

Sustainability outcomes

Identify sustainability outcomes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 43	CORE	N/A	Multiple, see guidance	PUBLIC	Identify sustainability outcomes	1

Has your organisation identified the intended and unintended sustainability outcomes from any of its activities?

- ☐ (A) No, we have not identified the sustainability outcomes from our activities
- ☒ (B) Yes, we have identified one or more sustainability outcomes from some or all of our activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 44	CORE	ISP 43	ISP 44.1	PUBLIC	Identify sustainability outcomes	1

What frameworks/tools did your organisation use to identify the sustainability outcomes from its activities? Indicate the tools or frameworks you have used to identify and map some or all of your sustainability outcomes.

- ☒ (A) The UN Sustainable Development Goals (SDGs) and targets
- ☐ (B) The Paris Agreement
- ☒ (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☒ (D) The OECD Guidelines for Multinational Enterprises, including guidance on Responsible Business Conduct for Institutional Investors
- ☐ (E) The EU Taxonomy
- ☐ (F) Other taxonomies (e.g. similar to the EU Taxonomy), please specify:
- ☐ (G) Other framework/tool, please specify:
- ☐ (H) Other framework/tool, please specify:
- ☐ (I) Other framework/tool, please specify:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 44.1	CORE	ISP 44	N/A	PUBLIC	Identify sustainability outcomes	1

At what level(s) did your organisation identify the sustainability outcomes from its activities?

- ☒ (A) At the asset level
- ☐ (B) At the economic activity level
- ☒ (C) At the company level
- ☐ (D) At the sector level
- ☐ (E) At the country/region level
- ☐ (F) At the global level
- ☐ (G) Other level(s), please specify:
- ☐ (H) We do not track at what level(s) our sustainability outcomes were identified

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 45	CORE	ISP 43	SO 1	PUBLIC	Identify sustainability outcomes	1

How has your organisation determined your most important sustainability outcome objectives?

- ☒ (A) Identifying sustainability outcomes that are closely linked to our core investment activities
- ☐ (B) Consulting with key clients and/or beneficiaries to align with their priorities
- ☐ (C) Assessing the potential severity (e.g. probability and amplitude) of specific negative outcomes over different timeframes
- ☐ (D) Focusing on the potential for systemic impacts (e.g. due to high level of interconnectedness with other global challenges)
- ☒ (E) Evaluating the potential for certain outcome objectives to act as a catalyst/enabler to achieve a broad range of goals (e.g. gender or education)
- ☒ (F) Analysing the input from different stakeholders (e.g. affected communities, civil society or similar)
- ☐ (G) Understanding the geographical relevance of specific sustainability outcome objectives
- ☐ (H) Other method, please specify:
- ☐ (I) We have not yet determined our most important sustainability outcome objectives

Transparency & Confidence-Building Measures

Information disclosed – ESG assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 46	CORE	OO 16	N/A	PUBLIC	Information disclosed – ESG assets	6

For the majority of your ESG/sustainability marketed funds or products, and/or your ESG/RI certified or labelled assets, what information about your ESG approach do you (or the external investment managers/service providers acting on your behalf) include in material shared with clients, beneficiaries and/or the public? The material may be marketing material, information targeted towards existing or prospective clients or information for beneficiaries.

- ☒ (A) A commitment to responsible investment (e.g. that we are a PRI signatory)
- ☐ (B) Industry-specific and asset class-specific standards that we align with (e.g. TCFD, or GRESB for property and infrastructure)
- ☒ (C) Our responsible investment policy (at minimum a summary of our high-level approach)
- ☒ (D) A description of our investment process and how ESG is considered
- ☒ (E) ESG objectives of individual funds
- ☐ (F) Information about the ESG benchmark(s) that we use to measure fund performance
- ☒ (G) Our stewardship approach
- ☒ (H) A description of the ESG criteria applied (e.g. sectors, products, activities, ratings and similar)
- ☒ (I) The thresholds for the ESG criteria applied in our investment decisions or universe construction
- ☒ (J) A list of our main investments and holdings
- ☒ (K) ESG case study/example from existing fund(s)
- ☐ (L) We do not include our approach to ESG in material shared with clients/beneficiaries/the public for the majority of our ESG/sustainability marketed funds or products, and/or our ESG/RI certified or labelled assets

Client reporting – ESG assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 48	CORE	Multiple, see guidance	N/A	PUBLIC	Client reporting – ESG assets	6

What ESG information is included in your client reporting for the majority of your ESG/sustainability marketed funds or products, and/or your ESG/RI certified or labelled assets?

- ☒ (A) Qualitative analysis, descriptive examples or case studies
- ☒ (B) Quantitative analysis or key performance indicators (KPIs) related to ESG performance
- ☐ (C) Progress on our sustainability outcome objectives
- ☒ (D) Stewardship results
- ☒ (E) Information on ESG incidents, where applicable
- ☐ (F) Analysis of ESG contribution to portfolio financial performance
- ☐ (G) We do not include ESG information in client reporting for the majority of our ESG/sustainability marketed funds or products, and/or our ESG/RI certified or labelled assets

Information disclosed – All assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 49	CORE	N/A	N/A	PUBLIC	Information disclosed – All assets	6

For the majority of your total assets under management, what information about your ESG approach do you (or the external managers/service providers acting on your behalf) include in material shared with clients, beneficiaries and/or the public? The material may be marketing material, information targeted towards existing or prospective clients or information for beneficiaries.

- ☒ (A) A commitment to responsible investment (e.g. that we are a PRI signatory)
- ☒ (B) Industry-specific and asset class-specific standards that we align with (e.g. TCFD, or GRESB for property and infrastructure)
- ☒ (C) Our responsible investment policy (at minimum a summary of our high-level approach)
- ☒ (D) A description of our investment process and how ESG is considered
- ☒ (E) ESG objectives of individual funds
- ☐ (F) Information about the ESG benchmark(s) that we use to measure fund performance
- ☒ (G) Our stewardship approach
- ☒ (H) A description of the ESG criteria applied (e.g. sectors, products, activities, ratings and similar)
- ☒ (I) The thresholds for the ESG criteria applied in our investment decisions or universe construction
- ☒ (J) A list of our main investments and holdings

☒ (K) ESG case study/example from existing fund(s)

☐ (L) We do not include our approach to ESG in material shared with clients/beneficiaries/the public for the majority of our assets under management

Client reporting – All assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 50	CORE	Multiple, see guidance	N/A	PUBLIC	Client reporting – All assets	6

What ESG information is included in your client reporting for the majority of your assets under management?

☒ (A) Qualitative ESG analysis, descriptive examples or case studies

☒ (B) Quantitative analysis or key performance indicators (KPIs) related to ESG performance

☐ (C) Progress on our sustainability outcome objectives

☒ (D) Stewardship results

☒ (E) Information on ESG incidents where applicable

☐ (F) Analysis of ESG contribution to portfolio financial performance

☐ (G) We do not include ESG information in client reporting for the majority of our assets under management

Frequency of client reporting – All assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 51	CORE	Multiple, see guidance	N/A	PUBLIC	Frequency of client reporting – All assets	6

For the majority of each asset class, how frequently do you report ESG-related information to your clients?

(A) Listed equity

(1) Quarterly

(B) Fixed income

(1) Quarterly

Confidence-building measures

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 52	CORE	OO 16.1	Multiple, see guidance	PUBLIC	Confidence-building measures	6

What verification has your organisation had regarding the information you have provided in your PRI Transparency Report this year?

- ☐ (A) We received third-party independent assurance of selected processes and/or data related to our responsible investment processes, which resulted in a formal assurance conclusion
- ☐ (B) We conducted a third-party readiness review and are making changes to our internal controls/governance or processes to be able to conduct an external assurance next year
- ☐ (C) The internal audit function team performed an independent audit of selected processes/and or data related to our responsible investment processes reported in this PRI report
- ☒ (D) Our board, CEO, other C-level equivalent and/or investment committee has signed off on our PRI report
- ☒ (E) Some or all of our funds have been audited as part of the certification process against a sustainable investment/RI label
- ☐ (F) We conducted an external ESG audit of our ESG/sustainability marketed funds or products (excluding ESG/RI certified or labelled assets)
- ☐ (G) We conducted an external ESG audit of our holdings to check that our funds comply with our RI policy (e.g. exclusion list or investee companies in portfolio above certain ESG rating)
- ☐ (H) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- ☒ (I) Responses related to our RI practices documented in this report have been internally reviewed before submission to the PRI
- ☐ (J) None of the above

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 58	CORE	ISP 52	N/A	PUBLIC	Confidence-building measures	6

Who has reviewed/verified the entirety of or selected data from your PRI report?

(A) Board and/or trustees	(4) report not reviewed
(B) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO))	(1) the entire report
(C) Investment committee	(4) report not reviewed

(D) Other chief-level staff, please specify:	(4) report not reviewed
None	

(E) Head of department, please specify:	(4) report not reviewed
None	

(F) Compliance/risk management team	(4) report not reviewed
-------------------------------------	-------------------------

(G) Legal team	(4) report not reviewed
----------------	-------------------------

(H) RI/ ESG team	(4) report not reviewed
------------------	-------------------------

(I) Investment teams	(4) report not reviewed
----------------------	-------------------------

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 59	CORE	ISP 52	N/A	PUBLIC	Confidence-building measures	6

Which of the following ESG/RI certifications or labels do you hold?

- ☐ (A) Commodity type label (e.g. BCI)
- ☐ (B) GRESB
- ☐ (C) Austrian Ecolabel (UZ49)
- ☐ (D) B Corporation
- ☐ (E) BREEAM
- ☐ (F) CBI Climate Bonds Standard
- ☐ (G) EU Ecolabel
- ☐ (H) EU Green Bond Standard
- ☐ (I) Febelfin label (Belgium)
- ☐ (J) FNG-Siegel Ecolabel (Germany, Austria and Switzerland)
- ☐ (K) Greenfin label (France)
- ☐ (L) ICMA Green Bond Principles
- ☒ (M) **Le label ISR (French government SRI label)**
- ☐ (N) Luxflag Climate Finance
- ☐ (O) Luxflag Environment
- ☐ (P) Luxflag ESG
- ☐ (Q) Luxflag Green Bond
- ☐ (R) Luxflag Microfinance
- ☐ (S) National stewardship code (e.g. UK or Japan), please specify:
- ☐ (T) Nordic Swan Ecolabel
- ☐ (U) Other SRI label based on EUROSIF SRI Transparency Code (e.g. Novethic), please specify:
- ☐ (V) People's Bank of China green bond guidelines
- ☐ (W) RIAA (Australia)

☐ (X) Towards Sustainability label (Belgium)

☒ (Y) Other, please specify:

Label Finansol

Manager Selection, Appointment and Monitoring (SAM)

Appointment

Pooled funds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 12	CORE	OO 12, OO 5.1, OO 15	N/A	PUBLIC	Pooled funds	4

How did your organisation, or the investment consultants acting on your behalf, include responsible investment requirements for pooled funds in your current contracts with external managers? (Indicate the proportion of your AUM invested in pooled funds to which each of these requirements applies, regardless of when you appointed your different external managers.)

(A) We amended or instituted side letters or equivalent legal documentation to include responsible investment requirements

(2) for the majority of our AUM invested in pooled funds

(B) We encouraged the external manager to include responsible investment requirements into the investment mandate, the investment management agreement or equivalent legal documentation

(1) for all of our AUM invested in pooled funds

Monitoring

Investment practices

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 14	CORE	OO 13	N/A	PUBLIC	Investment practices	1

During the reporting year, which aspects of your external manager's responsible investment practices did you, or your investment consultant acting on your behalf, monitor?

(3) Fixed income (active)

(A) We monitored their alignment with our organisation's responsible investment strategy	(1) for all of our externally managed AUM
(B) We monitored any changes in their responsible investment-related policies, resourcing, oversight and responsibilities or investment processes	(1) for all of our externally managed AUM
(C) We monitored their use of ESG data, benchmarks, tools and certifications	(1) for all of our externally managed AUM
(D) We monitored how ESG incorporation affected investment decisions	(1) for all of our externally managed AUM
(E) We monitored how ESG incorporation affected the fund's financial and ESG	(2) for the majority of our externally managed AUM

(F) We monitored any changes in ESG risk management processes	(2) for the majority of our externally managed AUM
(G) We monitored their response to material ESG incidents	(2) for the majority of our externally managed AUM
(H) Other, please specify:	NA (4) for none of our externally managed AUM

Stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 17	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship	1, 2

During the reporting year, how did your organisation, or the investment consultants acting on your behalf, monitor your external managers' stewardship activities?

(3) Fixed income (active)

(A) We monitored any changes in stewardship policies and processes	(1) for all of our externally managed AUM
(B) We monitored the degree of implementation of their stewardship policy	(1) for all of our externally managed AUM
(C) We monitored their prioritisation of systemic issues	(4) for none of our externally managed AUM
(D) We monitored their prioritisation of ESG factors beyond corporate governance	(4) for none of our externally managed AUM

(E) We monitored their investment team's level of involvement in stewardship activities	(4) for none of our externally managed AUM
(F) We monitored whether stewardship actions and results were fed back into the investment process and investment decisions	(4) for none of our externally managed AUM
(G) We monitored whether they had made full use of a variety of stewardship tools to advance their stewardship priorities	(4) for none of our externally managed AUM
(H) We monitored the deployment of their escalation process in cases where initial stewardship efforts were unsuccessful	(4) for none of our externally managed AUM
(I) We monitored whether they had participated in collaborative stewardship initiatives	(4) for none of our externally managed AUM
(J) We monitored the degree to which they had taken an active role in their participation in collaborative stewardship initiatives	(4) for none of our externally managed AUM
(K) Other, please specify: <div></div>	N.A. (4) for none of our externally managed AUM

Sustainability outcomes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 19	PLUS	OO 13	N/A	PUBLIC	Sustainability outcomes	1

During the reporting year, how did your organisation, or the investment consultants acting on your behalf, monitor your external managers' progress on sustainability outcomes?

- ☐ (A) We reviewed progress on the sustainability outcomes of their activities
☐ (B) We reviewed how they used asset allocation individually or in partnership with others to make progress on sustainability outcomes
☐ (C) We reviewed how they used individual or collaborative investee engagement, including voting, to make progress on sustainability outcomes
☐ (D) We reviewed how they used individual or collaborative systemic stewardship, including policy engagement, to make progress on sustainability outcomes
☒ (E) We reviewed how they contributed to public goods (such as research) or public discourse (such as media) or collaborated with other actors to track and communicate progress against global sustainability goals
☐ (F) Other, please specify:
☐ (G) We did not review their progress on sustainability outcomes

Review

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 20	CORE	OO 13	N/A	PUBLIC	Review	1

During the reporting year, how often did your organisation, or the investment consultants acting on your behalf, require your external managers to report to you on their responsible investment practices?

(3) Fixed income (active)

(A) Quarterly or more often	(1) for all of our externally managed AUM
(B) Every six months	(1) for all of our externally managed AUM
(C) Annually	(1) for all of our externally managed AUM
(D) Less than once a year	(4) for none of our externally managed AUM

(E) On an ad hoc basis (e.g. whenever significant changes, incidents or ESG-linked events occur)

(4) for none of our externally managed AUM

Verification

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 21	PLUS	OO 13	N/A	PUBLIC	Verification	1

During the reporting year, how did your organisation, or the investment consultants acting on your behalf, verify the information reported by external managers on their responsible investment practices?

(3) Fixed income (active)

(A) We required evidence of internal monitoring or compliance

(1) for all of our externally managed AUM

(B) We required evidence of external monitoring or compliance

(4) for none of our externally managed AUM

(C) We required that they had an independent ESG advisory board or committee

(4) for none of our externally managed AUM

(D) We required verification by an external, independent auditor

(4) for none of our externally managed AUM

(E) Other, please specify:

NA

(4) for none of our externally managed AUM

Engagement and escalation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 22	CORE	OO 13	N/A	PUBLIC	Engagement and escalation	1

Which actions does your organisation, or the investment consultants acting on your behalf, include in its formal escalation process to address concerns raised during monitoring?

(3) Fixed income (active)

(A) We notify the external manager about their placement on a watch list	<input type="checkbox"/>
(B) We engage the external manager's board or investment committee	<input type="checkbox"/>
(C) We reduce exposure with the external manager until any non-conformances have been rectified	<input type="checkbox"/>
(D) We terminate the contract with the external manager if failings persist over a (notified) period of time and explain the reasons for the termination	<input type="checkbox"/>
(E) Other, please specify	<input type="checkbox"/>
(F) Our organisation does not have a formal escalation process to address concerns raised by monitoring	<input checked="" type="checkbox"/>

Listed Equity (LE)

Pre-investment phase

Materiality analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1	CORE	OO 10	LE 1.1	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify material ESG factors across listed equities?

(3) Active – fundamental

(A) Yes, we have a formal process to identify material ESG factors for all of our assets	<input type="radio"/>
(B) Yes, we have a formal process to identify material ESG factors for the majority of our assets	<input checked="" type="radio"/>
(C) Yes, we have a formal process to identify material ESG factors for a minority of our assets	<input type="radio"/>
(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their own discretion	<input type="radio"/>
(E) No, we do not have a formal process to identify material ESG factors	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1.1	CORE	LE 1	N/A	PUBLIC	Materiality analysis	1

How does your current investment process incorporate material ESG factors?

(3) Active - Fundamental

(A) The investment process incorporates material governance factors	<input checked="" type="checkbox"/>
(B) The investment process incorporates material environmental and social factors	<input checked="" type="checkbox"/>
(C) The investment process incorporates material ESG factors beyond our organisation's typical investment time horizon	<input checked="" type="checkbox"/>
(D) The investment process incorporates the effect of material ESG factors on revenues and business operations	<input type="checkbox"/>

Long-term ESG trend analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 2	CORE	OO 10	N/A	PUBLIC	Long-term ESG trend analysis	1

Do you continuously monitor a list of identified long-term ESG trends related to your listed equity assets?

(3) Active – fundamental

(A) We monitor long-term ESG trends for all assets	<input type="radio"/>
--	-----------------------

(B) We monitor long-term ESG trends for the majority of assets	<input checked="" type="radio"/>
(C) We monitor long-term ESG trends for a minority of assets	<input type="radio"/>
(D) We do not continuously monitor long-term ESG trends in our investment process	<input type="radio"/>

ESG incorporation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3	CORE	OO 10	LE 3.1	PUBLIC	ESG incorporation	1

How does your financial modelling and equity valuation process incorporate material ESG risks?

(3) Active – fundamental

(A) We incorporate governance-related risks into financial modelling and equity valuations	<input type="checkbox"/>
(B) We incorporate environmental and social risks into financial modelling and equity valuations	<input type="checkbox"/>
(C) We incorporate environmental and social risks related to companies' supply chains into financial modelling and equity valuations	<input type="checkbox"/>
(D) ESG risk is incorporated into financial modelling and equity valuations at the discretion of individual investment decision-makers, and we do not track this process	<input checked="" type="checkbox"/>

(E) We do not incorporate ESG risks into our financial modelling and equity valuations



Assessing ESG performance

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4	CORE	OO 10	LE 4.1	PUBLIC	Assessing ESG performance	1

What information do you incorporate when you assess the ESG performance of companies in your financial modelling and equity valuation process?

(3) Active – fundamental

(A) We incorporate information on current performance across a range of ESG metrics



(B) We incorporate information on historical performance across a range of ESG metrics



(C) We incorporate information enabling performance comparison within a selected peer group across a range of ESG metrics



(D) We incorporate information on ESG metrics that may impact or influence future corporate revenues and/or profitability



(E) We do not incorporate ESG factors when assessing the ESG performance of companies in our financial modelling or equity valuation



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4.1	CORE	LE 4	N/A	PUBLIC	Assessing ESG performance	1

In what proportion of cases do you incorporate the following information when assessing the ESG performance of companies in your financial modelling and equity valuation process?

(3) Active – fundamental

(A) We incorporate information on current performance across a range of ESG metrics	(1) in all cases
(B) We incorporate information on historical performance across a range of ESG metrics	(1) in all cases
(C) We incorporate information enabling performance comparison within a selected peer group across a range of ESG metrics	(1) in all cases

ESG incorporation in portfolio construction

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 5	PLUS	OO 10	N/A	PUBLIC	ESG incorporation in portfolio construction	1

Outline one best practice or innovative example where ESG factors have been incorporated into your equity selection and research process.

Schneider Electric is one of the world leaders in the electrical and digital building infrastructure market, and offers a very wide range of products and services aimed at offering more security, convenience and energy efficiency to its customers. After taking advantage of the growing electrification of the economy, the group is now positioned on promising trends in energy efficiency and digital, thanks to its R&D and relevant acquisitions. The company's extra-financial reporting is exemplary, which is a strong signal of positive consistency: Schneider is thus showing its legitimacy in offering energy efficiency services. Its financial structure is sound and allows it to take advantage of acquisition opportunities. While the uncertainty related to Covid-19 has severely impacted some of its end markets, the group seems diversified enough to get through and bounce back from this crisis. We will be vigilant on the evolution of reporting, which sometimes deserves more clarity, particularly on the part of the various end markets.

ESG typology: Leader

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6	CORE	OO 10	LE 6.1	PUBLIC	ESG incorporation in portfolio construction	1

How do ESG factors influence your portfolio construction?

(3) Active – fundamental

(A) The selection of individual assets within our portfolio is influenced by ESG factors	<input checked="" type="checkbox"/>
(B) The holding period of individual assets within our portfolio is influenced by ESG factors	<input checked="" type="checkbox"/>
(C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors	<input checked="" type="checkbox"/>
(D) The allocation of assets across multi-asset portfolios is influenced by ESG factors through the strategic asset allocation process	<input type="checkbox"/>
(E) Other expressions of conviction (please specify below)	<input type="checkbox"/>
(F) The portfolio construction or benchmark selection does not explicitly include the incorporation of ESG factors	<input type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6.1	CORE	LE 6	N/A	PUBLIC	ESG incorporation in portfolio construction	1

In what proportion of cases did ESG factors influence your portfolio construction?

(3) Active – fundamental

(A) The selection of individual assets within our portfolio is influenced by ESG factors (1) in all cases

(B) The holding period of individual assets within our portfolio is influenced by ESG factors (1) in all cases

(C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors (1) in all cases

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 7	PLUS	OO 10	N/A	PUBLIC	ESG incorporation in portfolio construction	1

Please provide two examples of how ESG factors have influenced weightings and tilts in either passive or active listed equity.

Provide examples below:

(A) Example 1:

Lonza: following the discussions we had with the Director of Investor Relations, we obtained the missing elements to consider an investment. The amount of social information is increasing and the future momentum is moving towards more communication. The breakdown of turnover between development and marketing contracts is in line with our expectations. The division between chemical and biologic drugs favors the latter, which reinforces and validates the conclusion that the company is pursuing a strategy of differentiation. It is important to stress that the sourcing of embryonic stem cells from customers is done ethically. These embryos are never the subject of parental plans. Lonza's activities in this area do not run counter to an investment in LFR Euro Développement Durable. However, the Investment Committee decides not to retain this file for LFR Actions Solidaires, due to the fund's more social profile.

(B) Example 2:

Intertek is able to offer a very wide range of services associated with the quality of manufacturing processes and management systems, and differentiates itself from the competition on the ATIC market thanks to a personalized and innovative offer. If the Covid-19 crisis has suspended part of its activity, the economic recovery will be a source of opportunities. Unfortunately, social reporting does not provide enough indicators to validate the strategy, which is based in particular on the management's ability to retain and develop talent. Despite a solid financial structure and strong cash generation, we have too few elements to consider an investment. A business contact will be made to try to obtain more social information. Committee conclusion: Contact the company to obtain social indicators (Empreinte Ecosociale questionnaire), before considering an investment.

ESG risk management

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 8	CORE	OO 6.1 LE	N/A	PUBLIC	ESG risk management	1

What compliance processes do you have in place to ensure that your listed equity assets subject to negative exclusionary screens meet the screening criteria?

- ☒ (A) We have an independent committee that oversees the screening implementation process, but only for our ESG/sustainability labelled funds that are subject to negative exclusionary screening
- ☒ (B) We have an independent committee that oversees the screening implementation process for all of our listed equity assets that are subject to negative exclusionary screening
- ☒ (C) We have an independent committee that verifies that we have correctly implemented pre-trade checks in our internal systems to ensure no execution is possible without their pre-clearance
- ☐ (D) Other, please specify:
- ☐ (E) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens

Post-investment phase

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 9	CORE	OO 10	N/A	PUBLIC	ESG risk management	1

Do your regular reviews incorporate ESG risks?

(3) Active – fundamental

(A) Our regular reviews include quantitative information on material ESG risks specific to individual listed equities	<input checked="" type="checkbox"/>
(B) Our regular reviews include aggregated quantitative information on material ESG risks at a fund level	<input checked="" type="checkbox"/>
(C) Our regular reviews only highlight fund holdings where ESG ratings have changed	<input type="checkbox"/>

(D) We do not conduct regular reviews. Risk reviews of ESG factors are conducted at the discretion of the individual fund manager and vary in frequency



(E) We do not conduct reviews



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 10	CORE	OO 10	N/A	PUBLIC	ESG risk management	1

Do you regularly identify and incorporate ESG incidents into the investment process for your listed equity assets?

(3) Active – fundamental

(A) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into all of our investment decisions



(B) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into the majority of our investment decisions



(C) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into a minority of our investment decisions



(D) Yes, we have an ad hoc process in place for identifying and incorporating ESG incidents



(E) Other



(F) We currently do not have a process in place for regularly identifying and incorporating ESG incidents into our investment decision-making

Performance monitoring

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 11	PLUS	OO 10	N/A	PUBLIC	Performance monitoring	1

Provide an example of an ESG factor that your organisation incorporated into your equity valuation or fund construction and describe how that affected the returns of those assets.

Provide examples below:

(A) Example from your active listed equity:

Verallia, the European leader in hollow glass packaging, follows a differentiation strategy that aims to tackle the premium bottle market. This strategic choice, in theory more profitable, was not reflected in the financial statements due to excessively high purchasing and production costs. The extra-financial analysis has indeed shown that Verallia has many workers, some of whom are nearing retirement, and therefore less automation of the glassworks. This Saint-Gobain heritage is set to disappear in the coming years, under the impetus of the new management and its efficiency and cost reduction plan.
(response continued in row below)

Therefore, the profitability of the Group should improve significantly in the future. The investment case is interesting, however, the Committee carried out a more general reflection, which includes Verallia in the management of the portfolio and in the client communication. As the company's CO2 emissions ratios are particularly high, the Committee preferred to refrain from investing despite the appeal of the issue, environment aside. Investing in Verallia would raise the ratio of CO2 emissions per million euros of turnover of the fund above that of the index. During a roadshow, the aim will be to explore the actions implemented to improve the carbon efficiency of the company's production processes.

ESG typology: promising student
Conclusion: do not invest.

Reporting/Disclosure

Sharing ESG information with stakeholders

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 13	CORE	OO 6 LE	N/A	PUBLIC	Sharing ESG information with stakeholders	6

How do you ensure that clients and/or beneficiaries understand ESG screens and their implications?

	(1) for all of our listed equity assets subject to ESG screens	(2) for the majority of our listed equity assets subject to ESG screens	(3) for a minority of our listed equity assets subject to ESG screens	(4) for none of our assets subject to ESG screens
(A) We publish a list of ESG screens and share it on a publicly accessible platform such as a website or through fund documentation	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(B) We publish any changes in ESG screens and share them on a publicly accessible platform such as a website or through fund documentation	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(C) We outline any implications of ESG screens, such as deviation from a benchmark or impact on sector weightings, to clients and/or beneficiaries

○

○

○

●

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 14	CORE	OO 10	N/A	PUBLIC	Sharing ESG information with stakeholders	6

What ESG information is covered in your regular reporting to stakeholders such as clients or beneficiaries?

(3) Active – fundamental

(A) Our regular stakeholder reporting includes qualitative examples of engagement and/or ESG incorporation	2) In the majority of our regular stakeholder reporting
(B) Our regular stakeholder reporting includes quantitative ESG engagement data	2) In the majority of our regular stakeholder reporting
(C) Our regular stakeholder reporting includes quantitative ESG incorporation data	2) In the majority of our regular stakeholder reporting

Stewardship

Voting policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 15	CORE	OO 9 LE	LE 15.1, LE 16	PUBLIC	Voting policy	2

Does your organisation have a publicly available (proxy) voting policy? (The policy may be a standalone policy, part of a stewardship policy or incorporated into a wider RI policy.)

- ☒ (A) Yes, we have a publicly available (proxy) voting policy Add link(s):
<https://www.la-financiere-responsible.fr/wp-content/uploads/Politique-de-vote.pdf>
- ☐ (B) Yes, we have a (proxy) voting policy, but it is not publicly available
- ☐ (C) No, we do not have a (proxy) voting policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 15.1	CORE	OO 9 LE, LE 15	N/A	PUBLIC	Voting policy	2

What percentage of your listed equity assets does your (proxy) voting policy cover?

(A) Actively managed listed equity covered by our voting policy (10) 81–90%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 16	CORE	LE 15	N/A	PUBLIC	Voting policy	2

Does your organisation's policy on (proxy) voting cover specific ESG factors?

- ☒ (A) Our policy includes voting guidelines on specific governance factors Describe:

We consider it desirable, to the extent possible, and independently of a case-by-case analysis: - to separate the executive and non-executive functions (for example separation of the functions of Chairman and Chief Executive Officer or company with a Supervisory Board and Management Board); - to limit the term of office of directors to 4 years, each term not having to be renewed more than 3 times in order to promote a more regular renewal of the meeting (except for legal persons and individuals holding more than 10% capital); beyond 12 years of office in the same company, a director can no longer be considered as independent or free of interest; - in the context of a director appointment, LFR's vote will be positive up to a maximum of five mandates in listed companies with no geographic limit; moreover, it is important that shareholders can vote on each director individually; finally, we consider it essential that shareholders have access before each meeting in the most transparent way possible to information (CV, biography, skills brought to the company, etc.) concerning each candidacy for a director; - that employee share ownership be represented on the board by at least one director; LFR believes that it is better that at least one third of the board of directors be composed of directors deemed to be independent or free of interest. Exceptions will be possible for: - applications from existing corporate officers; - the largest family shareholder in the event of a family group; - at least one corporate officer of the reference shareholder. In non-controlled companies, LFR considers 50% to be the desirable level of independent or interest-free directors. We consider it desirable that the company communicate to its shareholders complete information on the proper functioning of the board: presence of directors, report on the assessment and general functioning of the board, etc. It is desirable for the company to provide precise information on the terms and criteria for distributing attendance fees to directors and as well as explanations of changes in the amounts allocated. Significant deficiencies having an impact on overall performance (financial, societal, social, environmental, governance, reputation, etc.) may result in an abstention vote or even a negative vote when one or more directorships are renewed. In view of the complexity and diversity of the board's tasks, and given the different degrees of expertise of the directors on all subjects, LFR considers it desirable that the board set up specialized committees. The creation of specialized committees (composed of 3 to 5 members) is a way to meet these requirements and also to avoid conflicts of interest. Whenever possible, these committees should be composed of at least 50% interest-free directors and chaired by an interest-free director. We consider it positive that the company puts in place or has: - an audit committee in charge of examining the company's accounts and in direct contact with the statutory auditors in order to learn about their work program, discuss with them the conclusions of their work and ensure the good conditions for carrying out their mission; - an appointments or selection committee: whose mission is to find and appoint members available for the board of directors, as well as the corporate officers; - a compensation committee ensuring that the compensation of executives and directors is compatible with the interests of the company and its shareholders. It defines the remuneration (fixed and variable), the attribution rules, the conditions of recruitment and departure of the directors and their retirement plan. Regarding the Statutory Auditors, LFR considers it desirable that: - the deputy Statutory Auditors are not associated with the Statutory Auditors - their terms of office do not exceed 12 years; - consultancy fees must not exceed audit fees when this prohibition is not provided for by law. LFR is generally in favor of the principle of one share, one vote and fair treatment of shareholders.

LFR is therefore generally opposed to the various statutory procedures implying unequal treatment of shareholders such as: - Double voting rights; - multiple voting rights; - shares without voting rights; - shares with priority dividends; - the capping of voting rights beyond a certain shareholding threshold; - any resolution aimed at limiting the power of shareholders (for example when issuing new shares, etc.). LFR calls for the greatest transparency on the amounts and methods of calculating the individual, direct and indirect, or deferred, remuneration of the 10 best paid people in the company exercising managerial functions. The summary of the remuneration of the executive directors must appear in a table recording all the commitments over a period of 3 years. The non-existence or non-publication of these criteria would result in a negative vote. The remuneration policy must be part of a principle of correlation between the performance of the manager and that of the company. To the extent that the overall performance of the company is based on good management of relations with all stakeholders, social and environmental performance criteria can be incorporated into the calculation of executive compensation. The allocation of stock options must have an incentive and loyalty character for the management of the company. Issued without a discount, and at certain periods defined in advance, they must give rise to an effort of transparency on the award criteria and the number of beneficiaries. LFR may reject stock option plans allowing a discount on the share price. Allocations of free shares, which meet the same allocation and transparency criteria as stock options, must have an incentive and loyalty character for the greatest number of employees of the company. They should not exceed 2% of the company's capital. LFR is also in favor of disclosing the details between the free shares distributed to corporate officers and those intended for employees. In total, subscription options and free shares should not lead to a capital dilution of more than 10% (except in the particular case that may be envisaged in the case of small and medium caps).

☒ **(B) Our policy includes voting guidelines on specific environmental factors Describe:**

LFR will approve resolutions requesting: - reporting on policies, practices and environmental impacts of activities (ecological footprint) - the impact of environmental liabilities on shareholder value; - an assessment report and a company's commitment to reducing greenhouse gas emissions when this is a key issue in the latter's sector of activity.

☒ **(C) Our policy includes voting guidelines on specific social factors Describe:**

LFR will approve resolutions requesting: - shareholder resolutions requesting reporting on policies, practices and social impacts of activities; - shareholder resolutions calling for the adoption and implementation of a code of conduct in accordance with the Universal Declaration of Human Rights and ILO conventions; - shareholder resolutions calling for the establishment of codes of conduct and a framework for child labor practices in countries where this is authorized; - a report on the impact of the products on civil society; - more information, transparency and commitment from society on access to products and services for the most vulnerable populations (specifically the health sectors, banking sectors, energy suppliers, water, agro-food, etc.).

☐ (D) Our policy is high-level and does not cover specific ESG factors Describe:

Alignment & effectiveness

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 17	CORE	OO 9 LE	N/A	PUBLIC	Alignment & effectiveness	2

When you use external service providers to give voting recommendations, how do you ensure that those recommendations are consistent with your organisation's (proxy) voting policy?

(A) We review service providers' controversial and high-profile voting recommendations before voting is executed (1) in all cases

(B) Before voting is executed, we review service providers' voting recommendations where the application of our voting policy is unclear (1) in all cases

Security lending policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 18	CORE	OO 9 LE	LE 18.1, LE 18.2	PUBLIC	Security lending policy	2

Does your organisation have a public policy that states how voting is addressed in your securities lending programme? (The policy may be a standalone guideline or part of a wider RI or stewardship policy.)

- ☐ (A) We have a public policy to address voting in our securities lending programme. Add link(s):
- ☐ (B) We have a policy to address voting in our securities lending programme, but it is not publicly available
- ☐ (C) We rely on the policy of our service provider(s)
- ☐ (D) We do not have a policy to address voting in our securities lending programme
- ☒ (E) Not applicable, we do not have a securities lending programme

Shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 19	CORE	OO 9 LE	N/A	PUBLIC	Shareholder resolutions	2

Which of the following best describes your decision-making approach regarding shareholder resolutions, or that of your service provider(s) if decision-making is delegated to them?

- ☒ (A) In the majority of cases, we support resolutions that, if passed, are expected to advance progress on the underlying ESG factors or on our stewardship priorities
- ☐ (B) In the majority of cases, we support resolutions that, if passed, are expected to advance progress on the underlying ESG factors but only if the investee company has not already committed publicly to the action requested in the proposal
- ☐ (C) In the majority of cases, we only support shareholder resolutions as an escalation tactic when other avenues for engagement with the investee company have not achieved sufficient progress
- ☐ (D) In the majority of cases, we support the recommendations of investee company management by default
- ☐ (E) In the majority of cases, we do not vote on shareholder resolutions

Pre-declaration of votes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 20	CORE	OO 9 LE	N/A	PUBLIC	Pre-declaration of votes	2

How did your organisation or your service provider(s) pre-declare votes prior to AGMs/EGMs?

- ☐ (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system
- ☐ (B) We pre-declared our voting intentions publicly (e.g. through our own website) Link to public disclosure:
- ☐ (C) We pre-declared our voting intentions publicly through the PRI's vote declaration system, including the rationale for our (proxy) voting decisions where we planned to vote against management proposals or abstain
- ☐ (D) We pre-declared our voting intentions publicly, including the rationale for our (proxy) voting decisions where we planned to vote against management proposals or abstain Link to public disclosure:
- ☐ (E) Prior to the AGM/EGM, we privately communicated our voting decision to investee companies in cases where we planned to vote against management proposals or abstain
- ☒ (F) We did not privately or publicly communicate our voting intentions
- ☐ (G) We did not cast any (proxy) votes during the reporting year

Voting disclosure post AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 21	CORE	OO 9 LE	LE 21.1	PUBLIC	Voting disclosure post AGM/EGM	2

Do you publicly report your (proxy) voting decisions, or those made on your behalf by your service provider(s), in a central source?

☒ (A) Yes, for >95% of (proxy) votes Link:

☐ <https://www.la-financiere-responsable.fr/wp-content/uploads/Exercice-politique-de-vote.pdf>

☐ (B) Yes, for the majority of (proxy) votes Link:

☐ (C) Yes, for a minority of (proxy) votes 1) Add link and 2) Explain why you only publicly disclose a minority of (proxy) voting decisions:

☐ (D) No, we do not publicly report our (proxy) voting decisions Explain why you do not publicly report your (proxy) voting decisions:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 21.1	CORE	LE 21	N/A	PUBLIC	Voting disclosure post AGM/EGM	2

In the majority of cases, how soon after an investee's AGM/EGM do you publish your voting decisions?

☐ (A) Within one month of the AGM/EGM

☐ (B) Within three months of the AGM/EGM

☐ (C) Within six months of the AGM/EGM

☒ (D) Within one year of the AGM/EGM

☐ (E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 22	CORE	OO 9 LE	LE 22.1	PUBLIC	Voting disclosure post AGM/EGM	2

Did your organisation and/or the service provider(s) acting on your behalf communicate the rationale for your voting decisions?

- ☐ (A) In cases where we voted against management recommendations or abstained, the rationale was provided privately to the company
- ☒ (B) In cases where we voted against management recommendations or abstained, the rationale was disclosed publicly
- ☐ (C) In cases where we voted against management recommendations or abstained, we did not communicate the rationale
- ☐ (D) We did not vote against management or abstain

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 22.1	CORE	LE 22	N/A	PUBLIC	Voting disclosure post AGM/EGM	2

Indicate the proportion of votes where you and/or the service provider(s) acting on your behalf communicated the rationale for your voting decisions.

- (B) In cases where we voted against management recommendations or abstained, the rationale was disclosed publicly (5) >95%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 23	CORE	OO 9 LE	LE 23.1	PUBLIC	Voting disclosure post AGM/EGM	2, 5

Did your organisation and/or the service provider(s) acting on your behalf communicate the rationale for your voting decisions when voting against a shareholder resolution proposed/filed by a PRI signatory?

- ☐ (A) In cases where we voted against a shareholder resolution proposed/filed by a PRI signatory, the rationale was disclosed publicly
- ☐ (B) In cases where we voted against a shareholder resolution proposed/filed by a PRI signatory, the rationale was not disclosed publicly
- ☒ (C) We did not vote against any shareholder resolution proposed/filed by a PRI signatory

Alignment & effectiveness

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 24	PLUS	OO 9 LE	N/A	PUBLIC	Alignment & effectiveness	2

How are you contributing to the integrity of the end-to-end voting chain and confirmation process?

The resolutions analysis in-house made by our analysts and portfolio managers who also vote on the dedicated proxy-voting platform (Broadridge).

Fixed Income (FI)

Pre-investment phase

Materiality analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 1	CORE	OO 10	FI 1.1	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify material ESG factors for its fixed income assets?

(2) Corporate

(A) Yes, we have a formal process to identify material ESG factors for all of our assets



(B) Yes, we have a formal process to identify material ESG factors for the majority of our assets



(C) Yes, we have a formal process to identify material ESG factors for a minority of our assets



(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their own discretion

○

(E) No, we do not have a formal process to identify material ESG factors

○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 1.1	CORE	FI 1	N/A	PUBLIC	Materiality analysis	1

How does your current investment process incorporate material ESG factors?

(2) Corporate

(A) The investment process incorporates material governance factors

☑

(B) The investment process incorporates material environmental and social factors

☑

(C) The investment process incorporates material ESG factors beyond our organisation's typical investment time horizon

☑

(D) The investment process incorporates the effect of material ESG factors on revenues and business operations

☐

ESG risk management

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2	CORE	OO 10	FI 2.1	PUBLIC	ESG risk management	1

How are material ESG factors incorporated into your portfolio risk management process?

(2) Corporate

(A) Investment committee members, or the equivalent function/group, have a qualitative ESG veto	<input checked="" type="checkbox"/>
(B) Companies, sectors, countries and currency are monitored for changes in ESG exposure and for breaches of risk limits	<input type="checkbox"/>
(C) Overall exposure to specific ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on individual issuers' sensitivity to these factors	<input type="checkbox"/>
(D) Other method of incorporating ESG factors into risk management process, please specify below:	<input type="checkbox"/>
(E) We do not have a process to incorporate ESG factors into our portfolio risk management	<input type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2.1	CORE	FI 2	N/A	PUBLIC	ESG risk management	1

For what proportion of your fixed income assets are material ESG factors incorporated into your portfolio risk management process?

(2) Corporate

(A) Investment committee members, or the equivalent function/group, have a qualitative ESG veto

(3) for a minority of our assets

ESG incorporation in asset valuation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3	CORE	OO 10	FI 3.1	PUBLIC	ESG incorporation in asset valuation	1

How do you incorporate the evolution of ESG factors into your fixed income asset valuation process?

(2) Corporate

(A) We incorporate it into the forecast of cash flow, revenues and profitability

☐

(B) We anticipate how the evolution of ESG factors may change the ESG profile of the debt issuer

☒

(C) We do not incorporate the evolution of ESG factors into our fixed income asset valuation process

☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3.1	CORE	FI 3	N/A	PUBLIC	ESG incorporation in asset valuation	1

In what proportion of cases do you incorporate the evolution of ESG factors into your fixed income asset valuation process?

(2) Corporate

(B) We anticipate how the evolution of ESG factors may change the ESG profile of the debt issuer (1) in all cases

Performance monitoring

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 4	PLUS	OO 5.2 FI, OO 10	N/A	PUBLIC	Performance monitoring	1

Provide an example of an ESG factor that your organisation incorporated into your fixed income valuation or portfolio construction and describe how that affected the returns of those assets.

Example:

(A) Example from your active management strategies:

HSBC :

During the portfolio construction we engage with companies thanks to our ESG questionnaire dedicated to our Empreinte Ecosociale database. Actually, we exclude companies who refuse to participate. We have noted that HSBC participated discontinuously and refused to disclose some ESG information needed for the Integral Value Approach. This doesn't fit our portfolio construction process. That's why we have excluded HSCB and sold our financial securities.

ESG incorporation in portfolio construction

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 5	CORE	OO 10	FI 5.1	PUBLIC	ESG incorporation in portfolio construction	1

How do ESG factors influence your portfolio construction?

(2) Corporate

(A) The selection of individual assets within our portfolio is influenced by ESG factors	<input checked="" type="checkbox"/>
(B) The holding period of individual assets within our portfolio is influenced by ESG factors	<input type="checkbox"/>
(C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors	<input type="checkbox"/>
(D) The allocation of assets across multi-asset portfolios is influenced by ESG factors through the strategic asset allocation process	<input type="checkbox"/>
(E) Other expressions of conviction, please specify below:	<input type="checkbox"/>
(F) The portfolio construction or benchmark selection does not explicitly include the incorporation of ESG factors	<input type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 5.1	CORE	FI 5	N/A	PUBLIC	ESG incorporation in portfolio construction	1

In what proportion of cases do ESG factors influence your portfolio construction?

(2) Corporate

(A) The selection of individual assets within our portfolio is influenced by ESG factors (1) in all cases

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 6	PLUS	OO 10	N/A	PUBLIC	ESG incorporation in portfolio construction	1

Please provide two examples of how ESG factors have influenced weightings and tilts in either passive or active fixed income.

Please provide examples below:

(A) Example 1:

CRH: The company is focused on a policy of targeted acquisitions. Its objective is to secure leadership positions in well-identified geographies, and to optimize the associated costs. This disciplined management is reflected in the group's financial statements, which presents an impressive management of its balance sheet. In the US, the company enjoys leadership in aggregates and asphalt, products that will benefit from growth in the construction market over the medium term. In Europe, the situation is more delicate. Growth is heterogeneous, and public investment policies less dynamic than across the Atlantic.
(response continued in row below)

Monitoring macroeconomic indicators will be crucial for the management of the security in the portfolio. ESG analysis, like financial analysis, supports us in the idea that the company is pursuing a volume-cost strategy. Social indicators show flexible human resource management, and discipline in health and safety. On the other hand, the reflection we carried out in the Committee with regard to CO2 emissions also applies to CRH. The production of materials, in particular more and more cement, structurally increases the carbon intensity of the activity, without seeing large counterparts taken by the company to compensate for these effects. Despite the attractiveness of the investment case, the Committee also refrains from investing in CRH.

(B) Example 2:

SAP: The world leader in enterprise resource planning (ERP) software, SAP sells software to optimize the management of information flows within organizations. The last decade has been a key one for the group, which launched its cloud offering and its new ERP in a context of intensifying competition. Its differentiated offer, based on tailor-made solutions with high added value, is starting to bear fruit and is encouraging for the years to come.

However, we expect an improvement in ESG communication, which could be improved upon for a company of this size. A commitment action will be taken in this direction, through a letter to management. Despite large investments in recent years, SAP has a solid financial structure, and its valuation suggests an upside.

ESG: good student (called to be revised according to return from the engagement)

Conclusion: keep in the portfolio and carry out an action of engagement in order to obtain more ESG information from the Group.

ESG incorporation in assessment of issuers

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 7	CORE	OO 10	N/A	PUBLIC	ESG incorporation in assessment of issuers	1

When assessing issuers'/borrowers' credit quality, how does your organisation incorporate material ESG risks in the majority of cases?

(2) Corporate

(A) In the majority of cases, we incorporate material governance-related risks	<input type="radio"/>
(B) In addition to incorporating governance-related risks, in the majority of cases we also incorporate material environmental and social risks	<input type="radio"/>
(C) We do not incorporate material ESG risks for the majority of our credit quality assessments of issuers/borrowers	<input checked="" type="radio"/>

ESG performance

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 8	CORE	OO 10	N/A	PUBLIC	ESG performance	1

In the majority of cases, how do you assess the relative ESG performance of a borrower within a peer group as part of your investment process?

(2) Corporate

(A) We use the relative ESG performance of a borrower to adjust the internal credit assessments of borrowers by modifying forecasted financials and future cash flow estimates	<input type="checkbox"/>
(B) We use the relative ESG performance of a borrower to make relative sizing decisions in portfolio construction	<input type="checkbox"/>
(C) We use the relative ESG performance of a borrower to screen for outliers when comparing credit spreads to ESG relative performance within a similar peer group	<input type="checkbox"/>
(D) We consider the ESG performance of a borrower only on a standalone basis and do not compare it within peer groups of other benchmarks	<input type="checkbox"/>
(E) We do not have an internal ESG performance assessment methodology	<input checked="" type="checkbox"/>

ESG risk management

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 9	CORE	OO 10	FI 9.1	PUBLIC	ESG risk management	1

For your corporate fixed income, does your organisation have a framework that differentiates ESG risks by issuer country and sector?

- ☒ (A) Yes, it differentiates ESG risks by country/region (for example, local governance and labour practices)
- ☒ (B) Yes, it differentiates ESG risks by sector
- ☐ (C) No, we do not have a framework that differentiates ESG risks by issuer country/region and sector

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 9.1	CORE	FI 9	N/A	PUBLIC	ESG risk management	1

For what proportion of your corporate fixed income assets do you apply your framework for differentiating ESG risks by issuer country/sector?

	(1) for all of our corporate fixed income assets	(2) for the majority of our corporate fixed income assets	(3) for a minority of our corporate fixed income assets
(A) We differentiate ESG risks by country/region (for example, local governance and labour practices)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(B) We differentiate ESG risks by sector	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

Post-investment phase

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 12	CORE	OO 10	N/A	PUBLIC	ESG risk management	1

Do your regular reviews incorporate ESG risks?

(2) Corporate

(A) Our regular reviews include quantitative information on material ESG risks specific to individual fixed income assets	<input checked="" type="checkbox"/>
(B) Our regular reviews include aggregated quantitative information on material ESG risks at a fund level	<input type="checkbox"/>
(C) Our regular reviews only highlight fund holdings where ESG ratings have changed	<input type="checkbox"/>

(D) We do not conduct regular reviews. Risk reviews of ESG factors are conducted at the discretion of the individual fund manager and vary in frequency



(E) We do not conduct reviews that incorporate ESG risks



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 13	CORE	OO 10	N/A	PUBLIC	ESG risk management	1

Do you regularly identify and incorporate ESG incidents into the investment process for your fixed income assets?

(2) Corporate

(A) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into all of our investment decisions



(B) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into the majority of our investment decisions



(C) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into a minority of our investment decisions



(D) Yes, we have an ad hoc process in place for identifying and incorporating ESG incidents



(E) We do not have a process in place for regularly identifying and incorporating ESG incidents into our investment decision-making



Time horizons

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 14	CORE	OO 10	N/A	PUBLIC	Time horizons	1

In the majority of cases, how does your investment process account for differing time horizons of holdings and how they may affect ESG factors?

(2) Corporate

(A) We take into account current risks	<input checked="" type="checkbox"/>
(B) We take into account medium-term risks	<input checked="" type="checkbox"/>
(C) We take into account long-term risks	<input checked="" type="checkbox"/>
(D) We do not take into account differing time horizons of holdings and how they may affect ESG factors	<input type="checkbox"/>

Long-term ESG trend analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 15	CORE	OO 10	N/A	PUBLIC	Long-term ESG trend analysis	1

Do you continuously monitor a list of identified long-term ESG trends related to your fixed income assets?

(2) Corporate

(A) We monitor long-term ESG trends for all of our assets	<input checked="" type="radio"/>
---	----------------------------------

(B) We monitor long-term ESG trends for the majority of our assets	○
(C) We monitor long-term ESG trends for a minority of our assets	○
(D) We do not continuously monitor long-term ESG trends in our investment process	○

Reporting/Disclosure

ESG screens

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 21	CORE	OO 6 FI	N/A	PUBLIC	ESG screens	6

How do you ensure that clients and/or beneficiaries understand ESG screens and their implications?

<p>(A) We publish a list of ESG screens and share it on a publicly accessible platform such as a website or through fund documentation Voluntary URL link(s) to list of ESG screens:</p> <p>https://www.la-financiere-responsable.fr/wp-content/uploads/Politique-des-risques-de-durabilite-SFDR.pdf</p>	(1) for all of our fixed income assets subject to ESG screens
<p>(B) We publish any changes in ESG screens and share it on a publicly accessible platform such as a website or through fund documentation Voluntary URL link(s) to ESG screen changes:</p> <p>https://www.la-financiere-responsable.fr/wp-content/uploads/Donnees-ESG-criteres-exclusion-et-typologie-ISR.pdf</p>	(1) for all of our fixed income assets subject to ESG screens
<p>(C) We outline any implications of ESG screens, such as deviation from a benchmark or impact on sector weightings, to clients and/or beneficiaries</p>	(4) for none of our assets subject to ESG screens

Engagement

Engaging with issuers/borrowers

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 22	CORE	OO 9 FI	FI 22.1	PUBLIC	Engaging with issuers/borrowers	2

At which stages does your organisation engage with issuers/borrowers?

(2) Corporate

(A) At the pre-issuance/pre-deal stage	<input type="checkbox"/>
(B) At the pre-investment stage	<input checked="" type="checkbox"/>
(C) During the holding period	<input checked="" type="checkbox"/>
(D) At the refinancing stage	<input type="checkbox"/>
(E) When issuers/borrowers default	<input type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 22.1	PLUS	FI 22	N/A	PUBLIC	Engaging with issuers/borrowers	2

Describe your approach to engagement.

Engagement approach per fixed income asset type or general description for all your fixed income engagement:

(A) Description of engagement approach for all of our fixed income	The engagement approach follows the same policy (https://www.la-financiere-responsible.fr/wp-content/uploads/Politique-dengagement-2018.pdf) as our engagement approach for listed equity.
--	---

(D) Description of engagement approach for our corporate fixed income

The engagement approach follows the same policy (<https://www.la-financiere-responsable.fr/wp-content/uploads/Politique-dengagement-2018.pdf>) as our engagement approach for listed equity.

Sustainability Outcomes (SO)

Set targets on sustainability outcomes

Outcome objectives

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	ISP 45	SO 1.1, SO 2	PUBLIC	Outcome objectives	1

Has your organisation chosen to shape any specific sustainability outcomes?

- ☒ (A) Yes
☐ (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2	PLUS	SO 1	SO 3	PUBLIC	Outcome objectives	1

Please list up to 10 of the specific sustainability outcomes that your organisation has chosen to shape.

Sustainability outcomes

(A) Sustainability Outcome #1	SDG 8 Decent Work and Economic Growth
(B) Sustainability Outcome #2	SDG 10 Reduced Inequalities
(C) Sustainability Outcome #3	SDG 16 Peace, Justice and Strong Institutions
(D) Sustainability Outcome #4	SDG 13 Climate Action
(E) Sustainability Outcome #5	SDG 17 Partnerships for the Goals

Target-setting process

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3	PLUS	SO 2	SO 3.1	PUBLIC	Target-setting process	1

Have you set any targets for your sustainability outcomes? Indicate how many targets you have set for each sustainability outcome.

(A) Sustainability Outcome #1:

(2) One target

(B) Sustainability Outcome #2:

(1) No target

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3.1	PLUS	SO 3	Multiple, see guidance	PUBLIC	Target-setting process	1

For each sustainability outcome, name and provide a brief description of up to two of your targets and list the metrics or key performance indicators (KPIs) associated with them, the targets' deadlines and the percentage of your assets under management to which the targets apply.

Target name		Target description
(A1) Sustainability Outcome #1: (Target 1)	Inclusion of people with disability	The LFR Inclusion Responsible ISR fund is a fund which selects companies committed in employment of people with disability. To achieve it our team have developed a dedicated questionnaire we send to company (67 questions, 7 assesment axis)
KPIs/metrics		Target deadline: Year
(A1) Sustainability Outcome #1: (Target 1)	Number of people (or in %) of people with disability employed.	0
Coverage: % of assets under management		

Tracking progress

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5	PLUS	SO 3.1	SO 5.1, SO 5.2	PUBLIC	Tracking progress	1

Does your organisation track intermediate performance and progress against your sustainability outcomes targets?

(A1) Sustainability Outcome #1: (Target 1)

(1) Yes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5.1	PLUS	SO 5	N/A	PUBLIC	Tracking progress	1

How does your organisation track intermediate performance and progress against your sustainability outcomes targets?

Please describe below:

(A1) Sustainability Outcome #1: (Target 1)

The "Disability at work" questionnaire is sent to companies regularly in order to follow their progress on this topic and to update our ESG report dedicated.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5.2	PLUS	SO 5	N/A	PUBLIC	Tracking progress	1

Describe any qualitative or quantitative progress achieved during the reporting year against your sustainability outcomes targets.

(1) Qualitative progress

(2) Quantitative progress

(A1) Sustainability Outcome #1:
(Target 1)

We have noted that companies have made progress. A company, Kerry Group, contacted us following our "Disability at Work" campaign to have some advices to improve their disability policies and practices.

This fund has been launched in july 2019. We don't have a strong enough historical yet.

Investors' individual and collective actions shape outcomes

Levers for shaping outcomes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 7	PLUS	SO 3.1	SO 7.1 - SO 22,	PUBLIC	Levers for shaping outcomes	1, 2, 5

Which levers did your organisation or service providers/external investment managers acting on your behalf use to make progress on your sustainability outcomes during the reporting year?

	(1) Individually	(2) With other investors or stakeholders
(A) Asset allocation	<input type="checkbox"/>	<input type="checkbox"/>
(B) Investee engagement including voting	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(C) Systemic stewardship including policy engagement	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(D) None of the above	<input type="checkbox"/>	<input type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 7.1	PLUS	SO 7	N/A	PUBLIC	Levers for shaping outcomes	1, 2, 5

Considering all the levers you indicated in the previous question, indicate the overall budget you allocated specifically to shaping sustainability outcomes in the reporting year. This indicator refers to the budget dedicated exclusively to shaping sustainability outcomes. Please refer to the Explanatory notes for detailed guidance to determine what to include in the budget figure.

(B) Investee engagement including voting	US\$ 0.00
--	-----------

(C) Systemic stewardship
including policy engagement

US\$ 0.00

Investee engagement including voting

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 11	PLUS	SO 7	N/A	PUBLIC	Investee engagement including voting	2

During the reporting year, how did your organisation or service providers/external investment managers acting on your behalf engage with investees specifically to make progress on your sustainability outcomes? This indicator refers to the engagement activities dedicated exclusively to shaping sustainability outcomes.

(1) Sustainability Outcome #1:

(A) At shareholder meetings, we voted in favour of all resolutions or proposals that advanced our sustainability outcomes and voted against all those that undermined them	<input type="checkbox"/>
(B) We filed or co-filed shareholder resolutions or proposals that advanced our sustainability outcomes	<input type="checkbox"/>
(C) We used our positions on investee boards and board committees to advance our sustainability outcomes	<input type="checkbox"/>
(D) We negotiated with and monitored the stewardship actions of suppliers in the investment chain	<input type="checkbox"/>
(E) Where necessary, we resorted to litigation	<input type="checkbox"/>

(F) Other, please specify:

We didn't face this kind of described situations in 2020.



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 12	PLUS	SO 7	N/A	PUBLIC	Investee engagement including voting	2

What is your organisation's approach to engaging with investees as a means to make progress on your sustainability outcomes? Please discuss the reasons why you have chosen any specific engagement tools to make progress on each of your sustainability outcomes. Please also explain how you combine different engagement tools to advance each sustainability outcome.

Please describe below:

(A) Sustainability Outcome #1:

The LFR Team has developped a new methodology to assess the inclusion quality of companies towards people with disabilities. For La Financière Responsable, the company's efforts to include people with disabilities are, in addition to the strategy, ESG and financial data, revealing the quality of the company. Such a company: has a strong ability to learn from difference, is enriched by its team spirit, recognizes the fragility of the other and of all, is better prepared for change: creativity, innovation. After 18 months or research, discussions with experts, companies, fondation, etc. a questionnaire was born. We send it regularly to companies from the investment zone (about 691 european securities). **(response continued in row below)**

This questionnaire includes 67 points to answer around 7 assessments axis. The LFR team leads the analysis of the returned questionnaire and classifies company through a specific typology depending of the quality and commitment in inclusion of people of disability at work. Selected companies are invested by the LFR Inclusion Responsable ISR and Mapfre Inclusion Responsable. The "disability at work" questionnaire is sent to companies regularly in order to track evolutions in this topic. We have also noticed that some companies ask for having some feedbacks from our team about their practices. These active engagement approach and fund philosophy act for a more desirable future and for the SDG 8, target 8.5.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 13	PLUS	SO 7	N/A	PUBLIC	Investee engagement including voting	2

Please provide at least one example of how your organisation's individual engagement with investees, either directly or via service providers/external investment managers acting on your behalf, helped make progress on each of your sustainability outcomes during the reporting year, excluding collaborative initiatives.

Example 1

(A) Sustainability Outcome #1:

After sending their responses to the disability questionnaire, our two contacts from Kerry Group wanted to talk to us about the group's new disability policy that they want to develop. During this call, we gave them advice on the 7 pillars to develop, statistics from the 2ID database to guide them, We also direct them to Experian (Irish company) which has good results,

Systemic stewardship including policy engagement

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 17	PLUS	SO 7	N/A	PUBLIC	Systemic stewardship including policy engagement	2

Provide one example of how your organisation engaged with policymakers, either directly or via service providers or external investment managers acting on your behalf, to make progress on each of your sustainability outcomes during the reporting year, excluding collaborative initiatives.

Example:

(A) Sustainability Outcome #1:

Our Chairman, Olivier Johanet, participated in meeting with Sophie Cluzel has been Secretary of State to the Prime Minister responsible for people with disabilities since May 17, 2017. These meetings was an opportunity to make the French State more committed to develop companies report about this social topic : inclusion of people with disability, a problem we face.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 19	PLUS	SO 7	N/A	PUBLIC	Systemic stewardship including policy engagement	2

Does your organisation have governance processes in place to ensure that your engagement with policymakers is aligned with your sustainability outcomes?

(2) No. Please describe why not:

(A) Sustainability Outcome #1:

N.A. we don't have a formal approach on this topic.

Global stakeholders collaborate to achieve outcomes

Tracking progress against global goals

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 23	PLUS	SO 3.1	N/A	PUBLIC	Tracking progress against global goals	4

Does your organisation engage with standard setters, reporting bodies or similar organisations to help track and communicate progress against global sustainability goals?

☐ (A) Yes. Please describe:

☒ (B) No. Please describe why not:

As a small company, we make it with our means and publish a dedicated ESG report : <https://www.la-financiere-responsable.fr/wp-content/uploads/Article-173-LIR-.pdf>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 24	PLUS	SO 3.1	N/A	PUBLIC	Tracking progress against global goals	4

Does your organisation contribute to public goods (such as research) or public discourse (such as media coverage) to make progress on global sustainability goals?

☒ (A) Yes. Please describe:

We contribute to public goods by publishing some information of our investment process and criteria about disability. The questionnaire dedicated to this topic has needed 18 months of research and meeting with companies, experts, etc.
La Financiere Responsable has also benefited each year since 2010 from a research tax credit from the French Ministry of Education and Research.

☐ (B) No. Please describe why not: