

ESG REPORT

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N°1 | VIEWPOINTS 2021



Who is the report for?

REPORT	TARGET AUDIENCE	COMMUNICATION CHANNEL	ISSUE AND REVISION FREQUENCY	CONTENTS
Covéa ESG report	Stakeholders (clients, regulators, etc.)	Covéa website	Annual	Social and financial report of the management company
Covéa Finance ESG report	Covéa Group, Unitholders, Regulators	Covéa Finance website	Annual	Presentation of our ESG policy, ESG policy reports, environmental report
Funds' ESG report	Covéa Group, Unitholders, Regulators	Covéa Finance website	Annual	Points on the ESG specifics associated with the funds in question
Covéa and its brands' non-financial performance declarations (DPEFs, former CSR report)	General public (employees, clients, etc.)	Covéa and brands' websites	Covéa and brands' websites	Covéa group's non-financial performance

ENVIRONMENTAL, SOCIAL/SOCIETAL AND GOVERNANCE (“ESG”) CRITERIA ARE INCLUDED WITHIN THE INVESTMENT PROCESSES VIA MULTIPLE MECHANISMS.



1. Money-market securities and funds we hold in our mandates and UCIs are not covered by these ESG rating methods.

2. Private and also sovereign for ESG ratings.

Source: Covéa Finance.

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Editorial by Ghislaine Bailly

CHAIRWOMAN OF COVÉA FINANCE



This ESG report introduces a new reporting era with a new format resulting from the Energy and Climate Law (LEC). This format incorporates the requirements of multiple European regulations, which will continue to be rolled out in the coming years.

Alongside other financial operators, we will obviously be fully involved in the energy transition currently taking place. It is our responsibility. As an investor, however, we also and above all have a fiduciary responsibility vis-à-vis our clients, whether institutional or retail.

Our guiding principle is to maintain the alignment of interests of all participants in our investment chain, from the «financed» underlying, notably listed companies, right up to our client which owns the assets entrusted to us.

For this reason, our fundamental responsibility is to take into account and assess all the risks embedded within the portfolios, of which climate risk

is a component. But our responsibility is also to draw attention to potential contradictions between environmental interests and preservation of the social fabric.

The companies in which we invest are at the forefront of the energy transformation of the economy. They therefore have major decisions to take with implications for their entire production chain, including for their employees. This is where the concept of transition takes on its full meaning and the responsibility of “financiers” is how to best support this transition. We believe that the main way to prioritise this support is shareholder dialogue. This is why in the coming years we will continue to develop this component in our approach and our balanced analysis of the 3 aspects of E, S and G, while protecting our clients’ financial interests.

Happy reading!

1. Context and regulatory developments

The key date of the first quarter of the financial year was 10 March 2021, with the entry into force of the dual positioning of financial products (funds and mandates as regards Covéa Finance). Accordingly, the work commenced in 2020 led to the positioning of our funds (a large part of which are unit-linked life insurance policies), in accordance with the AMF classification taking into account the nature of communication on sustainability. At the same time, we classified our funds and mandates in accordance with the European SFDR (Disclosure Regulation), either as an "Article 8" or as an "Article 9" product.

By default, financial products are subject to Article 6, which specifies the general provisions.

Financial products are now:

- either simply classified as "Article 6", without taking into account sustainability characteristics;
- or classified as Article 6 + Article 8 (referred to as "Article 8" products), where they promote sustainability. The concept of promotion is left to the assessment of managers and can be made by any means;
- or Article 6 + Article 9 (referred to as "Article 9" products), where they have sustainability objectives.

The SFDR classification of Covéa Finance funds is available in Section 2.4 of this report, but also on the Covéa Finance website.

SFDR is the central element of non-financial reporting for both products (funds and mandates) and for entities (ESG reports). Implementation will be gradual, in accordance with a schedule liable to change.

The other major structuring EU text is the Taxonomy Regulation, which has been the subject of numerous press articles, particularly due to the debate on the inclusion of gas and nuclear power.

The EU environmental taxonomy is of particular significance for an insurance group, as it manifests itself in multiple ways.

The Covéa Group is mainly a non-life insurer and also conducts financial management activities through Covéa Finance, particularly on its own behalf and on behalf of its life insurance clients.

As a non-life insurer, the Covéa group is identified as "eligible" for the taxonomy, and as such is subject to a specific reporting obligation. For insurance, taxonomy reporting takes the form of the publication of two indicators in its Non-Financial Performance Declarations (DPEFs). The first is linked to the identification of sustainability factors within its non-life insurance policies. The second is linked to the investment activity of non-life insurance.

As an institutional investor, the Covéa group has delegated the management of its mandates comprising the majority of its general assets to Covéa Finance. Covéa Finance also manages open-ended funds that are mainly marketed through the life insurance policies of the Group's networks. In this context, the Taxonomy Regulation requires publication in the first instance of the level of eligibility of its investments for the taxonomy, and subsequently the degree of alignment with said taxonomy.

The indicators of the portfolios published accordingly will use the underlying indicators of the companies financed which are themselves subject to the taxonomy.

The requirements are spread over time, but the preparatory work for these requirements had to be completed in 2021.

1.1. Industry working groups

Covéa Finance contributes to industry debate through its participation in the work of the AFG, of which it is a member, and also that of the FFA (which became France Assureurs on 1 January 2022), on behalf of Covéa on certain aspects (like the Climate ESG working group) and, as applicable, Paris Europlace.

Among the many topics addressed during working groups or plenary sessions, 2021 was particularly rich in the number of meetings mainly held to share a common understanding of the different methods for applying the EU regulations gradually being rolled out.

In fact, several texts have seen their application delayed due to operational difficulties relating to implementation. The clear concern expressed for several years regarding data availability and quality is a major obstacle to the rapid implementation of texts. The second major concern is that reporting requirements are not synchronised and that non-financial reporting of high quality can only be based on the full, harmonised and high-quality underlying reporting of companies financed. This is not yet the case. Legislators have listened and responded by delaying or moderating certain reporting requirements.

The other important issues that were dealt with by members of the federations were the identification of non-conventional hydrocarbons following the statements by the French Minister for the Economy, Bruno Le Maire, during the Climate Finance Day in late 2020, as well as the preliminary questionnaires relating to the mission entrusted to Yves Perrier on the coordination of financial players with regard to the Paris Agreements.

Working groups also dealt with topics that are less mature or enjoy lower consensus, such as biodiversity issues or the concept of impact.

Looking further ahead, future developments in the standardisation of non-financial reporting taking place, both on the EU side with the work of EFRAG¹, and internationally with that of the newly created ISSB², are also being monitored.

1.2. Surveys and questionnaires

In addition to participating in working groups, Covéa Finance also responds to surveys and questionnaires initiated by professional federations. For example, it responded or contributed to questionnaires in 2021 issued by the following:

- the ACPR's Climate and Sustainable Finance Commission (CCFD), on climate commitments;
- the AMF, on the monitoring of its climate commitments;
- the FFA (which became France Assureurs on 1 January 2022), on sustainable finance;
- the Observatory for Sustainable Finance;
- and also several questionnaires from the AFG (the Mission Perrier entrusted by Bruno Le Maire, or on the Principal Adverse Impacts (PAI) of the SFDR.

With regard to insurance questionnaires, Covéa Finance was a contributor as regards its domain and the questionnaires were compiled and returned at Group level.

Each of these exercises has enabled us to refine our thinking, with the aim not only of greater transparency but also, in a highly operational manner, to improve our analytical methodologies, despite the ever-changing environment.

1. EFRAG: European Financial Reporting Advisory Group.

2. ISSB: International Sustainability Standards Board.

2. General ESG approach and key principles

2.1. Principles of ESG analysis

Because of its management model based on collegiality, cross-functionality and the search for absolute rather than relative performance within a framework of managed risk (seeking the best possible risk-return ratio), Covéa Finance has decided to adopt a global approach to ESG throughout its value chain. Being responsible and accountable for clients' money requires a gradual and progressive approach, which is covered in this report.

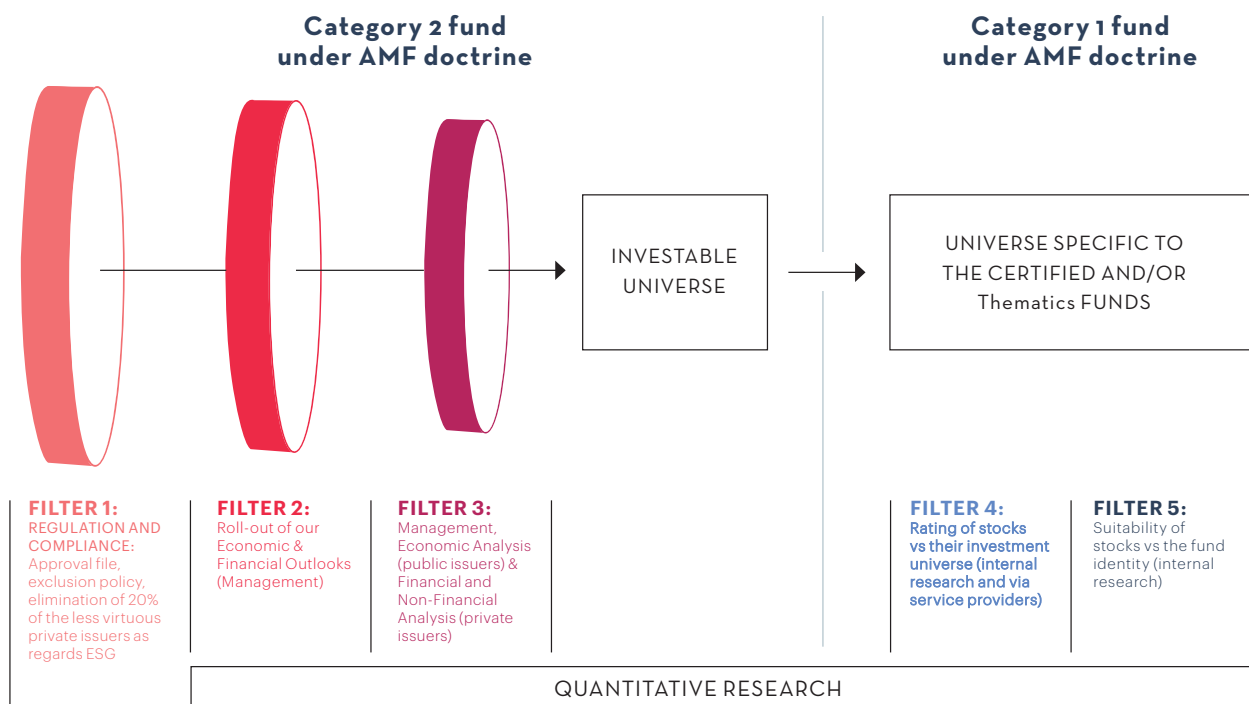
The main principles governing the implementation of ESG within its ESG policy are determined by the Covéa Finance Management Committee, in agreement with its clients and shareholders, which takes into account:

- the search for alignment of interests among stakeholders: this process is systematic and notably takes the form in particular of exercising voting rights;
- taking into account in a balanced manner all three pillars (E, S and G), such that one is not favoured to the detriment of others, despite sometimes contradictory issues;

- the concept of progressivity in the integration of ESG: a project which is spread out over time and fits in with the company's objectives to be achieved by 2026, for balanced incorporation of the various ESG criteria.

The investment strategy is defined in the context of our Economic and Financial Outlooks, whereby Covéa Finance shares with its shareholders, clients and partners its vision of the world and the resulting investment strategy (asset allocation, sector and geographic choices, favoured themes, etc.).

The integration of ESG into the investment process is directly linked to this fundamental work, which determines the investable and investment universes, to varying degrees depending on the portfolios concerned.



Source: Covéa Finance.

The materialisation of the integration of financial and non-financial analysis into the investment decision-making process is also illustrated by the updating of the comitology of our management company.

The objectives of this updating were as follows:

- refocus on the role of research in the investment process;
- increase collegiality between the Fixed Income and Equities management teams;
- integrate risk analysis into committees;
- organise the incorporation of ESG into investment choices in order to identify and qualify the measures taken by companies in relation to their sustainability;

- increase capacity and agility to invest;
- assess companies' strategy and risks to profitability.

In concrete terms, it is reflected in the participation (physical but also on the basis of analysis) of our financial and non-financial analysts in investment committees and multiple thematic cross-functional committees, including the Commodities Committee and the Bank Committee.

2.2. Risk-based approach

The resources deployed concern the issuer risk (the "issuer" of debt securities or property securities) and a first level of aggregation of this risk at the sector level.

Covéa Finance treats ESG as a supplementary means of managing risk in its portfolios, complementing and enriching the traditional view of investment based on financial, accounting and stock market criteria. The concept of ESG provides real added value for portfolio management.

Risks are identified in two stages:

- firstly, the generic and specific risks that could impact the management company in the event of a lack of control of ESG factors; such risks are understood as both short-term and long-term;
- secondly, integration into our issuer analysis methodology based on environmental, social and governance quality criteria.

Generic sustainability risks

Generic risks in the event of ESG factors not being controlled

Environment	Social/Societal	Governance
Physical, transition and reputational risks		
Financial penalty risks		
Regulatory risks		
Financing risks		
Business discontinuity risks		
Portfolio misallocation risks		
Emerging operational risks (including technology)		

Risks specific to global warming and undermining biodiversity

Physical risks*	Transition risks*	Reputational risks*
Financial players are likely to invest in companies "whose activity is directly dependent on services provided by nature. This may be the supply of drinking water or wood, the maintenance of agricultural land, etc. However, it is enough for living species to decline in one location for the whole chain to break down. This is the so-called physical risk." (...) In addition, "some production processes of the chemicals or food industries are based on a water supply, the regularity of which depends on ecosystems. It is sufficient for the quality or quantity to drop to disrupt the associated economic activity, and in turn the investments made in this sector."	"The more a company has an impact on biodiversity the more it exposes itself to one day a government establishing a new standard, or to consumers changing their habits, forcing it to quickly change its practices under the threat of facing major difficulties. Such a situation is likely to expose the banks, funds and insurers financing such companies. This is the so-called transition risk."	"Even before a new regulation or consumption habit is established, or a service provided by nature fails, a company may be criticised for its practices regarding biodiversity. All scenarios are then possible: consumer boycott, collapse on the stock market, business obstructed – this is the so-called reputational risk."

* Taken from the website of the AFD (French Development Agency) (<https://www.afd.fr/fr/actualites/risques-financiers-biodiversite-nature>).

Regulatory risk

In 2021, Covéa Finance set up an Audit & Compliance Committee (COMAC) to monitor regulatory risks and the control system. Under the responsibility of the Compliance & Internal Control Officer responsible for compliance and periodic controls, this committee is attended by at least one senior manager within the meaning of Article L. 539-9 of the French Monetary and Financial Code, the company's two Compliance & Internal Control Officers, the directors, each head of a control department (Audit, Compliance, Internal Control and Risk Management), the division heads (Management, Research, HR, Finance, Marketing-Communication, Marketing, Trading, etc.) and the Head of Procedures.

It meets at least three times a year and is responsible for:

- sharing a culture of managing the risks of non-compliance within Covéa Finance vis-à-vis regulatory challenges;
- supporting the development of the company's activities by providing advice and assistance;
- coordinating the Covéa Finance compliance programme;
- maintaining financial ethics (prevention of conflicts of interest, business ethics, etc.).

2.3. ESG analysis approach and scope

All assets managed by Covéa Finance are potentially eligible for the incorporation of ESG criteria, whether mandates or UCIs.

Our approach is gradual and pragmatic, in line with an ever-changing non-financial field requiring both time and maturity: above all, we seek to give meaning and consistency to this exercise and to help the companies in which we invest to adapt to these changes.

13%

Non-eligible assets under management

(Supranational, Money Market, Alternative Management, Futures/Foreign Exchange, Private Equity and Liquidity)

16%

Eligible assets under management not analysed

71%

Eligible assets under management analysed

102.9
€bn

Assets under management eligible for ESG analysis
(87% of assets under management)

Eligible assets under management analysed by asset segment:

Assets under management analysed in the Sovereign Bond segment (53% of assets under management)

100%

Assets under management analysed in the private issuers segment (Equities/Credit) (21% of assets under management)

24%

76%

Assets under management analysed in the UCI segment (13% of assets under management)

100%

■ Analysed ■ Non-analysed

Source: Covéa Finance.

Regarding our SRI funds, Covéa Flexible ISR and Covéa Actions Solidaires are operated under a best-in-universe approach, in the same way as our funds with an environmental theme, namely Covéa Terra, Covéa Aqua and Covéa Aeris.

Only Covéa Solis adopts a best efforts approach, with the fund favouring companies involved in the energy transition.

As its name suggests, our Covéa Actions Solidaires fund also invests between 5% and 20% of its assets in listed or unlisted solidarity investments.

Lastly, more than ever aware of the challenges of our time, which constitute so many investment opportunities in fast-growing sectors, since 2018 Covéa Finance has been offering a range of 4 funds which address environmental concerns that are important to all of us:

- global warming and air pollution;
- management of water resources;
- the energy transition;
- the circular economy and responsible production and consumption.



Covéa Aeris:
**Mitigate climate change
& improve air quality.**

A fund invested in securities where the business is low carbon intensity or has a favourable impact on air quality due to their involvement in reducing air pollutants.



Covéa Aqua:
**Ensure more efficient
management of water
resources.**

A fund invested in companies likely to offer innovative solutions for the exploitation and optimised use of water resources.



Covéa Solis:
**Supporting the energy
transition.**

A fund invested in companies with potentially high emissions of greenhouse gases but capable of changing their business model in order to commit to an energy transition and committed to a transition approach.



Covéa Terra:
**Produce and consume
responsibly.**

A fund invested in companies based on their involvement in environmentally friendly actions, including their responsible vision of the food chain, waste, waste treatment and the circular economy.

Issuer analysis

The analysis team has developed a sector materiality analysis grid to identify the most relevant issues by sector. This work has made it possible to identify the portfolios' exposure to these risks in light of our sector positioning. This grid is also used by the team of analysts to assess the ESG performance of companies held in the portfolio, according to the actions they implement to hedge and/or mitigate their exposure to such risks.

The "double materiality" principle, which will be highlighted in future SFDR or "Disclosure" standards reporting, is already taken into account in the analysis approach and in the investment decision-making process. This involves, on the one hand, examining the impact of the sustainability risk embedded in portfolios through investments in listed companies and, on the other hand, examining and assessing the impact that these companies themselves have on their environment and their stakeholders. To do this, we have drawn up criteria grids for each E, S and G pillar.

Furthermore, the analysis of controversies relating to issuers makes it possible to assess the criticality of the embedded risks, particularly in terms of energy transition, climate change and biodiversity, and, depending on the circumstances, to engage in shareholder dialogue with the companies concerned, and to make the necessary management decisions (buy, sell, maintain in portfolio, reduce holding, etc.) at investment committees attended by analysts and managers.

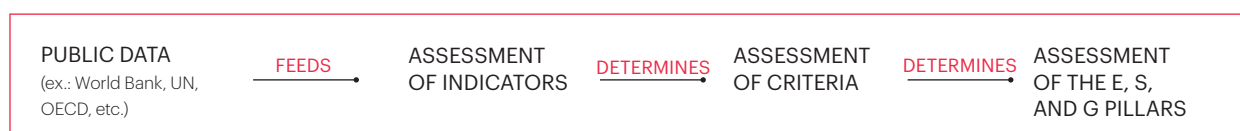
ESG or sustainability risks are growing in maturity, but the associated data still lacks reliability, comparability and harmonisation. Basic source data is therefore frequently lacking (such as no details of the headcount by region or country, or no details on training), entailing difficulties in measuring it and thus analysing it. The mainly qualitative aspect of these risks vis-à-vis other types of risk with longer maturity (stock market and financial risks) is an intrinsic characteristic.

Within the framework of its ESG approach, two internal methodologies for assessing issuers have been defined, relating to sovereign issuers, on the one hand, and private issuers on the other.

Scope of sovereign issuers

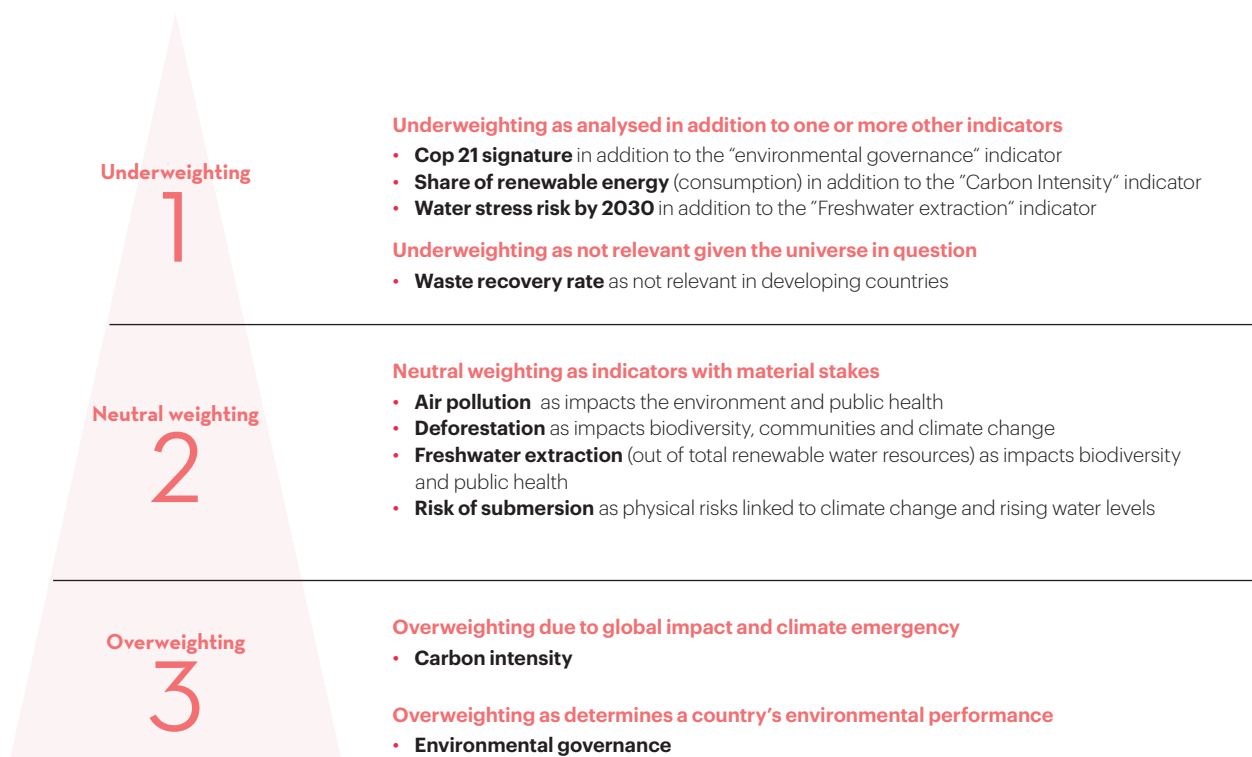
(53% of total assets under management as at 31 December 2021)

The analysts' assessments are mainly based on public databases (data from the World Bank, United Nations, OECD, etc.). Each E, S and G pillar is assessed based on the analysis of criteria, which are themselves determined on the basis of indicators:

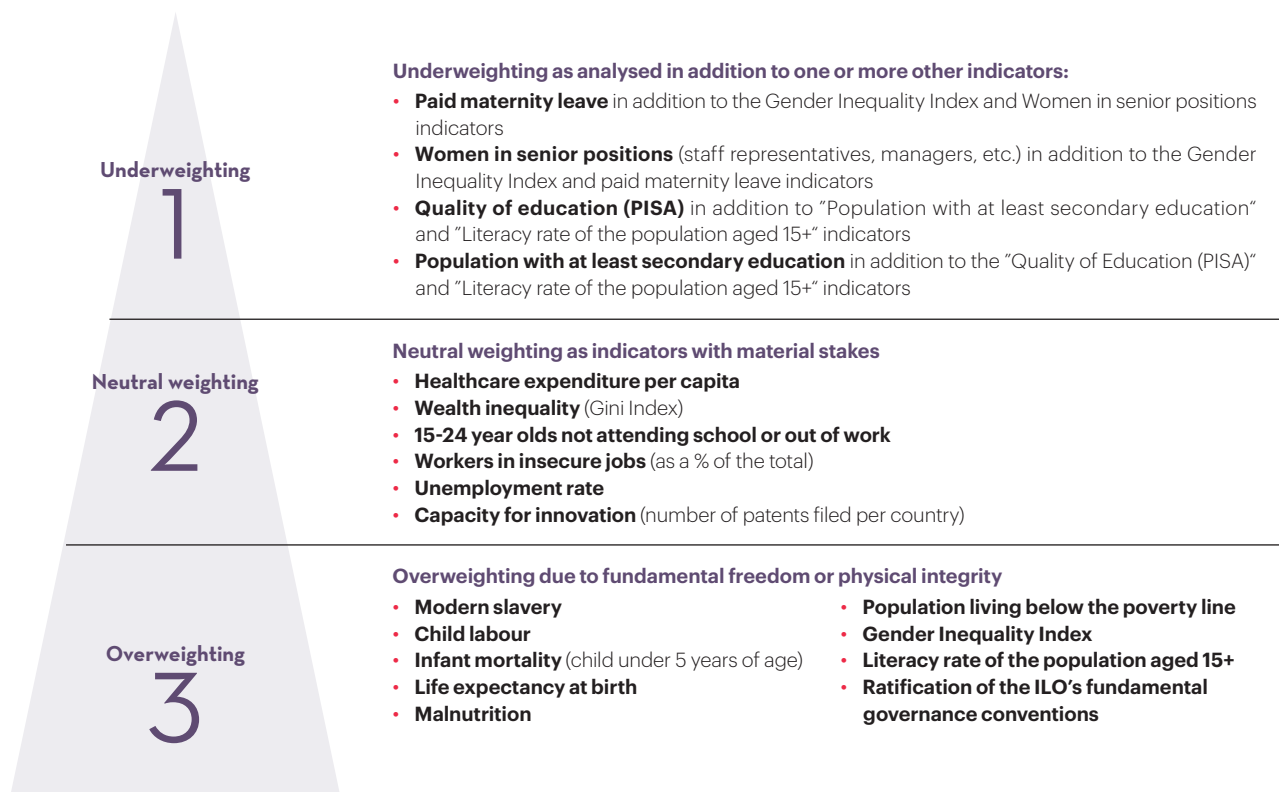


These different criteria are assessed using multiple weightings:

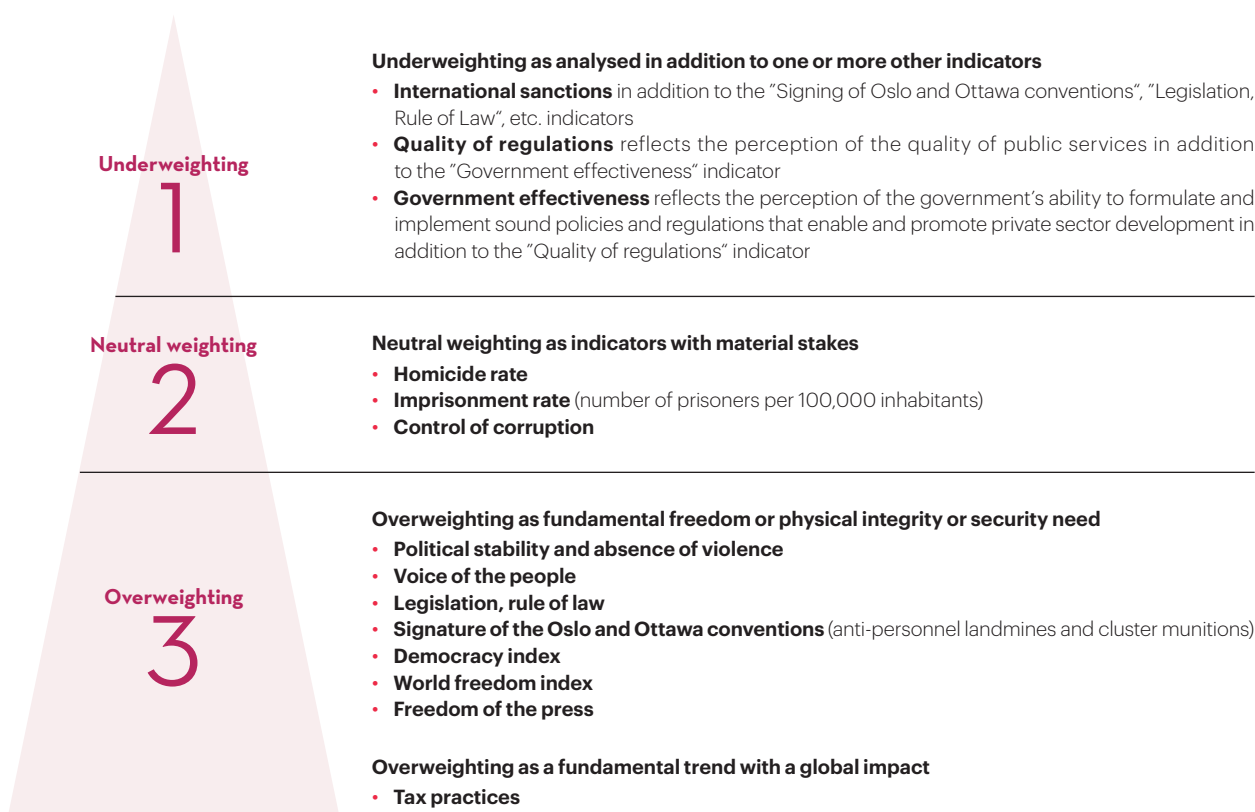
Weighting of Environmental criteria



Weighting of social criteria



Weighting of Governance criteria



During the 2021 update of the sovereign model based on the most recent available data (79% of the indicators updated compared to 2020), 57 countries were studied (compared to 56 in 2020 and 54 in 2019) covering 100% of the sovereign bonds in the portfolio.

The results obtained in 2021 were cross-referenced with the sovereign bonds managed by Covéa Finance (States/quasi-States) as at 31 December 2021.

This made it possible for us to assess the non-financial risks to which the portfolio is exposed by country:

- Covéa Finance is not exposed to sovereign bonds among countries with poor performance as regards the three pillars of E, S and G, such as Egypt, India, Morocco or Saudi Arabia;
- overall, the asset portfolio we manage achieves results equal to or better than the global average as well as the average of each geographical region, mainly due to its exposure to France (79% of sovereign assets under management exposed to this country).

However, France's rating has deteriorated slightly this year, particularly its governance rating, due to the downgrading of 5 sub-indicators of the G pillar (out of a total of 13 indicators):

- voice of the people: an indicator provided by the World Bank that assesses the extent to which citizens of a country

are in a position to participate in the selection of their government, as well as freedom of expression, freedom of association and freedom of the media;

- government effectiveness: an indicator provided by the World Bank that assesses the quality of public services, their degree of independence from political pressure and the quality of the government's implementation of public policies;
- legislation: an indicator provided by the World Bank that assesses the extent to which citizens have confidence in and respect the rules of society, including confidence in the police and the courts;
- democracy Index: an indicator published each year by The Economist Intelligence Unit, which is based on more than 60 different criteria, grouped into five categories (electoral process and pluralism, civil liberties, functioning of the government, political participation and political culture);
- imprisonment rate: indicator provided by the United Nations Office on Drugs and Crime, which represents the prison population per 100,000 inhabitants.

France is now rated positive in terms of environment and social criteria, but neutral in terms of governance.

However, it should be noted that several limitations inherent to the quantitative rating system have been identified, including:

- system fully dependent on underlying assumptions;
- system subject to threshold effects;
- annual data only making it possible to obtain a position belatedly;
- inability to report on all ESG aspects of a country and its specific factors;
- inability to take political risks into account;
- inability to take purely exogenous factors into account;
- data quality and availability determine the relevance of the assessment;
- certain parameters are, by definition, difficult to assess (e.g. modern slavery).

The case of so-called “sustainable” bonds

Since 2017, the Fixed Income management team has invested in so-called “sustainable” bonds intended to finance a project.

Sustainable bonds refer in this document to all bonds issued to finance a defined project, namely green bonds, social bonds and sustainable bonds.

Before each investment in a new bond identified as “sustainable” by the Fixed Income management team, the Financial and Non-Financial Analysis team establishes a rating to verify the “sustainable” nature of this bond. This consists of the critical analysis of the characteristics of the issuance, with the aim of avoiding potential greenwashing by issuers.

Scope of private issuers

(21% of total assets under management as at 31 December 2021)

The analysis sheets produced by the analysts are primarily based on:

- examination of issuer documentation (annual and integrated reports, reference document, CSR or DPEF report, climate report, website, etc.);
- climate and energy transition data submitted by our service provider;
- discussions held with companies as part of shareholder dialogue;
- monitoring of non-financial issues in the media (e.g. controversies, trends, practices, etc.);
- all reports published by stakeholders (professional federations, consumer associations, trade unions, NGOs);
- data provided by a specialist external service provider concerning private issuers’ controversies supplemented by a materiality matrix produced internally.

For each “Environment”, “Social” and “Governance” pillar, Covéa Finance has determined criteria, themselves subdivided into indicators, which it considers to be common fundamentals for all private issuers. For each of these indicators and criteria, an assessment is established:

- positive;
- neutral;
- negative.

The consolidation of these assessments by indicator and then by criteria makes it possible to obtain a positive, neutral or negative assessment for each of the three E, S and G pillars. Any sudden deterioration in an assessment may trigger an alert being forwarded to management and may be the subject of more in-depth monitoring in the context of shareholder dialogue.

Scope of UCIs

(13% of total assets under management as at 31 December 2021)

In 2019, UCIs were included in the scope of assets eligible for non-financial analysis following the finalisation of the integration of ESG criteria within the questionnaires of asset management companies (AMCs).

For external UCIs (1.9% of assets under management as at 31 December 2021), the “look-through” exercise (line-by-line reconstitution of the funds held in a portfolio) is technically difficult to achieve. This is why the Multi-Management team integrates ESG through two questionnaires (AMC and Fund) sent to external AMCs.

Improvements were made during 2021 to both the AMC questionnaires and Fund questionnaires in response to regulatory developments and Covéa Finance’s ESG positioning:

- for AMC questionnaires, additional questions relating to the implementation of a specific sustainability policy, in addition to consideration of the main negative impacts on sustainability factors;
- similarly, the Fund questionnaire has been enhanced with questions relating to the promotion of environmental and/or social characteristics (within the meaning of Article 8 of the Disclosure Regulation), sustainable investment objectives (within the meaning of Article 9 of the Disclosure Regulation) and the inclusion of sustainability risk in the investment process.

For internal UCIs (11.3% of assets under management as at 31 December 2021) managed by Covéa Finance, an ESG analysis is carried out in two respects: through the same AMC questionnaire as for external management companies, which integrates ESG criteria and reflects the robustness of Covéa Finance’s ESG approach, organised around key principles, but also and above all via the “look-through” process, which allows each line of funds held to be reconstituted and therefore to carry out ESG analysis at issuer level.

2.4. Classification of financial products in accordance with the SFDR and AMF Doctrine approaches

As at 31 December 2021, no Covéa Finance product was classified under Article 9 according to the European Disclosure Regulation.

The breakdown of Covéa Finance assets under the SFDR classification is as follows:

Breakdown of our assets under the SFDR classification			Breakdown of our assets under the SFDR classification		
As at 31 December 2021					
(in euros)	Article 6	Article 8	(as % of total)	Article 6	Article 8
Mandates	86,650,784,569		Mandates	84.2%	
UCIs	578,034,732	9,708,541,218	UCIs	0.6%	9.4%
Multi-management	3,472,011,138	317,196,633	Multi-management	3.4%	0.3%
Total	90,700,830,439	10,025,737,851	Weighting out of total assets	88.1%	9.7%

Source: Covéa Finance.

For information purposes, at the request of our clients, our institutional mandates are being analysed for classification under Article 8 during H1 2022.

The table below (source: Covéa Finance) provides a clearer overview, listing the UCIs placed in categories 6 and 8 as well as their assets in euros and the ratio to the total assets managed by our Management Company.

Name	ISIN code	Regulation	Type of UCI	SICAV/FCP /FCPE	SFDR category	AMF category	Assets under management 31/12/2021 (in euros)
Covéa Actions Amérique	FR0000934937	UCITS	Equities	SICAV	Article 8	2	219,413,847
Covéa Actions Amérique	FR0011120385	UCITS	Equities	SICAV	Article 8	2	241,635,436
Covéa Actions Amérique Mid Cap	FR0011208800	UCITS	Equities	FCP (mutual fund)	Article 8	2	96,203
Covéa Actions Amérique Mid Cap	FR0011208784	UCITS	Equities	FCP (mutual fund)	Article 8	2	107,951,238
Covéa Actions Asie	FR0000441677	UCITS	Equities	FCP (mutual fund)	Article 8	2	107,868,367
Covéa Actions Croissance	FR0007022157	UCITS	Equities	FCP (mutual fund)	Article 8	2	171,914,102
Covéa Actions Croissance	FR0007024021	UCITS	Equities	FCP (mutual fund)	Article 8	2	29,948,328
Covéa Actions Croissance	FR0013367182	UCITS	Equities	FCP (mutual fund)	Article 8	2	74,044,796
Covéa Actions Euro	FR0000441636	UCITS	Equities	FCP (mutual fund)	Article 8	2	11,508,755
Covéa Actions Euro	FR0010567487	UCITS	Equities	FCP (mutual fund)	Article 8	2	133,668,450
Covéa Actions Euro	FR0013317682	UCITS	Equities	FCP (mutual fund)	Article 8	2	141,893,519
Covéa Actions Europe	FR0000425027	UCITS	Equities	FCP (mutual fund)	Article 8	2	66,208,956
Covéa Actions Europe Hors Euro	FR0000441628	UCITS	Equities	FCP (mutual fund)	Article 8	2	239,926,069
Covéa Actions Europe Instit	FR0007451620	AIFs	Equities	FCP (mutual fund)	Article 8		361,213,647
Covéa Actions Europe Opportunité Part A	FR0000441685	UCITS	Equities	FCP (mutual fund)	Article 8	2	39,880,773
Covéa Actions Europe Opportunités Part I	FR0010567529	UCITS	Equities	FCP (mutual fund)	Article 8	2	230,884
Covéa Actions France	FR0000289381	UCITS	Equities	SICAV	Article 8	2	136,364,504
Covéa Actions France	FR0000298168	UCITS	Equities	SICAV	Article 8	2	765,687
Covéa Actions France	FR0011120377	UCITS	Equities	SICAV	Article 8	2	169,316,768
Covéa Actions Investissement	FR0007497789	UCITS	Equities	FCP (mutual fund)	Article 8	2	607,762,760

Source: Covéa Finance.

Name	ISIN code	Regulation	Type of UCI	SICAV/FCP /FCPE	SFDR category	AMF category	Assets under management 31/12/2021 (in euros)
Covéa Actions Japon	FR0000289431	UCITS	Equities	SICAV	Article 8	2	214,318,968
Covéa Actions Japon	FR0014002B98	UCITS	Equities	SICAV	Article 8	2	56,307
Covéa Actions Monde	FR0000939845	UCITS	Equities	SICAV	Article 8	2	416,155,937
Covéa Actions Monde	FR0010567552	UCITS	Equities	SICAV	Article 8	2	394,421,913
Covéa Actions Monde	FR0013480779	UCITS	Equities	SICAV	Article 8	2	235,176
Covéa Actions Rendement	FR0007483474	UCITS	Equities	FCP (mutual fund)	Article 8	2	209,413,403
Covéa Actions Rendement	FR0012616688	UCITS	Equities	FCP (mutual fund)	Article 8	2	77,753,645
Covéa Actions Solidaires	FR0010535625	AIFs	Equities	FCP (mutual fund)	Article 8	1	51,398,193
Covéa Aeris	FR0013312659	UCITS	Equities	FCP (mutual fund)	Article 8	1	610,694
Covéa Aeris	FR0013312642	UCITS	Equities	FCP (mutual fund)	Article 8	1	140,694,621
Covéa Aqua	FR0013312667	UCITS	Equities	FCP (mutual fund)	Article 8	1	2,826,777
Covéa Aqua	FR0013312675	UCITS	Equities	FCP (mutual fund)	Article 8	1	122,055,060
Covéa Euro Souverain	FR0000939969	UCITS	Fixed Income	SICAV	Article 6	3	131,256,916
Covéa Euro Souverain	FR0000939951	UCITS	Fixed Income	SICAV	Article 6	3	12,033,291
Covéa Euro Spread	FR0000441651	UCITS	Fixed Income	FCP (mutual fund)	Article 8	2	102,770,487
Covéa Euro Spread	FR0011066075	UCITS	Fixed Income	FCP (mutual fund)	Article 8	2	12,030,034
Covéa Flexible ISR	FR0000002164	UCITS	Equities	SICAV	Article 8	1	218,067,720
Covéa Haut Rendement	FR0011134535	UCITS	Fixed Income	FCP (mutual fund)	Article 8	2	91,404,762
Covéa Moyen Terme	FR0000931446	UCITS	Fixed Income	SICAV	Article 8	2	278,565,488
Covéa Moyen Terme	FR00140047Q8	UCITS	Fixed Income	SICAV	Article 8	2	12,396,433
Covéa Multi Absolute Return	FR0010694141	AIFs	Multi-management	FCP (mutual fund)	Article 6	3	243,997,704
Covéa Multi Émergents	FR0010652495	AIFs	Multi-management	FCP (mutual fund)	Article 6	3	7,221,830
Covéa Multi Émergents	FR0010654509	AIFs	Multi-management	FCP (mutual fund)	Article 6	3	11,964,439
Covéa Multi Europe	FR0010567495	UCITS	Multi-management	SICAV	Article 6	3	466,038,560
Covéa Multi Europe	FR0000939852	UCITS	Multi-management	SICAV	Article 6	3	301,906,538
Covéa Multi Haut Rendement	FR0010399790	AIFs	Multi-management	FCP (mutual fund)	Article 6	3	15,110,431
Covéa Multi Immobilier	FR0000939860	UCITS	Multi-management	SICAV	Article 6	3	63,106,853
Covéa Multi Immobilier	FR0010567511	UCITS	Multi-management	SICAV	Article 6	3	94,069
Covéa Multi Monde	FR0000970550	UCITS	Multi-management	FCP (mutual fund)	Article 6	3	70,476,713
Covéa Multi Monde	FR0011341155	UCITS	Multi-management	FCP (mutual fund)	Article 6	3	356,818,820
Covéa Multi Small Cap Europe	FR0000445074	UCITS	Multi-management	FCP (mutual fund)	Article 6	3	36,933,057
Covéa Multi Small Cap Europe	FR0010567545	UCITS	Multi-management	FCP (mutual fund)	Article 6	3	198,886,582
Covéa Oblig Inter	FR0000939936	UCITS	Fixed Income	SICAV	Article 8	2	269,121,082
Covéa Obligations	FR0000289472	UCITS	Fixed Income	SICAV	Article 8	2	123,254,805
Covéa Obligations	FR00140047R6	UCITS	Fixed Income	SICAV	Article 8	2	49,545
Covéa Obligations	FR0000289480	UCITS	Fixed Income	SICAV	Article 8	2	818,064

Source: Covéa Finance.

Name	ISIN code	Regulation	Type of UCI	SICAV/FCP /FCPE	SFDR category	AMF category	Assets under management 31/12/2021 (in euros)
Covéa Obligations Convertibles	FR0000978736	UCITS	Fixed Income	FCP (mutual fund)	Article 8	2	143,697,515
Covéa Obligations Convertibles	FR0011070762	UCITS	Fixed Income	FCP (mutual fund)	Article 8	2	113,443,131
Covéa Obligations Convertibles	FR0013317674	UCITS	Fixed Income	FCP (mutual fund)	Article 8	2	157,834,390
Covéa Patrimoine	FR0011790559	UCITS	Flexible	FCP (mutual fund)	Article 8	2	165,768,656
Covéa Patrimoine	FR0011790567	UCITS	Flexible	FCP (mutual fund)	Article 8	2	151,427,977
Covéa Perspectives Entreprises	FR0000939886	UCITS	Equities	SICAV	Article 8	2	82,207,810
Covéa Perspectives Entreprises	FR0010567537	UCITS	Equities	SICAV	Article 8	2	148,485,019
Covéa Profil Dynamique	FR0007019039	UCITS	Multi-management	FCP (mutual fund)	Article 6	3	611,014,310
Covéa Profil Dynamique	FR0010752865	UCITS	Multi-management	FCP (mutual fund)	Article 6	3	84,547,681
Covéa Profil Equilibre	FR0010395608	UCITS	Multi-management	FCP (mutual fund)	Article 6	3	876,400,490
Covéa Profil Equilibre	FR0000445058	UCITS	Multi-management	FCP (mutual fund)	Article 6	3	26,798,583
Covéa Profil Offensif	FR0010395624	UCITS	Multi-management	FCP (mutual fund)	Article 6	3	273,970,584
Covéa Profil Offensif	FR0000445033	UCITS	Multi-management	FCP (mutual fund)	Article 6	3	105,018,300
Covéa Rendement Réel	FR0013333283	UCITS	Fixed Income	FCP (mutual fund)	Article 6	3	16,009,606
Covéa Rendement Réel	FR0013333291	UCITS	Fixed Income	FCP (mutual fund)	Article 6	3	418,734,811
Covéa Rendement Réel	FR0013333317	UCITS	Fixed Income	FCP (mutual fund)	Article 6	3	108
Covéa Renouveau France	FR0014001BL7	UCITS	Equities	Sub-fund of the Covéa Renouveau fund	Article 8	2	59,595,429
Covéa Renouveau France	FR0014001BM5	UCITS	Equities	Sub-fund of the Covéa Renouveau fund	Article 8	2	113,884
Covéa Ruptures	FR0013357811	UCITS	Equities	FCP (mutual fund)	Article 8	2	382,446,141
Covéa Ruptures	FR00140047S4	UCITS	Equities	FCP (mutual fund)	Article 8	2	220,081
Covéa Ruptures	FR0013357803	UCITS	Equities	FCP (mutual fund)	Article 8	2	2,307,235
Covéa Sécurité	FR0011365204	UCITS	Fixed Income	SICAV	Article 8	2	764,892
Covéa Sécurité	FR0000931420	UCITS	Fixed Income	SICAV	Article 8	2	151
Covéa Sécurité	FR0000931412	UCITS	Fixed Income	SICAV	Article 8	2	2,684,671,316
Covéa Solis	FR0013312683	UCITS	Equities	FCP (mutual fund)	Article 8	1	121,171,301
Covéa Solis	FR0013312709	UCITS	Equities	FCP (mutual fund)	Article 8	1	4,699,807
Covéa Terra	FR0013312717	UCITS	Equities	FCP (mutual fund)	Article 8	1	2,743,462
Covéa Terra	FR0013312733	UCITS	Equities	FCP (mutual fund)	Article 8	1	149,160,590

Source: Covéa Finance.

2.5. Additional indicators

Dedicated reports of open-ended and certified funds

Dedicated ESG reports have been formalised for Covéa Finance open-ended UCIs, of which the assets under management as at 31 December 2021 were above €500 million, as well as for funds with an environmental theme. A few key factors regarding these funds are listed in the two tables below.

SRI funds are not covered by a dedicated ESG report, but rather by a transparency code and an impact report that are published separately. However, we highlight the main elements below.

All of these reports are available on the Covéa Finance website.

Open-ended funds with assets of more than €500m

Fund	Net assets as at 31/12/2021	Weighting within Covéa Finance assets under management	Share of assets eligible for the carbon intensity calculation	Carbon intensity (tonnes of CO ₂ eq./€m in revenue or GDP)
Covéa Actions Investissement	€607,747,774	0.59%	98%	169
Covéa Actions Monde	€810,787,154	0.79%	97%	204
Covéa Sécurité	€2,685,432,697	2.61%	14%	307
Covéa Profil Equilibre	€903,174,327	0.88%	0%	Not significant as <10% of assets under management are included within the scope of the carbon intensity calculation
Covéa Profil Dynamique	€695,538,170	0.68%	0%	
Covéa Multi Europe	€767,929,762	0.75%	0%	
Total	€6,470,609,884	6.30%		

Source: Covéa Finance.

Funds with environmental theme

Fund	Net assets as at 31/12/2021	Weighting within Covéa Finance assets under management	Share of assets eligible for the carbon intensity calculation	Carbon intensity (tonnes of CO ₂ eq./€m in revenue or GDP)
Covéa Aeris	€141,302,976	0.14%	94%	80
Covéa Aqua	€124,879,707	0.12%	94%	154
Covéa Solis	€125,868,910	0.12%	92%	386
Covéa Terra	€151,901,480	0.15%	94%	308
Total	€543,953,073	0.53%		

Source: Covéa Finance.

For information, these 4 funds received SRI certification in 2022.

SRI-certified funds as at 31 December 2021

Fund	Net assets as at 31/12/2021	Weighting within Covéa Finance assets under management	Share of assets eligible for the carbon intensity calculation	Carbon intensity (tonnes of CO ₂ eq./€m in revenue or GDP)
Covéa Flexible ISR	€218,058,759	0.21%	74%	302
Covéa Actions Solidaires	€51,395,946	0.05%	74%	149
Total	€269,454,705	0.26%		

Source: Covéa Finance.

Bond investment indicators

ESG bonds intended to finance a project	Net assets as at 31/12/2021	Weighting within Covéa Finance assets under management	Net assets as at 31/12/2020	Weighting within Covéa Finance assets under management
Green bonds	€2,576,719,946	2.50%	€1,739,581,251	1.70%
Social bonds	€929,834,798	0.90%	€416,518,861	0.40%
Sustainable bonds	€284,930,312	0.30%	€85,460,443	0.10%
ESG performance bonds*	€299,348,447	0.30%	€85,047,681	0.10%
Total	€4,090,833,503	4.00%	€2,326,608,236	2.30%

* Definition: ESG performance bonds offer a return that changes during the life of the bond, through a mechanism of step-up coupons or step-down coupons depending on the success of an issuer in achieving specific performance objectives, whether environmental, social or governance; they are not used to finance a specific project. The mechanism must encourage companies to achieve their objectives in order to benefit from a decrease in their cost of financing.

Credit Investments with Social Landlords	Net assets as at 31/12/2021	Weighting in Covéa Finance assets under management
Total	€232,129,907	0.23%

Source: Covéa Finance.

3. Adherence to charters, codes and certification

SRI Label

As at the end of December 2021, Covéa Finance was managing two SRI-certified funds:

- Covéa Flexible ISR: certified in 2019, formerly called Covéa Sélectif, it adapts to the various market configurations, thereby enabling total flexibility between equities and fixed income products;
- Covéa Actions Solidaires: certified in 2018, the fund supports social and solidarity-based initiatives.

The key objective of the SRI certification supported by the public authorities is to mark out investment funds invested with issuers whose management strategy and practices are designed to meet the challenges of sustainable development. Obtaining this certification officially recognises the SRI nature of funds, implying a systematic and restrictive reduction of the investment universe, following a strict audit process carried out by an independent certifying body.

At the beginning of 2022, our four thematic funds, namely Covéa Terra, Covéa Solis, Covéa Aqua and Covéa Aëris, also obtained this SRI certification.

Finansol Label

In 2021, our Covéa Actions Solidaires fund also obtained the Finansol certification

The Finansol certification was created in 1997 to distinguish solidarity-based savings products from other savings products for the general public. It genuinely attests to the solidarity-based nature of a financial product.

Relance Label

Determined to participate in the recovery of the French economy, Covéa Finance also manages two funds enjoying the Relance certification:

- Covéa Renouveau France, of which the sub-fund's investment strategy consists of selecting companies based in France and/or traded on the French market from all sectors that contribute to the security and/or sovereignty of the French economy, by favouring investments in small- and mid-cap stocks;
- Covéa Perspectives Entreprises, a generalist fund focussing on the growth of mostly French small and mid caps.

Greenfin Label

In early 2022, our Covéa Terra fund was also awarded Greenfin certification from the Ministry of Ecological

Transition, "guaranteeing the green quality of investment funds and targeting financial operators that act to serve the common good through transparent and sustainable practices. This certification is unique by excluding funds that invest in companies operating in the nuclear and fossil fuels sector". (Source: Ministry of Ecological Transition).

Principles for Responsible Investment - PRI

Through the Covéa group, Covéa Finance is a signatory of the Principles for Responsible Investment backed by the United Nations.

In 2020, the Group joined the international network of institutional investors committed to the incorporation of environmental, social and governance issues in investment decisions and active shareholding.

By adhering to the PRI, the Group is committed to 6 main principles:

- incorporation of ESG issues into investment analysis and decision-making processes;
- being active investors and incorporating ESG issues into shareholder policies and practices;
- asking the entities in which we invest to disclose appropriate ESG information;
- promoting the acceptance and application of the principles among asset management operators;
- working together to increase effective application of the principles;
- reporting individually on activities and progress in the application of the principles.

Carbon Disclosure Project - CDP

Each year, our management company participates in certain collective initiatives relating to the CDP. Data collection feeds into the CDP database.

Just Transition Coalition

In July 2021, Covéa Finance joined the Just Transition Coalition. This is a collaborative platform launched by Finance for Tomorrow which brings together asset managers and asset owners from the French financial ecosystem, with the mission of promoting to companies a socially acceptable transition to a low-carbon economy. Joining this coalition is consistent with our goal of participating in the transition towards a sustainable economy, while managing any negative social impact. In this context, Covéa Finance analysts are involved with industry working groups.

4. Resources deployed by Covéa Finance

4.1. Human and financial resources

The financial and non-financial analysis teams were merged at the end of 2020, and had 11 employees at the end of December 2021.

The average weight of our management company's FTEs participating in the incorporation of ESG criteria, which includes not only analysts but also the manager-analysts

(Equities, Fixed Income, Multi-Management) equates to 33% of our management company's average FTEs (184.45).

Financial resources (excluding HR, premises, workstations) amounted to €300k as at 31 December 2021. However, including the new services that we subscribed to with ISS, which are yet to be processed for accounting purposes, the amount is approaching €570k.

4.2. Data and service providers

Over the years, the topic of data has become a major concern for investors, who need to build their investment strategy and decisions based on stable and reliable data. Faced with the influx of data, published figures must maintain meaning, and a critical approach to the use of external sources is favoured.

The use of certain service providers provides specific and targeted expertise that complements the research methodology developed in-house.

Our relationships with our service providers are regularly reviewed throughout the year. We also carry out monitoring, including of service providers whose services we do not use.

Service providers	Data provided	Expertise
ISS & ISS ESG	Voting recommendations and analysis	Analysis of resolutions at General Meetings (in light of the requirements of our voting policy)
	ESG rating of issuers	Rating of a large number of issuers across a broad range of countries
	Sector data	Identification of issuers according to the sectors listed in our exclusion policy
	Climate expertise	Carbon intensity and footprint
		Taxonomy
	Data on controversies	Monitoring the news and the nature of controversies
CDP (Carbon Disclosure Project)	Issuers' response to Carbon, Water and Forest questionnaires	Environmental expertise
Urgewald (NGO)	Global Coal Exit List (GCEL)	Coal expertise
Vigéo	ESG rating of issuers	Rating of a large number of issuers across a broad range of countries
	Data on controversies	Monitoring the news and the nature of controversies

Covéa Finance is determined to monitor the quality of the data it receives as closely as possible. In March 2021 it therefore began to evaluate and compare the quality and quantity of data available from service providers.

Covéa Finance also asks its service providers to provide it with details distinguishing between published and estimated data. Our main provider, ISS, has provided the following breakdown of data provided, distinguishing between what is reported, i.e. comes from issuers, and what is estimated by its teams:

	Published data	Estimated data
ESG rating of issuers	≥ 80%	< 20%
Controversial weapons	100%	0%
Normative exclusions	100%	0%
Tobacco-related activities	7%	93%
Gambling activities	25%	75%
Fossil fuel data	33%	67%
Coal data	44%	56%
Nuclear data	10%	90%
EU taxonomy	0%	100%
Climate data	25%	75%
Sustainable Development Goals (SDGs)	10%	90%

Source: ISS.

4.3. Strengthening of resources

After the merger of the two financial and non-financial analysis teams at the end of 2020, FY 2021 was a year of cross-training, with each learning the job of the other, in order to achieve a dual view of the companies being analysed.

Knowledge enhancement remains a core preoccupation, as exemplified by multiple sessions of internal brainstorming on the issues of global warming and certifications.

The team will continue to strengthen its workforce in 2022, in order to be able to actively contribute to future developments. Multiple recruitments are underway, with the management of Covéa Finance determined to provide the department with adequate resources to meet its objectives.

In 2022, the team also plans several sessions to raise awareness about sustainable finance issues for Front Office personnel (management and analysis).

On a broader scale, the transfer of knowledge and practices will now take place within the framework of our Internal University, and notably the induction programme for new recruits. This is in particular about ensuring the continuity and development of our process designed to integrate research into investment decisions.

5. Governance

Covéa Finance's management committee meets regularly to oversee Covéa Finance's strategy, notably in terms of implementing our clients' expectations and the ESG policy.

Covéa Finance reports on and conducts discussions on ESG issues with its main client (and shareholder), Covéa, in multiple ways: through direct participation in existing Group committees (notably the CSR Committee and Financial Coordination Committee) and specific ad hoc intra-Group bodies, such as the Covéa Task Force on ESG reports.

5.1. Knowledge, experience and supervision system

As the regulatory framework is constantly changing, the members of the Management Committee are kept informed by the Strategic Watch and Compliance departments, which share advances in the legislative and regulatory framework as well as educational content with them. They are therefore continuously consolidating their proficiency as regards management of non-financial issues.

Within Covéa, the Covéa Task Force was created in March 2016 and met regularly during 2021. This working group includes all stakeholders of the Covéa group concerned by the publication of the Group's ESG Report. This is an exercise in coordination, sharing and knowledge enhancement relating to non-financial matters.

A second-level control system for non-financial matters has also been established to meet the following main objectives:

- audit and management of operational risks concerning the incorporation of non-financial criteria;
- establish all measures to minimise the consequences associated with non-compliance of our professional obligations;
- ensure compliance with ESG-related policies and associated procedures;

- ensure compliance with management strategies including ESG criteria and the consistency of investment and divestment decisions;
- take into account, in the mapping shared with the business lines all non-financial risks (non-compliance and operational risks) by classifying such risks (probability of occurrence, impact assessment) and by identifying the controls associated with the risks;
- ensure continuous improvement of procedures, recommendations, corrective actions and implementation monitoring.

Covéa Finance's Internal Control Department independently performs its second-level control work. Each of its controls is formalised and documented with a detailed summary report.

If an anomaly is detected during any audit, Internal Control notifies the operational staff concerned by email, as well as their line managers, recommending corrective actions so that they can be implemented immediately. Internal Control does not issue any further requests once the anomaly is resolved.

5.2. Links with the compensation policy and rules of procedure of the Board of Directors or Supervisory Board

These elements can be found in the management company's activity report and in our CSR Charter, published on the Covéa Finance website.

These documents also include information defining the management company's objective in terms of the balanced representation of women and men among the teams (see the "Rixain" law), bodies and managers responsible for making investment decisions, in addition to the results obtained.

6. Policy implementation reports

6.1. Sustainability risks and ESG policy

88 studies were carried out during 2021 on private issuers of securities. These analyses focus in depth on the 3 E, S and G pillars, and incorporate an assessment of the issuer's contribution to the SDGs (Sustainable Development Goals), as well as an analysis of the issuer's carbon performance relative to its peers.

In addition, specific ratings are carried out for our four funds with environmental themes, in order to assess the company's direct or indirect environmental impact in relation to the

fund's theme and the commitments made and communicated by the company. In addition to the new ratings arising from management requirements, the existing ratings must be updated every two years in accordance with our operating procedure. For the four funds combined, 112 ratings were performed in 2021.

6.2. Voting and shareholder engagement policy

6.2.1 Voting policy

Owning a share generally gives the shareholder the right to express their views on the management of the company. The purpose of the General Meeting (GM) is to provide a place for dialogue between the shareholders and the management. The GM is thus a special, legally required framework for shareholder engagement and democracy.

Covéa Finance exercises the voting rights of its clients in application of its shareholder engagement policy. This document is available on its website and is subject to an annual review.

In 2021, Covéa Finance voted at 96% of the General Meetings (hereinafter "GMs") of companies identified as a priority within its voting spectrum, corresponding to 51 GMs over the financial year and some 853 resolutions.

A negative vote was cast for more than 150 resolutions. A negative ballot is an opposition vote. It can be a vote "AGAINST" a resolution approved by the Board of Directors, but can also be a vote "FOR" a resolution not approved by the Board.

Negative votes were mainly exercised for resolutions relating to the following topics:

- executive compensation, such as severance payments disguised in the context of the voluntary departure of a senior manager, non-competition payments in the event of retirement, lack of transparency of the variable components of compensation, etc.;

- capital transaction authorisations deemed to be an anti-takeover* mechanism
- the appointment of members of the Board of Directors or Supervisory Board, particularly when the Board's level of independence is deemed unsatisfactory.

The more detailed voting report is available on the Covéa Finance website.

6.2.2 Shareholder engagement policy

In addition to exercising voting rights, Covéa Finance considers direct dialogue with companies as a key area for promoting better governance, more responsible social and environmental practices and increased transparency.

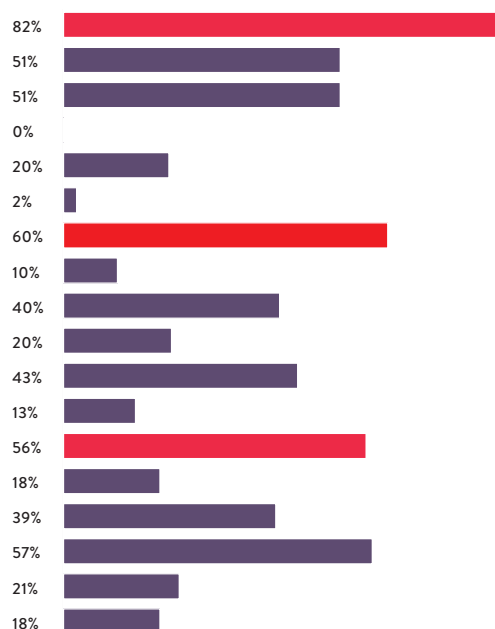
In 2021, in addition to regular discussions between our managers and companies, the analysis team recorded 48 formal shareholder discussions to help companies achieve more responsible practices, compared with 32 last year. However, 2020 was significantly disrupted by the health crisis and the lack of availability of companies.

As illustrated below, the topics discussed were largely focused on the environment, in a context of high expectations in terms of taxonomy, environmental initiatives and limiting global warming. These themes were covered in 82% of the discussions. However, the social and governance elements were not left by the wayside, with 60% and 56% respectively of the themes that were addressed (the total being logically greater than 100).

Themes addressed in 2021

(% of meetings during which the theme was addressed)

ENVIRONMENT
CLIMATE CHANGE AND ENERGY TRANSITION
ENVIRONMENTAL MANAGEMENT AND ENVIRONMENTAL RISK MANAGEMENT
BIODIVERSITY
POLLUTION AND WASTE MANAGEMENT
WATER MANAGEMENT
SOCIAL-SOCIETAL
HEALTHCARE ACCESS
EMPLOYMENT AND EMPLOYABILITY
DIVERSITY
SUPPLY CHAIN MANAGEMENT (CHAIN BREAKS, RELATIONSHIPS, ETC.)
CYBERSECURITY AND DIGITAL TRANSITION
GOVERNANCE
2020 GM RESOLUTIONS
EXECUTIVE COMPENSATION
COMPOSITION OF THE BOARD
SHAREHOLDERS' RIGHTS
BUSINESS ETHICS



Sources: ISS, Covéa Finance.

Review of engagement campaigns carried out

An engagement campaign is defined as an initiative, in this case implemented by Covéa Finance, consisting of questioning/interviewing a certain category of companies on specific and identified subjects; it takes the form of drafting and sending a letter, making it possible to initiate shareholder dialogue where appropriate.

Three engagement campaigns were initiated by Covéa Finance analysts and conducted in 2021, compared to one in 2020, each focused on one of our three pillars of E, S and G:

- **E pillar: Engagement campaign on fossil fuels, targeting companies in our portfolios.**

Content: Raising awareness of the negative impact of exploiting non-conventional oil and gas, requests for clarification on the exposure of these companies to such activities, reminder of the Paris Agreement's objectives in terms of carbon neutrality by 2050, requests for details about their own objectives and resources implemented (scopes 1, 2 and 3).

- **S pillar: Engagement campaign associated with our Reliance certification and with jobs in France, addressed to the companies included in our two funds benefiting from this certification: Covéa Perspectives Entreprises and Covéa Renouveau.**

Content: Request for information on schemes for sharing value-added, measures to protect jobs, training and inclusion, gender equality in the company assessment, average number of employees, including the number of

employees located in France, in addition to governance practices (compensation committees, audits, independent directors, employee directors, etc.) and measures taken to promote the digital and ecological transition.

- **G pillar: Engagement campaign on the importance of comprehensive and transparent reporting, focussing on our SRI and thematic funds.**

Content: Calls for greater transparency and communication on the company's adherence to the United Nations Global Compact, integration of the Sustainable Development Goals (SDGs), integration of the 6 objectives of the EU Taxonomy, mention of the standards of the GRI (Global Reporting Initiative), SBTs (Science Based Targets) and the fundamental conventions of the ILO (International Labour Organization), and information requested by the CDP (Carbon Disclosure Project).

Targeted companies: those identified by our analysis team as the least transparent among those included in our SRI-certified funds, our 4 environmental-themed funds and the Perspectives PME fund.

A total of 117 letters were formally sent to companies in France, Europe, North America and Asia.

In addition, like every year, Covéa Finance participated in the CDP, the Carbon Disclosure Campaign, commitment via letters sent to 3 companies:

- Orsted and Alstom on the theme of water;
- Saint-Gobain on the theme of forest protection.

6.3. Exclusion policy

Covéa Finance's exclusion policy is published on its website (www.covea-finance.fr).

Exclusion refers to securities issued by a company, independently of other companies within its group (parent company, subsidiaries).

Covéa Finance is committed to complying with this exclusion policy in all of its UCIs and mandates, for any direct investment in equities or bonds.

In order to guarantee the application of this policy, Covéa Finance relies on an operating procedure based on:

- identification of companies exposed to one of the excluded sectors, with the support of a specialist service provider;
- blocking of 'buy' orders in our IT system for all relevant securities;
- periodic monitoring of portfolios and quarterly review of the list of excluded securities.

More generally, shareholder dialogue is favoured with the companies rather than exclusion, as a means of promoting more responsible practices in a constructive support approach.

As a reminder, this exclusion policy is broken down into:

- normative exclusions (cluster weapons, anti-personnel landmines, bacteriological and/or chemical weapons, etc.);
- sector exclusions (tobacco, gambling and betting);
- exclusions relating to the theme of thermal coal.

More specifically with regard to thermal coal: Covéa Finance is committed to excluding from its investments companies in connection with the coal theme:

a. On the basis of relative thresholds

- For energy companies whose electricity generation is generated from coal and/or whose installed capacity is powered by coal (i.e. thermal coal); and
- for companies (including extractors) generating a proportion of their revenue through coal.

In both cases, Covéa Finance is committed to excluding from its investments, by gradually lowering the thresholds, the energy companies and other companies (including extractors) as specified below:

	Stage 1		Stage 2	Stage 3
OECD	2020	2025	2030	
	30%	15%	0%	
Non-OECD	2020	2025	2030	2040
	30%	20%	10%	0%

A schedule produced in-house makes it possible to identify the companies concerned up to 2040 and to guide our disengagement strategy.

b. On the basis of absolute thresholds

- For energy companies with more than 5 GW of coal-fired (i.e. thermal coal) installed capacity.
- for extractors with extraction capacity of more than 10mt.

c. The most active companies in terms of developing new coal capacity

Or all companies actively developing new coal capacity. The development of new coal capacity may include new coal-fired power plants as well as new extraction capacities.

This threshold will fall to 0% in 2030 for companies in the OECD, and in 2040 for non-OECD countries.

d. Major stages in the exclusion of coal in investments and prospects

Reminder of the major stages in the exclusion of thermal coal at Covéa Finance:

- in 2018, sale of all the securities on the list of 120 developers of the GCEL (Global Coal Exit List), totalling some €11m;
 - in 2019, a "Coal" section was formalised in our exclusion policy;
 - in 2020, during the annual review of our policies, including the exclusion policy, reinforcement of our coal policy by introducing absolute thresholds and an exit table until 2030 for OECD countries, and 2040 for non-OECD countries.
- Over the past three years, the impact of the implementation of a Coal component has resulted in the disposal of a number of stocks totalling some €11m. The most recent strengthening of this component in late 2020 resulted in the sale of securities in the very limited amount of €1.7m in one energy company;
- no disposals were made in 2021.

As at 31 December 2021, Covéa Finance's investments in thermal coal amounted to €215m, or 0.21% of its total assets under management (source: Covéa Finance report).

The €215m breaks down as follows:

- €51m in our UCIs, €164m in our mandates;
- €111m in equities, €104m in bonds;
- this concerns 7 stocks, including 2 in the Americas and 5 in Europe.

For information, Covéa Finance changed its exclusion policy in March 2022 to include non-conventional oil and gas companies (details in our policy published on our website).

7. Environmental report

7.1. Environmental taxonomy and fossil fuels

Exposure to the EU's environmental taxonomy

Technical Screening Criteria have been developed for certain economic activities able to make a substantial contribution to two of the objectives of the environmental taxonomy:

- climate change mitigation;
- adapting to climate change.

The data presented below therefore only reflects alignment with these two objectives, on the basis of criteria yet to be definitively published, as they have been submitted to EU co-legislators.

We will update this information in the event of changes made to these criteria, the development of new screening criteria relating to these two objectives, and when the criteria relating to the four other environmental objectives come into force.

Data published by the companies

Warning: The data provided by ISS only includes data estimated at 100%.

The eligibility and alignment of Covéa Finance's portfolios is therefore 0% based on published data. As information relating to the taxonomy is currently inadequate, the available methodologies and data are to be treated with caution.

Estimated data

As at 31 December 2021, for its voluntary reporting based entirely on estimates, Covéa Finance had invested €2.7bn in activities eligible for the taxonomy, i.e. an eligibility share of 12.3% out of all equities or bonds directly issued by private companies (€21.6bn under management).

The alignment rate is 4.2% and covers the aligned activities and those probably and potentially aligned according to the methodology of our data provider, ISS.

Breakdown of alignment by type of activity (estimated data, source: ISS)

Green activity	1.96%
Enabling activity	1.19%
Transition activity	1.04%
Total	4.19%

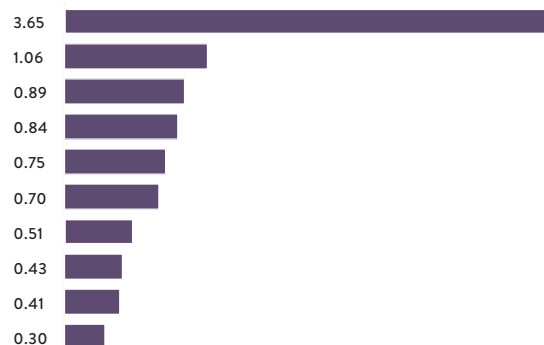
Green activities directly contribute to one or more of the European Union's six environmental objectives.

Enabling activities enable other activities to make a substantial contribution, by making a positive environmental impact throughout the life cycle of the business without limiting the transition.

Transition activities should contribute to climate change mitigation and maintain global warming in line with the Paris Agreement commitments.

Top 10 eligible sectors

RAIL FREIGHT TRANSPORT
LOW-CARBON TECHNOLOGIES: TRANSPORT
ROAD FREIGHT TRANSPORT SERVICES
WATER COLLECTION, TREATMENT & SUPPLY
ELECTRICITY TRANSMISSION AND DISTRIBUTION
SEPARATE COLLECTION OF NON-HAZARDOUS WASTE
URBAN AND SUBURBAN ROAD TRANSPORT
ENERGY INSTALLATION, MAINTENANCE AND REPAIR
EFFICIENCY EQUIPMENT: ACQUISITION AND OWNERSHIP OF BUILDINGS
INFRASTRUCTURE ENABLING THE CONSTRUCTION OF LOW-CARBON ROADS AND PUBLIC TRANSPORT



Sources: Covéa Finance, ISS (based on NACE/ISS codification).

Exposure to fossil fuels

As at 31 December 2021, the companies involved in the exploration, production, processing, transportation, refining and marketing of fossil fuels, according to our service provider ISS, accounted for investments totalling €2.6 billion in the portfolio, or 8.1% of securities held directly, excluding sovereign assets (€31.6 billion under management, including €21.6 billion in equities and bonds of private issuers and €10.0 billion in quasi-sovereign or similar securities). The following is the breakdown of the main sectors concerned:

Sectors	Weighting
Utilities	4.08%
Energy	3.08%
Retail Sale of Food and Essential Products	0.56%
Materials	0.36%
Capital Goods	0.02%
Total	8.10%

Sources: Covéa Finance, ISS.

7.2. Alignment with Paris Agreement objectives

Warning

The following data, although from external sources, should be treated with the utmost caution. In fact, their calculations are based on emission factors incorporating margins of uncertainty; in addition, the issuers concerned may also be present in multiple sectors, hence a risk of lack of homogeneity. Lastly, the coverage of carbon emissions scopes 1,2 and 3 results in effects of double or even multiple counting.

The AMF, in its third report on non-financial approaches in collective management (December 2020), refers in fact to “significant methodological limits” as well as use “in a scientific context itself based on numerous approximations”.

Lastly, this ex post transparency information, produced on an annual basis, should not under any circumstances be considered as promises on our part.

Description of the methodology

Covéa Finance uses ISS to assess its climate data. From a portfolio extract, ISS generates portfolio climate impact reports.

To obtain carbon data measurements, ISS initially collects the climate data of companies when it is available: either directly reported by the company in the ESG report or reported by the Carbon Disclosure Project 1 (CDP). ISS then assesses the reliability of the data and rejects it if it is unreliable.

When the data is not available, ISS applies a specific model for each of the 800 sub-sectors. Depending on the relevant financial or operational measures of the corporate sector, ISS models carbon data. The service provider then performs a control test on its own models in order to ensure the reliability of its models.

Covéa Finance verified the service provider’s data by sampling issuers. We performed data checks on the carbon intensity of the top 100 positions in the equity and private bond segments and that of their comparable.

1. Carbon Disclosure Project (CDP) is a non-profit organisation that publishes the environmental impact data of the biggest companies.

Calculation formulas

Carbon intensity of companies Equities and private bonds		State carbon intensity Sovereign bonds	
Formula	$\sum_n^i \text{Weighting of issuer } i \text{ in the portfolio} \times \frac{\text{Issuer } i \text{ GHG emissions}}{\text{Issuer } i \text{ revenue}}$	Formula	$\sum_n^i \text{Weighting of issuer } i \text{ in the portfolio} \times \frac{\text{Issuer } i \text{ GHG emissions}}{\text{Issuer } i \text{ GDP}}$
Explanations	Greenhouse gas (GHG) emissions relative to the company's revenue (tonnes c) weighted by the issuer's weighting within the portfolio in terms of valuation.	Explanations	Domestic and imported GHG emissions relative to GDP (tonnes of CO ₂ equivalent per €m of GDP). Includes domestic, exported and imported emissions.
Total emissions Equities and private bonds		Financed emissions Equities and private bonds	
Formula	$\left(\sum_n^i \frac{\text{investment}}{\text{market value of the portfolio}} \times i \text{ emissions} \right) \times \text{coverage rate}$	Formula	$\left(\sum_n^i \frac{\text{investment}}{\text{market value of the portfolio}} \times i \text{ emissions} \right) \times 1,000,000$
Explanations	Total CO ₂ emissions represent the emissions of issuers weighted by their weighting within the portfolio.	Explanations	The financed emissions (CO ₂ eq./€m invested), "relative carbon footprint", represent the carbon footprint of the portfolio standardised per €m invested

Carbon emissions

The publication of carbon emissions is carried out separately between the results of the "Companies" (Equities and private Bonds segments) and "Sovereign" (Sovereign bonds segment) calculations and not a combined result, as the denominator of the calculation is different. It is the revenue for Companies and GDP (current scope) for Sovereign Bonds. The carbon emissions of the portfolios concerned are compared with public (FTSE MTS Global) and private (MSCI World for the Equities segment and Markit Iboxx Corporate Bonds for the Private Bonds segment) stock market comparables.

Carbon footprint

As a reminder, the carbon footprint of a portfolio (Equities or Private Bonds) is the sum of the amount of investments in each issuer relative to the company's total liabilities and multiplied by the company's carbon dioxide (CO₂) emissions and other greenhouse gases. This indicator is either published in absolute value (tCO₂) or relative to the market value of the portfolio (tCO₂/ €m invested).

The overall result as at 31 December 2021 for our Equities and Private Bonds investments shows a carbon footprint of 1,703,243 tonnes eq. CO₂ (Scopes 1 & 2). Overall, this footprint is 16% lower than our stock market comparable:

Carbon footprint	Absolute data (tonnes of CO ₂ eq.)		Relative data (tonnes of CO ₂ eq./€m invested)
	Scopes 1 & 2	Scopes 1,2 & 3	
Private Bonds portfolio	1,039,196	8,602,065	63.49
Stock market comparable: Markit Iboxx Corp. net coupons reinvested	1,512,307	10,614,218	92.4
Variance vs benchmark	-31.3%	-19.0%	-31.3%
Equities portfolio	664,047	6,968,291	59.97
Stock market comparable: MSCI World net dividends reinvested	463,688	3,986,838	41.88
Variance vs benchmark	43.2%	74.8%	43.2%
Equities + Private Bonds	1,703,243	15,570,356	62.07
Composite stock market comparable*	2,035,306	14,938,477	74.17
Variance vs benchmark	-16.3%	4.2%	-16.3%

* Reflecting the relative weightings of our Equities and Private Bonds investments.
Source: ISS.

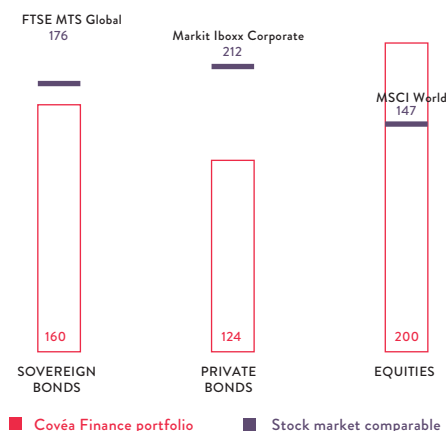
Please note that due to a change of service provider, this data is not comparable to that contained in the exploratory exercise carried out last year and presented in our 2020 ESG Report. Moreover, 2021 figures include a generalised scope 3, which significantly modifies the data.

Carbon intensity

Carbon intensity by issuer type and comparison with the stock market comparable

Carbon intensity of GDP by asset segment

(in tonnes of CO₂ eq./€m of GDP or revenue, current €)



Among the business sectors, we note that Materials, Utilities, Industry and Energy sectors have the highest carbon intensity in scopes 1 and 2.

1) Sovereign Bonds

The intensity level of Covéa Finance's sovereign segment remains 9% below the FTSE MTS Global Index. This favourable difference for Covéa Finance's portfolio is mainly due to the portfolio's overexposure to securities issued by the French government. In fact, France is one of the European countries with the lowest greenhouse gas emissions in relation to GDP, notably due to the preponderance of low-carbon nuclear energy in its energy mix.

2) Private Bonds

For the Private Bonds segment, the sectors with the highest emissions are responsible for nearly 80% of the carbon intensity, compared to 84% for Markit Iboxx. In the Covéa Finance portfolio, we observe that the individual carbon intensities of the four sectors are systematically lower than those of Markit Iboxx Corporate. For example, for the Industry sector, the carbon intensity is 97 tonnes of CO₂ emitted¹ compared to 140 tonnes of CO₂ emitted. Covéa Finance therefore invests in companies generating lower emissions than its stock market comparable in the four sectors. Lastly, the total weighting of the four sectors is 17% in the Covéa Finance segment compared to 24% in the stock market comparable, so its carbon intensity is therefore significantly lower than that of its stock market comparable.

	Private Bonds segment - Covéa Finance		Markit Iboxx Corporate	
	% total intensity	% portfolio	% total intensity	% portfolio
Utilities	37%	7%	33%	8%
Materials	23%	2%	27%	3%
Energy	16%	3%	19%	5%
Industries	4%	5%	6%	8%

Sources: Covéa Finance, ISS.

3) Equities

For the equities segment, the same sectors are responsible for more than 90% of the carbon intensity of scopes 1 and 2, compared to 84% for the MSCI World. The total weighting of these four sectors accounts for 45% of the Covéa Finance portfolio, while it accounts for only 20% for the comparable. Accordingly, the weighting of the four sectors explains the high carbon intensity of the equities segment compared to its stock market comparable.

	Equities segment - Covéa Finance		MSCI World	
	% total intensity	% portfolio	% total intensity	% portfolio
Materials	47%	13%	21%	4%
Utilities	33%	7%	37%	3%
Industries	7%	23%	9%	10%
Energy	4%	2%	17%	3%

Sources: Covéa Finance, ISS.

1. The unit of carbon intensity is calculated in tonnes per million euros of the company's revenue.

Details of carbon emissions in Equities and Private Bonds segments

1) Equities:

	% data covered by ISS analysis	% of data modelled by ISS	Scopes 1 & 2 total emissions	Scope 3 emissions	Scopes 1 & 2 financed emissions	Scope 3 financed emissions	Scopes 1 & 2 intensity	Scope 3 intensity
Equities portfolio	99.8%	7.3%	4,563,111	28,336,295	60.0	569.4	200.3	1,264.2
MSCI World comparable	99.8%	14.4%	4,460,924	35,982,785	41.7	318.4	147.5	942.0

Sources: Covéa Finance, ISS.

2) Private bonds:

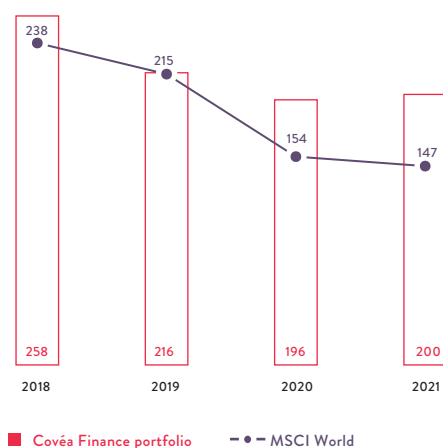
	% data covered by ISS analysis	% data modelled by ISS	Scopes 1 & 2 total emissions	Scope 3 emissions	Scopes 1 & 2 financed emissions	Scope 3 financed emissions	Scopes 1 & 2 intensity	Scope 3 intensity
Private Bonds portfolio	80.0%	18.8%	5,535,844	42,247,809	63.5	462.1	124.3	892.1
Markit Iboxx Corporate comparable	95.3%	4.0%	6,883,648	54,329,685	92.0	556.2	184.7	1,016.7

Sources: Covéa Finance, ISS.

History of carbon intensity of private issuers over 4 years

Carbon intensity of the Equities segment

(in tonnes of CO₂ eq./€m revenue)

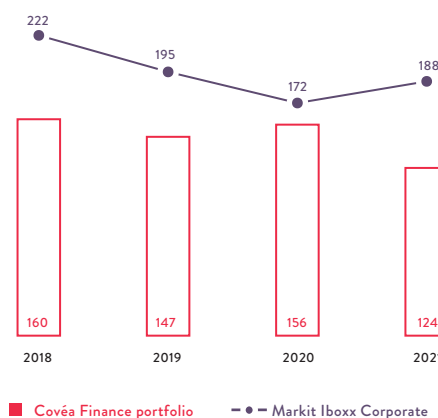


Sources: ISS, Covéa Finance.

The intensity of Covéa Finance's Equities portfolio stabilised in 2021 at 200t, after a sharp drop since 2018. It remains higher than the MSCI World.

Carbon intensity of the Private Bonds segment

(in tonnes of CO₂ eq./€m revenue)



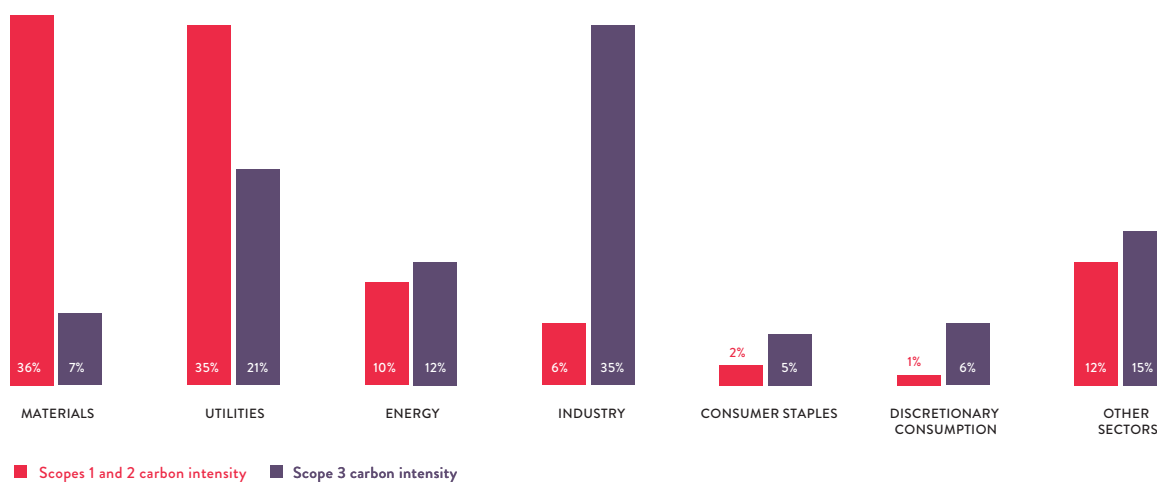
Sources: ISS, Covéa Finance.

Covéa Finance's Private Bonds portfolio decreased to 124t in 2021, its lowest level since 2018. Emissions are well below Markit Iboxx Corporate.

Sector contribution to emissions

Scope 1 and 2 carbon intensities as well as scope 3 carbon intensities in Equities and Private Bonds portfolios are broken down by sector as follows:

Sector breakdown of scopes 1 & 2 and scope 3 carbon intensities



Sources: ISS, Covéa Finance.

Materials and Utilities are the sectors generating most emissions in scopes 1 and 2 within the portfolios.

By adding scope 3 to the above breakdown, we see the effect of emissions upstream and downstream of the production chain on the Industry sector, which then comes out as generating the highest level of emissions.

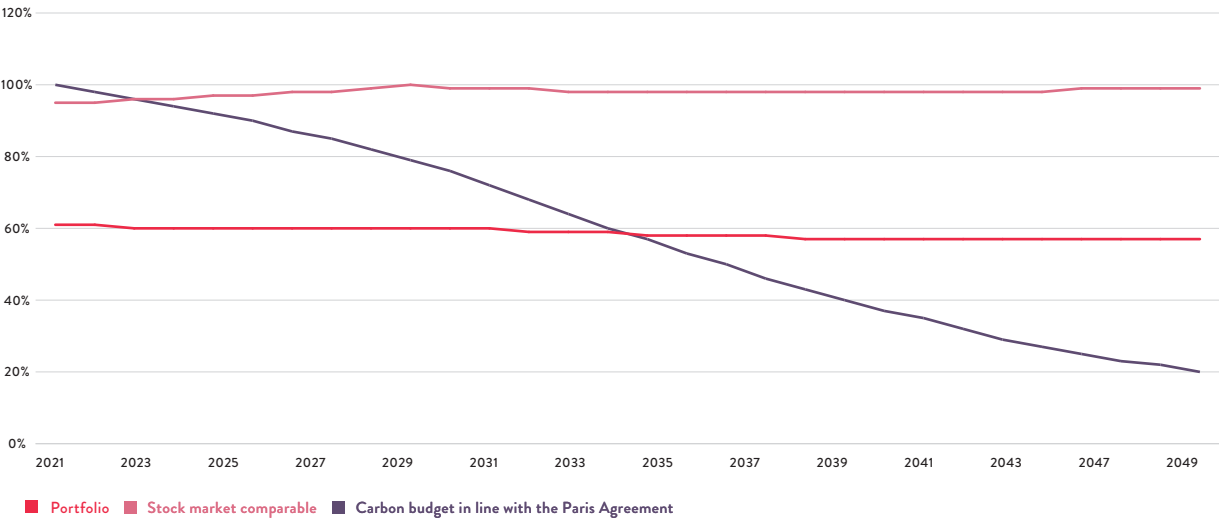
Analysis of alignment with international targets for limiting global warming (Paris Agreement)

The analysis of the alignment of Covéa Finance's portfolios is carried out on all equities or bonds directly issued by private companies (€21.6 billion under management). The stock market comparable replicates the allocation of Covéa Finance's portfolios for its assets (i.e. 35% of the MSCI World

for Equities and 65% of Markit Iboxx Corporate for Private Bonds).

The emissions of the portfolios and of the stock market comparable are compared with the carbon budget of the Paris Agreement, which provides for limiting global warming to 1.5°C by 2050, according to the ISS methodology. The carbon budget is shown in the graph below as 100%, and will have to be reduced to 20% by 2050. In comparison, Covéa Finance's portfolio emits at 60% of the carbon budget in 2021, mainly due to a selection effect: in the same sector, the securities in the portfolio emit less than the theoretical carbon budget. However, the portfolio is not aligned from 2035 with the trajectory set out in the Paris Agreements, taking into account the current commitments of the companies in the portfolio. The stock market comparable is at 95% of the budget in 2021, and remains stable by 2050.

Trajectory of alignment with international targets for limiting global warming (Paris Agreement)



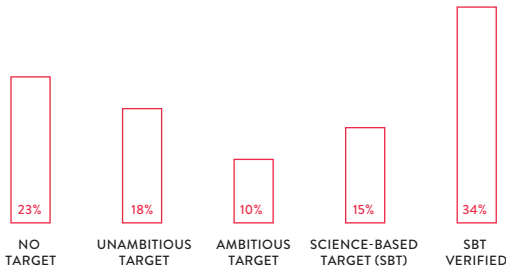
All other things being equal, to reach the target of limiting global warming to 1.5°C by 2050, Covéa Finance’s portfolio will have to reduce its greenhouse gas (GHG) emissions by 25.9% in 2040 and by 65.5% in 2050. This simulation assumes that the emissions of the underlyings remain the same, which is not the most likely scenario. This is therefore a fully theoretical exercise carried out for information purposes only.

	2040	2050
Portfolio	-25.9%	-65.5%
Stock market comparable	-19.1%	-53.2%

Covéa Finance’s portfolio is associated with a temperature increase of 2.1°C, compared to 2.7°C for the stock market comparable according to the ISS methodology.

	Potential increase in temperature
Portfolio	2.1°C
Stock market comparable	2.7°C

To promote the energy transition, companies must commit to aligning with international climate goals and demonstrating their future progress. Currently, 59% of the portfolio’s value is committed to such an objective. This includes ambitious corporate targets or a commitment to the Science-Based Target initiative (SBTi), a collaboration between several organisations (CDP, UN Global Compact, World Resources Institute and World Wide Fund for Nature) in order to achieve a science-based climate goal. The adoption of decarbonisation trajectories should theoretically favour lower carbon emissions of our portfolios.



Sources: ISS, Covéa Finance

Strategy to align with international targets for limiting global warming (Paris Agreement)

Covéa Finance is not in a position at this stage to provide a quantitative target by 2030, nor an alignment strategy, but has begun in-house reflection on this subject. A progress report on this reflection will be issued next year.

Changes in the investment strategy relating to the Paris Agreement alignment strategy

Since the 2020 ESG Report, Covéa Finance has changed its fossil fuel exclusion policy:

- establishment of thresholds for coal-based projects;
- introduction of exclusions for non-conventional fossil fuels.

7.3. Alignment with long-term biodiversity objectives

Incorporation of biodiversity into non-financial analysis of issuers

Biodiversity risk forms part of the ESG rating of issuers in the portfolio. The evaluation focuses in particular on sustainable raw material procurement policies, pollution risk management, water resource conservation, responsible waste management and conservation of protected natural areas.

The regular analysis of controversies notably focuses on the issues of pollution of natural areas or on the marketing of products harmful to biodiversity.

In accordance with the terms of the 1992 Rio Convention on Biological Diversity, these elements will now be monitored and integrated into our analysis methodology and our “Due diligence/shareholder dialogue - issuer dialogue guide”.

Biodiversity objective

At this stage, Covéa Finance is not able to provide a quantitative target in terms of biodiversity, but has begun in-house thinking on the issue. A progress report on this reflection will be issued next year.

8. Correlation table - Article 29 Energy and Climate Law

Section of the Decree	Covéa Finance ESG Report section correlation	Page
Provision 1:		
a) Summary presentation of the entity's general approach to incorporating ESG criteria, notably within the investment policy and strategy	2. General ESG approach and key principles 2.1. Principles of ESG analysis 2.3. ESG analysis approach and scope	6 6 8
b) Content, frequency and means employed to inform subscribers about the ESG criteria taken into account in the investment policy and strategy	Introduction table: «WHO is this report for?»	2 nd paragraph of cover
c) List of financial products mentioned pursuant to Article 8 and Article 9 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019, and total share as a % of assets under management taking ESG criteria into account	2.4. Classification of financial products according to SFDR and AMF Doctrine approaches	13
d) Adherence of the entity or of certain financial products to charters, codes, certifications and initiatives regarding incorporation of ESG, as well as a brief description of them	3. Adherence to charters, codes and certifications	18
Provision 2: Internal capacities deployed by the entity (human, technical, financial resources, etc.) and resources employed to strengthen these capacities	4. Resources deployed by Covéa Finance	19
	4.1. Human and financial resources	19
	4.2. Data and service providers	19
	4.3. Strengthening of resources	20
Provision 3: Approach to incorporating ESG criteria within the entity's system of governance	5. Governance	21
	5.1. Knowledge, experience and supervision system	21
	5.2. Links with the compensation policy and rules of procedure of the Board of Directors or Supervisory Board	21
Provision 4: Information about the engagement strategy (voting scope, policy, assessment, possible disengagement, etc.)	6. Report on implementation of our policies	22
	6.1. Sustainability risks and ESG policy	22
	6.2. Voting and shareholder engagement policy	22
	6.3. Exclusion policy	24
Provision 6: Information about the strategy to align with international global warming limitation targets set out in the Paris Agreement	7. Environmental report	25
	7.1. Environmental taxonomy and fossil fuels	25
	7.2. Alignment with Paris Agreement objectives	26
Provision 7: Information about the strategy to align with long-term biodiversity objectives	7.3. Alignment with long-term biodiversity objectives	32
Provision 8a: Information on initiatives to incorporate ESG criteria in risk management	2.2. Risk-based approach	7



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