fee accruing to the UCI	-	
Subscription fees received and passed on	6,111.36	
Redemption fees received and passed on	-	
Management fees	Amount (EUR)	% of average net assets
Class I category (Currency: EUR)		
Management and operating costs (*)	976,191.11	1.60
Performance fees	-	-
Other fees	-	-
Class P category (Currency: EUR)		
Management and operating costs (*)	464,269.69	2.19
Performance fees	-	-
Other fees	-	-

Additional information 2

	Financial year 30/12/2022	
Class GP category (Currency: EUR)		
Management and operating costs (*)	35,693.12	1.10
Performance fees	-	-
Other fees	-	-
Class M category (Currency: EUR)		
Management and operating costs (*)	11.18	0.59
Performance fees	-26.97	-
Other fees	-	-
Class L category (Currency: EUR)		
Management and operating costs (*)	52,805.81	0.79
Performance fees	-	-
Other fees	-	-
Class E category (Currency: EUR)		
Management and operating costs (*)	73,252.37	1.00
Performance fees	-	-
Other fees	-	-
Retrocession of management fee (all units)	-	-

(*) For UCIs with a financial year-end not equal to 12 months, the percentage of average net assets corresponds to the average annualised rate.

Breakdown of receivables and payables by type

	Financial year 30/12/2022
Breakdown of receivables by type	
Tax credit to be recovered	
Deposits in euros	
Deposits other currencies	
Cash collateral	
Valuation of forward currency purchases	
Countervalue of forward sales	
Other miscellaneous debtors	12,635.08
Coupons to be received	
TOTAL RECEIVABLES	12,635.08
Breakdown of payables	
Deposits in euros	
Deposits other currencies	
Cash collateral	
Provision for borrowing costs	
Valuation of forward currency sales	
Countervalue of forward purchases	
Fees and charges not yet paid	123,716.71
Other miscellaneous creditors	
Provision for market liquidity risk	1,041.77
TOTAL PAYABLES	124,758.48

Breakdown by legal or economic nature of instrument

	Financial year 30/12/2022
Assets	
Bonds and equivalent securities	-
Index-linked bonds	-
Convertible bonds	-
Equity interests	-
Other Bonds and similar securities	-
Debt securities	-
Traded on a regulated or equivalent market	-
Treasury bills	-
Other negotiable debt securities:	-
Other debt securities	-
Not traded on a regulated or equivalent market	-
Other assets: Loans	-
Liabilities	
Sales of financial instruments	-
Equities Bonds	-
Other	-
Off-balance sheet items	-
Hedging transactions	
Fixed	
Income	-
Equity	-
Other	-
Other transactions	
Fixed	-
Income	-
Equity	-
Other	-

Breakdown of assets, liabilities and off-balance sheet items by type of interest rate

	Fixed rate	Floating rate	Adjustable rate	Other
Assets				
Deposits	-	-	-	-
Bonds and equivalent securities	-	-	-	-
Debt securities	-	-	-	-
Temporary securities transactions	-	-	-	-
Other assets: Loans	-	-	-	-
Financial accounts	-	-	-	1,256,419.00
Liabilities				
Temporary securities transactions	-	-	-	-
Financial accounts	-	-	-	16,912.36
Off-balance sheet items				
Hedging transactions	-	-	-	-
Other transactions	-	-	-	-

Breakdown by residual maturity of assets, liabilities and off-balance sheet items

	[0 - 3 months]	[3 months - 1 year]	[1 - 3 years]	[3 - 5 years]	> 5 years
Assets					
Deposits	-	-	-	-	-
Bonds and equivalent securities	-	-	-	-	-
Debt securities	-	-	-	-	-
Temporary securities transactions	-	-	-	-	-
Other assets: Loans	-	-	-	-	-
Financial accounts	1,256,419.00	-	-	-	-
Liabilities					
Temporary securities transactions	-	-	-	-	-
Financial accounts	16,912.36	-	-	-	-
Off-balance sheet items					
Hedging transactions	-	-	-	-	-
Other transactions	-	-	-	-	-

Breakdown of assets, liabilities and off-balance sheet items by quotation currency

	CHF	GBP	DKK	NOK
Assets				
Deposits	-	-	-	-
Equities and equity equivalents	8,257,896.60	4,370,224.85	3,996,933.99	1,871,879.01
Bonds and equivalent securities	-	-	-	-
Debt securities	-	-	-	-
UCI securities	-	-	-	-
Temporary securities transactions	-	-	-	-
Other assets: Loans	-	-	-	-
Other financial instruments	-	-	-	-
Receivables	-	-	-	-
Financial accounts	-	-	-	-
Liabilities				
Sales of financial instruments	-	-	-	-
Temporary securities transactions	-	-	-	-
Liabilities	-	-	-	-
Financial accounts	3,034.25	12,743.52	10.96	1,123.63
Off-balance sheet items				
Hedging transactions	-	-	-	-
Other transactions	-	-	-	-

Only the five currencies with the most representative amount of net assets are included in this table.

Income allocation

Class I category (Currency: EUR)

Table of allocation of distributable sums relating to net income

	Financial year 30/12/2022	Financial year 31/12/2021
Amount remaining to be allocated		
Retained earnings	-	-
Net income	-95,096.67	-2,164,337.77
Total	-95,096.67	-2,164,337.77
Allocation		
Distribution	-	-
Retained earnings for the period	-	-
Accumulation	-95,096.67	-2,164,337.77
Total	-95,096.67	-2,164,337.77
Information on transactions offering entitlement to distribution		
Number of securities	-	-
Distribution per unit	-	-
Dividend tax credits and tax credits attached to the distribution of net income		
Overall amount of dividend tax credits and tax credits:		
for the period	-	-
for the period N-1	-	-
for the period N-2	-	-
for the period N-3	-	-
for the period N-4	-	-

Table of allocation of distributable amounts relating to net capital gains and losses

	Financial year 30/12/2022	Financial year 31/12/2021
Amount remaining to be allocated		
Undistributed previous net capital gains and losses	-	-
Undistributed net capital gains and losses for the period	1,335,573.52	7,136,629.76
Interim dividends in respect of net capital gains and losses for the period	-	-
Total	1,335,573.52	7,136,629.76
Allocation		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Accumulation	1,335,573.52	7,136,629.76
Total	1,335,573.52	7,136,629.76
Information on transactions offering entitlement to distribution		
Number of securities	-	-
Distribution per unit	-	-

Class P category (Currency: EUR)

Table of allocation of distributable sums relating to net income

	Financial year 30/12/2022	Financial year 31/12/2021
Amount remaining to be allocated		
Retained earnings	-	-
Net income	-173,501.36	-937,867.49
Total	-173,501.36	-937,867.49
Allocation		
Distribution	-	-
Retained earnings for the period	-	-
Accumulation	-173,501.36	-937,867.49
Total	-173,501.36	-937,867.49
Information on transactions offering entitlement to distribution		
Number of securities	-	-
Distribution per unit	-	-
Dividend tax credits and tax credits attached to the distribution of net income		
Overall amount of dividend tax credits and tax credits:		
for the period	-	-
for the period N-1	-	-
for the period N-2	-	-
for the period N-3	-	-
for the period N-4	-	-

Table of allocation of distributable amounts relating to net capital gains and losses

	Financial year 30/12/2022	Financial year 31/12/2021
Amount remaining to be allocated		
Undistributed previous net capital gains and losses	-	-
Undistributed net capital gains and losses for the period	666,886.66	2,536,797.07
Interim dividends in respect of net capital gains and losses for the period	-	-
Total	666,886.66	2,536,797.07
Allocation		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Accumulation	666,886.66	2,536,797.07
Total	666,886.66	2,536,797.07
Information on transactions offering entitlement to distribution		
Number of securities	-	-
Distribution per unit	-	-

Class GP category (Currency: EUR)

Table of allocation of distributable sums relating to net income

	Financial year 30/12/2022	Financial year 31/12/2021
Amount remaining to be allocated		
Retained earnings	-	-
Net income	5,946.28	-113,188.88
Total	5,946.28	-113,188.88
Allocation		
Distribution	-	-
Retained earnings for the period	-	-
Accumulation	5,946.28	-113,188.88
Total	5,946.28	-113,188.88
Information on transactions offering entitlement to distribution		
Number of securities	-	-
Distribution per unit	-	-
Dividend tax credits and tax credits attached to the distribution of net income		
Overall amount of dividend tax credits and tax credits:		
for the period	-	-
for the period N-1	-	-
for the period N-2	-	-
for the period N-3	-	-
for the period N-4	-	-

Table of allocation of distributable amounts relating to net capital gains and losses

	Financial year 30/12/2022	Financial year 31/12/2021
Amount remaining to be allocated		
Undistributed previous net capital gains and losses	-	-
Undistributed net capital gains and losses for the period	68,688.39	414,293.85
Interim dividends in respect of net capital gains and losses for the period	-	-
Total	68,688.39	414,293.85
Allocation		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Accumulation	68,688.39	414,293.85
Total	68,688.39	414,293.85
Information on transactions offering entitlement to distribution		
Number of securities	-	-
Distribution per unit	-	-

Class M category (Currency: EUR)

Table of allocation of distributable sums relating to net income

	Financial year 30/12/2022	Financial year 31/12/2021
Amount remaining to be allocated		
Retained earnings	-	-
Net income	41.56	-51.03
Total	41.56	-51.03
Allocation		
Distribution	-	-
Retained earnings for the period	-	-
Accumulation	41.56	-51.03
Total	41.56	-51.03
Information on transactions offering entitlement to distribution		
Number of securities	-	-
Distribution per unit	-	-
Dividend tax credits and tax credits attached to the distribution of net income		
Overall amount of dividend tax credits and tax credits:		
for the period	-	-
for the period N-1	-	-
for the period N-2	-	-
for the period N-3	-	-
for the period N-4	-	-

Table of allocation of distributable amounts relating to net capital gains and losses

	Financial year 30/12/2022	Financial year 31/12/2021
Amount remaining to be allocated		
Undistributed previous net capital gains and losses	-	-
Undistributed net capital gains and losses for the period	59.11	217.10
Interim dividends in respect of net capital gains and losses for the period	-	-
Total	59.11	217.10
Allocation		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Accumulation	59.11	217.10
Total	59.11	217.10
Information on transactions offering entitlement to distribution		
Number of securities	-	-
Distribution per unit	-	-

Class L category (Currency: EUR)

Table of allocation of distributable sums relating to net income

	Financial year 30/12/2022	Financial year 31/12/2021
Amount remaining to be allocated		
Retained earnings	-	-
Net income	151,031.30	-180,801.74
Total	151,031.30	-180,801.74
Allocation		
Distribution	-	-
Retained earnings for the period	-	-
Accumulation	151,031.30	-180,801.74
Total	151,031.30	-180,801.74
Information on transactions offering entitlement to distribution		
Number of securities	-	-
Distribution per unit	-	-
Dividend tax credits and tax credits attached to the distribution of net income		
Overall amount of dividend tax credits and tax credits:		
for the period	-	-
for the period N-1	-	-
for the period N-2	-	-
for the period N-3	-	-
for the period N-4	-	-

Table of allocation of distributable amounts relating to net capital gains and losses

	Financial year 30/12/2022	Financial year 31/12/2021
Amount remaining to be allocated		
Undistributed previous net capital gains and losses	-	-
Undistributed net capital gains and losses for the period	832,735.72	726,858.36
Interim dividends in respect of net capital gains and losses for the period	-	-
Total	832,735.72	726,858.36
Allocation		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Accumulation	832,735.72	726,858.36
Total	832,735.72	726,858.36
Information on transactions offering entitlement to distribution		
Number of securities	-	-
Distribution per unit	-	-

Class E category (Currency: EUR)

Table of allocation of distributable sums relating to net income

	Financial year 30/12/2022	Financial year 31/12/2021
Amount remaining to be allocated		
Retained earnings	-	-
Net income	6,997.86	-166,815.76
Total	6,997.86	-166,815.76
Allocation		
Distribution	-	-
Retained earnings for the period	-	-
Accumulation	6,997.86	-166,815.76
Total	6,997.86	-166,815.76
Information on transactions offering entitlement to distribution		
Number of securities	-	-
Distribution per unit	-	-
Dividend tax credits and tax credits attached to the distribution of net income		
Overall amount of dividend tax credits and tax credits:		
for the period	-	-
for the period N-1	-	-
for the period N-2	-	-
for the period N-3	-	-
for the period N-4	-	-

Table of allocation of distributable amounts relating to net capital gains and losses

	Financial year 30/12/2022	Financial year 31/12/2021
Amount remaining to be allocated		
Undistributed previous net capital gains and losses	-	-
Undistributed net capital gains and losses for the period	59,224.26	973,873.92
Interim dividends in respect of net capital gains and losses for the period	-	-
Total	59,224.26	973,873.92
Allocation		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Accumulation	59,224.26	973,873.92
Total	59,224.26	973,873.92
Information on transactions offering entitlement to distribution		
Number of securities	-	-
Distribution per unit	-	-

Table of net income and other characteristic elements over the last five years

Class I category (Currency: EUR)

	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Net asset value (in EUR)					
C Units	812.87	1,010.90	1,079.99	1,417.72	1,073.18
Net assets (in EUR k)	55,331.22	56,031.75	58,264.21	75,876.70	40,138.00
Number of securities					
C Units	68,068.775	55,427.109	53,948.484	53,520.211	37,400.853

	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Date of payment					
Distribution per unit on net capital gains and losses (including advance payments) (in EUR)	-	-	-	-	-
Distribution per unit paid out of net income (including advance payments) (in EUR)	-	-	-	-	-
Dividend tax credit per unit (*) natural persons (in EUR)	-	-	-	-	-
Accumulation per unit in respect of net capital gains and losses for the period)					
C Units	38.00	-56.40	2.30	133.34	35.70
Accumulation per unit in respect of net income (in EUR)					
C Units	1.72	3.11	-44.02	-40.43	-2.54

(*) "The tax credit per unit is determined on the date of payment in application of the tax instruction of 04/03/93 (Ints.4 K-1-93). The theoretical amounts, calculated according to the rules applicable to natural persons, are presented here as an indication. "Instruction 4 J-2-99 of 8 November 1999 also states that beneficiaries of tax credits other than natural persons are responsible for calculating the amount of tax credits to which they are entitled

Class P category (Currency: EUR)

	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Net asset value (in EUR)					
C Units	89.65	110.55	119.19	155.36	116.90
Net assets (in EUR k)	146.83	2,415.29	12,695.54	26,910.95	19,958.66
Number of securities					
C Units	1,637.650	21,846.928	106,509.695	173,209.322	170,722.125

Date of payment	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Distribution per unit on net capital gains and losses (including advance payments) (in EUR)	-	-	-	-	-
Distribution per unit paid out of net income (including advance payments) (in EUR)	-	-	-	-	-
Dividend tax credit per unit (*) natural persons (in EUR)	-	-	-	-	-
Accumulation per unit in respect of net capital gains and losses for the period					
C Units	4.20	-6.21	0.25	14.64	3.90
Accumulation per unit in respect of net income (in EUR)					
C Units	-0.44	-0.53	-3.64	-5.41	-1.01

(*) "The tax credit per unit is determined on the date of payment in application of the tax instruction of 04/03/93 (Ints.4 K-1-93). The theoretical amounts, calculated according to the rules applicable to natural persons, are presented here as an indication. "Instruction 4 J-2-99 of 8 November 1999 also states that beneficiaries of tax credits other than natural persons are responsible for calculating the amount of tax credits to which they are entitled

Class GP category (Currency: EUR)

	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Net asset value (in EUR)					
C Units	96.15	120.15	129.78	170.91	130.03
Net assets (in EUR k)	1,191.40	1,639.16	2,981.32	4,409.94	2,071.50
Number of securities					
C Units	12,390.483	13,641.825	22,971.292	25,801.202	15,930.583

Date of payment	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Distribution per unit on net capital gains and losses (including advance payments) (in EUR)	-	-	-	-	-
Distribution per unit paid out of net income (including advance payments) (in EUR)	-	-	-	-	-
Dividend tax credit per unit (*) natural persons (in EUR)	-	-	-	-	-
Accumulation per unit in respect of net capital gains and losses for the period					
C Units	4.47	-6.68	0.27	16.05	4.31
Accumulation per unit in respect of net income (in EUR)					
C Units	0.78	0.90	-3.90	-4.38	0.37

(*) "The tax credit per unit is determined on the date of payment in application of the tax instruction of 04/03/93 (Ints.4 K-1-93). The theoretical amounts, calculated according to the rules applicable to natural persons, are presented here as an indication. "Instruction 4 J-2-99 of 8 November 1999 also states that beneficiaries of tax credits other than natural persons are responsible for calculating the amount of tax credits to which they are entitled

Class M category (Currency: EUR)

	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Net asset value (in EUR)					
C Units	1,251.42	1,572.41	1,749.96	2,313.99	1,791.57
Net assets (in EUR k)	26,013.54	1.57	1.75	2.31	1.79
Number of securities					
C Units	20,787.190	1.000	1.000	1.000	1.000

Date of payment	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Distribution per unit on net capital gains and losses (including advance payments) (in EUR)	-	-	-	-	-
Distribution per unit paid out of net income (including advance payments) (in EUR)	-	-	-	-	-
Dividend tax credit per unit (*) natural persons (in EUR)	-	-	-	-	-
Accumulation per unit in respect of net capital gains and losses for the period					
C Units	58.19	-87.16	4.26	217.10	59.11
Accumulation per unit in respect of net income (in EUR)					
C Units	17.88	19.46	-1.40	-51.03	41.56

(*) "The tax credit per unit is determined on the date of payment in application of the tax instruction of 04/03/93 (Ints.4 K-1-93). The theoretical amounts, calculated according to the rules applicable to natural persons, are presented here as an indication. "Instruction 4 J-2-99 of 8 November 1999 also states that beneficiaries of tax credits other than natural persons are responsible for calculating the amount of tax credits to which they are entitled

Class L category (Currency: EUR)

	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Net asset value (in EUR)					
C Units	10,773.23	13,505.39	14,515.81	19,167.07	14,625.25
Net assets (in EUR k)	14,360.72	5,456.18	5,864.39	7,743.50	25,165.21
Number of securities					
C Units	1,333.000	404.000	404.000	404.000	1,720.668

Date of payment	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Distribution per unit on net capital gains and losses (including advance payments) (in EUR)	-	-	-	-	-
Distribution per unit paid out of net income (including advance payments) (in EUR)	-	-	-	-	-
Dividend tax credit per unit (*) natural persons (in EUR)	-	-	-	-	-
Accumulation per unit in respect of net capital gains and losses for the period					
C Units	501.09	-749.30	30.87	1,799.15	483.96
Accumulation per unit in respect of net income (in EUR)					
C Units	128.18	140.02	-515.88	-447.52	87.77

(*) "The tax credit per unit is determined on the date of payment in application of the tax instruction of 04/03/93 (Ints.4 K-1-93). The theoretical amounts, calculated according to the rules applicable to natural persons, are presented here as an indication. "Instruction 4 J-2-99 of 8 November 1999 also states that beneficiaries of tax credits other than natural persons are responsible for calculating the amount of tax credits to which they are entitled

Class E category (Currency: EUR)

	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Net asset value (in EUR)					
C Units	9,676.21	12,105.90	13,164.43	17,514.80	13,337.88
Net assets (in EUR k)	22,255.28	35,034.50	7,819.68	10,403.80	1,787.28
Number of securities					
C Units	2,300.000	2,894.000	594.000	594.000	134.000

Date of payment	31/12/2018	31/12/2019	31/12/2020	31/12/2021	30/12/2022
Distribution per unit on net capital gains and losses (including advance payments) (in EUR)	-	-	-	-	-
Distribution per unit paid out of net income (including advance payments) (in EUR)	-	-	-	-	-
Dividend tax credit per unit (*) natural persons (in EUR)	-	-	-	-	-
Accumulation per unit in respect of net capital gains and losses for the period					
C Units	450.62	-672.75	28.57	1,639.51	441.97
Accumulation per unit in respect of net income (in EUR)					
C Units	92.03	103.35	-310.00	-280.83	52.22

(*) "The tax credit per unit is determined on the date of payment in application of the tax instruction of 04/03/93 (Ints.4 K-1-93). The theoretical amounts, calculated according to the rules applicable to natural persons, are presented here as an indication. "Instruction 4 J-2-99 of 8 November 1999 also states that beneficiaries of tax credits other than natural persons are responsible for calculating the amount of tax credits to which they are entitled

Class D category (Currency: EUR)

	31/12/2018	31/12/2019
Net asset value (in EUR)		
D Units	840.45	1,057.92
Net assets (in EUR k)	3,586.88	1.06
Number of securities		
D Units	4,267.773	1.000

Date of payment	31/12/2018	31/12/2019
Distribution per unit on net capital gains and losses (including advance payments) (in EUR)	-	-
Distribution per unit paid out of net income (including advance payments) (in EUR)	-	-
Dividend tax credit per unit (*) natural persons (in EUR)	-	-
Accumulation per unit in respect of net capital gains and losses for the period		
D Units	-	4.74
Accumulation per unit in respect of net income (in EUR)		
D Units	-	-7.14

(*) "The tax credit per unit is determined on the date of payment in application of the tax instruction of 04/03/93 (Ints.4 K-1-93). The theoretical amounts, calculated according to the rules applicable to natural persons, are presented here as an indication. "Instruction 4 J-2-99 of 8 November 1999 also states that beneficiaries of tax credits other than natural persons are responsible for calculating the amount of tax credits to which they are entitled

Inventory of financial instruments at 30 December 2022

Asset items and denomination of securities	Quantity	Price		Current value	rounded % of net assets
	Currency quotation				
Equities and equity equivalents				86,833,051.45	97.43
Transactions on a regulated or equivalent market				86,833,051.45	97.43
ADEVINTA ASA	300,000.00	65.60	NOK	1,871,879.01	2.10
AIR LIQUIDE SA	1,500.00	132.40	EUR	198,600.00	0.22
AIR LIQUIDE SA-PF	16,650.00	132.40	EUR	2,204,460.00	2.47
AP MOLLER-MAERSK A/S-B	870.00	15,620.00	DKK	1,827,404.17	2.05
ASM INTERNATIONAL NV	6,500.00	235.65	EUR	1,531,725.00	1.72
ASML HOLDING NV	11,900.00	503.80	EUR	5,995,220.00	6.73
ASTRAZENECA PLC	20,900.00	112.18	GBP	2,642,504.37	2.97
CAPGEMINI SE	15,300.00	155.95	EUR	2,386,035.00	2.68
COMPAGNIE DE SAINT GOBAIN	55,000.00	45.65	EUR	2,510,750.00	2.82
DASSAULT SYSTEMES SE	68,000.00	33.49	EUR	2,277,660.00	2.56
DEUTSCHE TELEKOM AG-REG	139,000.00	18.64	EUR	2,590,682.00	2.91
DIASORIN SPA	14,400.00	130.40	EUR	1,877,760.00	2.11
ESSILORLUXOTTICA	13,200.00	169.20	EUR	2,233,440.00	2.51
FERRARI NV	13,500.00	200.20	EUR	2,702,700.00	3.03
GAZTRANSPORT AND TECHNIGA SA	24,500.00	99.80	EUR	2,445,100.00	2.74
GIVAUDAN-REG	750.00	2,833.00	CHF	2,151,754.52	2.41
HERMES INTERNATIONAL	1,700.00	1,445.00	EUR	2,456,500.00	2.76
IBERDROLA SA	225,000.00	10.93	EUR	2,459,250.00	2.76
INFINEON TECHNOLOGIES AG	60,000.00	28.43	EUR	1,705,800.00	1.91
INTERTEK GROUP PLC	38,000.00	40.34	GBP	1,727,720.48	1.94
JCDECAUX SE	130,000.00	17.72	EUR	2,303,600.00	2.58
KINGSPAN GROUP PLC	45,000.00	50.58	EUR	2,276,100.00	2.55
LONZA GROUP AG-REG	4,100.00	453.10	CHF	1,881,320.57	2.11
LOREAL	900.00	333.60	EUR	300,240.00	0.34
LOREAL SA-PF	7,500.00	333.60	EUR	2,502,000.00	2.81
LVMH MOET HENNESSY LOUIS VUI	8,400.00	679.90	EUR	5,711,160.00	6.41
MERSEN	41,000.00	37.75	EUR	1,547,750.00	1.74
MICHELIN (CGDE)	80,000.00	25.98	EUR	2,078,800.00	2.33
NOVO NORDISK A/S-B	17,200.00	938.00	DKK	2,169,529.82	2.43
ROCHE HOLDING AG-GENUSSCHEIN	6,000.00	290.50	CHF	1,765,152.67	1.98
SAFRAN SA	17,000.00	116.92	EUR	1,987,640.00	2.23
SARTORIUS AG-VORZUG	9,000.00	369.40	EUR	3,324,600.00	3.73

SCHNEIDER ELECTRIC SE

21,000.00

130.72

EUR

2,745,120.00

3.08

Inventory of financial instruments at 30 December 2022

Asset items and security reference	Quantity	Price	Quotati on currency	Current value	rounded % of net assets
SIEMENS HEALTHINEERS AG	45,000.00	46.73	EUR	2,102,850.00	2.36
STMICROELECTRONICS NV	63,000.00	32.99	EUR	2,078,685.00	2.33
STRAUMANN HOLDING AG-REG	23,000.00	105.60	CHF	2,459,668.84	2.76
VINCI SA	20,000.00	93.29	EUR	1,865,800.00	2.09
WORLDLINE SA - W/I	53,000.00	36.53	EUR	1,936,090.00	2.17
UCI securities				1,162,000.00	1.30
General purpose UCITS and AIFs for non-professionals and equivalent investors in other EU Member States				1,162,000.00	1.30
LFR INCLUSION RESPONSABLE ISR 74C 1,000 1,162.00 EUR				1,162,000.00	1.30
Receivables				12,635.08	0.01
Liabilities				-124,758.48	-0.14
Deposits				-	-
Other financial accounts				1,239,506.64	1.39
TOTAL NET ASSETS			EUR	89,122,434.69	100.00