

# ECHIQUIER LUXURY

# Annual report

MUTUAL FUNDS - MUTUAL FUNDS UNDER FRENCH LAW

*This translation is for information purpose only - Only the French version is binding*

YEAR ENDED:12.30.2022

# statements

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<b>Distributor</b>	FINANCIÈRE DE L'ÉCHIQUIER 53, avenue d'Iéna - 75116 Paris.
<b>Management Company</b>	FINANCIÈRE DE L'ÉCHIQUIER 53, avenue d'Iéna - 75116 Paris.
<b>Depositary and custodian</b>	BNP PARIBAS SA 16, boulevard des Italiens - 75009 Paris.
<b>Centralisator</b>	BNP PARIBAS SA 16, boulevard des Italiens - 75009 Paris.
<b>Statutory auditor</b>	RSM 26, rue Cambacérès - 75008 Paris. Represented by Mr Ratana LYVONG

# Information about investments and management

## Classification:

International equities.

## Methods for determining and appropriating distributable sums:

Unit(s)	Net income allocation	Realised net gain allocations
Unit A	Accumulation	Accumulation
Unit I	Accumulation	Accumulation

## Investment objective:

Echiquier Luxury is a fund focused on the luxury goods sector.

The objective of the Fund is to outperform (net of management fees) the MSCI WORLD INDEX NR index (in EUR) over the recommended investment period. It is primarily invested in international equities issued by companies in the luxury sector.

## Benchmark:

The MSCI WORLD INDEX NR (in EUR) is calculated in euros with dividends reinvested (Bloomberg code: M1WO Index in USD converted into euros). The MSCI indices are calculated by Morgan Stanley Capital International (information available at [www.msci.com](http://www.msci.com)).

The benchmark is only used as an ex-post performance indicator. The management of this UCITS is neither index-linked nor index-referenced. No correlation is sought with the benchmark index. The portfolio composition therefore does not follow that of the index, and the Fund's performance may deviate from this benchmark in the long term.

The administrator MSCI Limited of the benchmark index is included in the register of administrators and benchmarks kept by the ESMA. In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the management company has a procedure for monitoring the benchmark indices used, describing the measures to be implemented in the event of substantial changes to an index or should that index no longer be provided.

## Investment strategy:

### 1. Strategies used

The UCITS implements an active and discretionary management strategy in line with Article 8 of the SFDR.

#### For the equity allocation:

Between 60% and 100% of the assets of the Echiquier Luxury fund is exposed to equities in the luxury sector, and the Fund reserves the right to invest, on an ancillary basis, in equities outside the luxury sector.

The Fund favours large caps, without excluding small and mid caps depending on market conditions.

The management company selects a list of companies from among the various countries of the MSCI World index (Europe, United States, Asia). The sector selection reflects the result of the macro-economic analysis carried out by the management company, which only retains value-creating leaders with good earnings visibility.

The portfolio can concentrate strong convictions with a significant overweighting in certain stocks and an underweighting, or even total absence, of others.

Regular profit-taking is undertaken to bring weightings back to acceptable levels of risk.

The use of derivatives, including options, is an integral part of the investment process because of their advantages in terms of liquidity and/or cost effectiveness.

They make it possible to intervene quickly as a substitute for physical securities, particularly in the event of flows related to subscriptions/redemptions. However, they are a non-essential component of a process based on a fundamental analysis. The use of derivatives excludes any overall exposure rate of over 100%.

The management company undertakes to take part at all times, in the votes of the General Meetings of the companies included in the portfolio. For more information, investors can refer to the Voting Policy available at [www.lfde.com](http://www.lfde.com).

For the “Debt securities and money market instruments” allocation:

The Fund may invest up to 25% of its assets in debt securities and money market instruments, including BTAN, BTF, treasury notes, certificates of deposit, and ECP (European commercial paper) denominated in euro. ECHIQUIER LUXURY can also invest in debt securities issued by the United States within the limit of regulatory ratios.

On an incidental basis, the Fund may invest in fixed-income products not denominated in euros or US dollars.

For the “UCITS, AIF, investment fund and ETF” allocation (10% maximum):

The Echiquier Luxury fund may hold up to 10% of its net assets in shares or units of UCITS (French or foreign), French or European AIFs, or foreign investment funds, including ETFs (Exchange-Traded Funds).

The selection of UCIs is based on a dual approach: quantitative and qualitative. According to our analysis, we favour the transparency of the strategy, the quality and stability of the management team and its process, and the risk/return profile. UCIs are selected without geographical, strategy, currency or classification constraints.

For foreign exchange:

Management process: Active management through foreign exchange forwards according to three principles:

- Hedging: the aim is to seek to reduce the loss in the event of unfavourable market movements;
- Outperformance: the aim is to improve the return on the amount at risk by participating in any positive movements;
- Lower volatility: the aim is to reduce the sensitivity of the amount to market volatility.

The Fund is therefore subject to currency risk, which can range from 0% to 100% of net assets.

For the “Derivatives” part:

The Fund may also use derivatives traded on French and foreign regulated markets or over the counter (swaps, forex forwards, futures and options) in order to hedge and/or expose the Fund to currency and equity risk.

These transactions are limited to 1x the Fund’s assets. Derivatives are used without seeking overexposure.

In addition, the Fund systematically incorporates environmental, social and governance criteria. The examples of indicators used for each of the E, S, and G criteria are as follows:

- Environmental indicators: environmental policy and actions, results of action plans put in place by the company, exposure of suppliers to environmental risks, positive or negative impact of products on the environment.
- Social indicators: attractiveness of the employer brand, employee retention, anti-discrimination, employee protection, exposure of suppliers to social risks, relations with civil society.
- Governance indicators: competence of the management team, checks and balances, respect for minority shareholders, business ethics.

The extra-financial objectives used in the fund’s management consist of:

- Carrying out an ESG analysis of the issuers (minimum 90%).

An ESG rating out of 10 is awarded to each issuer. This rating is established using an in-house methodology by the management company and is composed as follows:

- Governance: The Governance rating represents approximately 60% of the overall ESG score. This is a long-standing bias for La Financière de l’Echiquier, which has attached particular importance to this subject since the company’s creation.
- Environmental and Social: Social and environmental criteria are combined to determine a Responsibility score. Its calculation takes into account the type of company:
  - For industrial stocks: the social and environmental criteria are equally weighted in the “Responsibility” score.
  - For services stocks: the “Social” score accounts for 2/3 of the “Responsibility” score, while the “Environmental” score represents 1/3 of the “Responsibility” score.

- Having an average ESG performance higher than the investment universe.
- Implementing an exclusion approach through sector and norms-based exclusions.
- Using a filter based on ESG convictions (application of a minimum rating).

#### Sustainable investment

A sustainable investment meets three criteria:

- the company's activity contributes positively to an environmental or social objective
- it does not cause significant harm to any of these objectives
- the company applies good governance practices

Investments considered sustainable within the meaning of the SFDR will represent at least 10% of the UCI's net assets. The details of the proprietary methodology applied by the management company to determine this percentage are described in the SFDR appendix of the UCI.

#### Consideration of principal adverse impacts

Lastly, the management team takes the principal adverse sustainability impacts into account in its investment decisions.

For more detailed information on the consideration of principal adverse impacts, investors should refer to Article 4 of the management company's SFDR policy available on the website: [www.lfde.com](http://www.lfde.com).

#### Alignment with the taxonomy

The subfund may invest in environmentally sustainable economic activities. However, the ESG rating assigned to each security is the result of a global analysis that also takes into account social and governance criteria. It therefore does not allow a targeted approach to a particular objective of the European Taxonomy or to assess the degree of alignment of an investment.

In this case, the principle which states "do no significant harm" applies only to underlying investments which take into account European Union criteria in matters of environmentally sustainable economic activities and not the remaining portion of the underlying investments. The investments underlying the remaining portion of this financial product do not take into account the criteria of the European Union in matters of environmentally sustainable economic activities. The subfund is committed to a 0% alignment with the European Taxonomy.

The methodological limits of the ESG approach mainly concern the reliability of the extra-financial data published by the issuers and the subjective nature of the rating system applied by the management company.

For more detailed information on the extra-financial rating methodology used for the subfund and its limits, investors should visit the website [www.lfde.com](http://www.lfde.com).

## **2. Assets used (excluding derivatives)**

### a) Equities:

Between 75% and 100% of the net assets of the Echiquier Luxury fund is invested in international equities, primarily in the luxury sector, and the Fund reserves the right to invest, on an ancillary basis, in equities outside the luxury sector.

### b) Debt securities and money market instruments:

The Echiquier Luxury fund may invest up to 25% of its assets in debt securities and money market instruments, including BTAN, BTF, treasury notes, certificates of deposit, and ECP (European commercial paper) denominated in euro. ECHIQUIER LUXURY can also invest in debt securities issued by the United States within the limit of regulatory ratios.

On an incidental basis, the Fund may invest in fixed-income products not denominated in euros or US dollars.

## **3. Investment in the securities of other undertakings for collective investment**

The Fund may hold up to 10% of its net assets in shares or units of UCITS (French and foreign), French or European AIF, or foreign investment funds, including ETFs (Exchange-Traded Funds).

The UCIs held in the portfolio may consist of UCITS of the management company.

## **4. Derivatives**

The use of derivatives, including options, is an integral part of the investment process because of their advantages and will only be used to expose or hedge the fund's assets for currencies and/or equities without seeking overexposure.

However, they are a non-essential component of a process based on a fundamental analysis.

### - Type of market:

- regulated
- organised
- over-the-counter

### - Risks to which the manager may seek exposure:

- equities
- foreign exchange

- Type of operations:

- hedging
- exposure
- for foreign exchange: hedging, outperformance and lower volatility

- Type of instruments used:

- futures
- options
- swaps
- forex forwards
- Non Deliverable Forward

The sum of commitments relating to derivatives is limited to 100% of net assets. Derivatives are used without seeking overexposure. These instruments may be entered into with counterparties selected by the management company.

The eligible counterparty(ies) have no power over the composition or management of the fund's portfolio.

**5. Securities with embedded derivatives**

The fund may invest in securities with embedded derivatives (warrants, credit link notes, EMTNs, subscription certificates) traded on eurozone and/or international regulated or over-the-counter markets.

The use of embedded derivatives, as opposed to the other derivative instruments listed above, will mainly be as a result of the manager seeking to optimise the hedging strategy, or, if appropriate, to improve the performance of the portfolio by reducing the costs related to the use of these financial instruments in order to achieve the investment objective.

Risks to which the manager may seek exposure:

- Equities
- Currencies (for currency risk hedging only)

In any event, the amounts invested in securities with embedded derivatives cannot exceed 10% of the net assets. The sum of commitments relating to securities with embedded derivatives is limited to 100% of net assets.

In addition, the fund will not invest in securities with complex derivatives.

**6. Deposits**

None

**7. Cash borrowings**

The Fund may temporarily borrow cash for up to 10% of its net assets.

Cash loans strictly cover current account shortfalls resulting from a lag between subscriptions and redemptions on the underlying investment funds.

**8. Securities financing transactions**

None.

**Risk profile:**

Your money will be principally invested in financial instruments selected by the management company. These instruments will be exposed to market trends and fluctuations.

**Risk of capital loss:**

Capital loss occurs when a security is sold for less than its purchase price. Investors are warned that they may not get back all the capital they initially invested. The Fund offers no capital guarantee or protection.

**Equity risk:**

If the equities or indices to which the Fund portfolio is exposed should fall, the Fund's net asset value could also fall.

**Risks associated with investments in small and mid-cap shares:**

On markets trading in small and mid-caps, the volume of shares listed on the stock exchange is low. As a result, market downturns are more pronounced and more rapid than those trading in large caps. The UCI's net asset value may therefore decline rapidly and significantly.

**Currency risk:**

This is the risk of a fall in the investment currencies relative to the euro, the portfolio's reference currency. Should any of these currencies weaken against the euro, the net asset value may decline.

**Risk related to discretionary management:**

The discretionary management style applied to the Fund is based on the selection of stocks. There is a risk that Fund might not be invested in the best-performing securities at all times. The Fund may therefore not achieve its performance objective.

Moreover, the net asset value of the Fund may post a negative performance.

**Interest rate risk:**

The Fund's net asset value may fall if interest rates rise.

**Counterparty risk:**

This involves the risk of default by a counterparty, which could lead to the counterparty defaulting on an over-the-counter transaction payment. Accordingly, a payment default by a counterparty may result in a decrease in the net asset value.

**Credit risk:**

Credit risk is the risk of a private issuer's credit rating being downgraded or of its defaulting. The value of debt securities or bonds in which the Fund invests may fall, causing the Fund's net asset value to decline.

**Liquidity risk:**

In the particular case where trading volumes on the financial markets are low, the manager may not be able to sell the securities quickly under satisfactory conditions, which may result in a decrease in the UCI's net asset value.

**Risks associated with investing in emerging countries:**

There is a risk associated with investments in emerging countries, mainly in relation to the operating and supervision conditions of these markets, which may deviate from the standards prevailing on the large international markets, or arising from political or regulatory factors. Market fluctuations (up or down) may be sharper and more sudden than on the major international stock exchanges. The UCI's net asset value may therefore have the same behaviour.

**Sustainability risk or risk linked to sustainable investment**

Any event or situation in the environmental, social or sustainable governance field (e.g. climate change, health and safety, companies that do not comply with regulations, such as serious criminal sanctions, etc.) that, if it occurs, could have an actual or potential negative impact on the value of the investment. The occurrence of such an event or situation could also lead to a change in the investment strategy of the UCITS, including the exclusion of the securities of some issuers. More specifically, the negative effects of sustainability risks could affect issuers via a series of mechanisms, especially: 1) lower revenues; 2) increased costs; 3) damages or depreciation in asset value; 4) higher cost of capital; and 5) fines or regulatory risks. Due to the nature of sustainability risks and specific subjects such as climate change, the probability that sustainability risks would have an impact on returns on financial products is likely to increase over the longer term.

**Eligible investors and typical investor profile:****Target investors:**

- Unit A: All investors

- Unit I: Reserved for institutional investors

**Typical investor profile:**

The fund is intended for individuals or institutional investors who are aware of the inherent risks in holding units in this type of UCITS, which carries high risk due to the investment in equities.

The reasonable amount to invest in Echiquier Luxury depends on your personal situation. In order to determine that amount, you should consider your personal wealth, your current requirements, and your needs in 5 years as well as whether or not you want to take risks on the equities markets. You are strongly advised to sufficiently diversify your investments in order to avoid being exposed solely to the risks of this UCITS.

**Recommended investment period:**

More than 5 years.

**Tax regime:**

The prospectus does not purport to set out the tax implications for investors of subscribing, redeeming, holding or selling the Fund's units. These tax implications will vary depending on the laws and practices in force in the unitholder's country of residence, domicile, or incorporation and on the unitholder's individual circumstances.

Depending on your tax status, country of residence or the jurisdiction from which you invest in this Fund, any capital gains and income resulting from the holding of units of the Fund may be subject to tax. We advise you to consult a tax adviser in relation to the potential consequences of purchasing, holding, selling or redeeming units of the Fund according to the laws of your country of tax residence, ordinary residence or domicile.

Neither the management company nor the distributors shall accept any responsibility whatsoever for the tax consequences that may arise for investors following a decision to purchase, hold, sell or redeem units of the Fund.

The Fund offers 2 classes of accumulation units. Investors are advised to consult their tax adviser on the regulations in force in their country of residence for their particular situation (individuals, legal entities subject to corporate income tax, etc.). The rules applying to French resident investors are set by the French General Tax Code.

In general, investors are advised to consult their usual financial adviser or customer relationship manager to clarify the tax rules applicable in their particular circumstances.

Under the United States FATCA regulations (Foreign Account Tax Compliance Act), investors may be required to provide the UCI, the management company or their agent with information on their personal identity and place of residence (domicile and tax residence) for the purpose of identifying “US persons”, as defined by FATCA. This information may be sent to the United States tax authorities via the French tax authorities. The failure by investors to fulfil this obligation may result in the deduction of a 30% withholding tax on US source income. Notwithstanding the efforts of the management company in relation to FATCA, investors are asked to ensure that the financial intermediary they have used to invest in the Fund has “Participating FFI” status. For more information, investors should contact a tax adviser.

***For further information, the full prospectus is available on request from the management company.***

- *The Fund’s net asset value may be obtained from the management company on request. The latest annual and interim reports are available on the website [www.lfde.com](http://www.lfde.com) or may be sent to unitholders within eight business days on written request to: LA FINANCIERE DE L’ECHIQUEL, 53 Avenue d’Iéna - 75116 Paris.*
- *AMF approval date: April 24, 2007.*
- *Fund creation date: May 9, 2007.*



# activity report

2022 was a difficult and extremely volatile year on the financial markets. The Echiquier Luxury fund underperformed its benchmark. Energy, which is the only sector that rose, is absent from the fund, while consumer discretionary, which is the fund's biggest weighting, underperformed. Investors were concerned about a decline in spending amid high inflation and tighter monetary policy. The invasion of Ukraine and China's Covid management strategy also dragged down the luxury goods sector. In addition, rising interest rates impacted the valuations of certain long-duration growth stocks.

Despite the challenging backdrop, the companies in the portfolio held up very well, as illustrated by record results at LVMH and HERMES. Some stocks such as ESTEE LAUDER, NIKE and APPLE were more disappointing as their supply chains were impacted by China's zero-COVID policy. However, since its low point on 8 March 2022, the fund has outperformed its benchmark.

During the year, we increased our exposure to the automotive sector by investing in PORSCHE following its IPO and returning to BMW and TESLA. We reduced our exposure to very high multiple companies. All of the portfolio has pricing power, low debt and is positioned for China's economy to reopen.

## Share Performance vs. Benchmark:

Code ISIN Part	Libelle Part Reporting	30/12/2022 Performance VL YTD	30/12/2022 Performance Indice YTD
FR0010960930	ECHIQUIER LUXURY A	-21.45%	-13.62%
FR0010458265	ECHIQUIER LUXURY I	-20.94%	-13.62%

## Changes during the year:

None.

## Main movements

**Buy:** BMW PREF (DE0005190037) – DR ING HC F PORSCHE (DE000PAG9113)

**Sell:** WULIANGYE YIBIN (CNE000000VQ8) – STRAUMANN (CH1175448666)

During the financial year, the fund did not carry out any transactions under the SFTR.

## Regulatory information:

- Your Fund has no commitment on the derivative markets.
- Your Fund holds no securities in the portfolio issued by the management company.
- Your Fund does not hold Fund units managed by La Financière de l'Echiquier or affiliated companies:

## Our general policy:

Since 2007, La Financière de l'Echiquier has included environmental, social and governance criteria in its stock-picking methodology. This approach is applied across the board for all of La Financière de l'Echiquier's equity funds. This assessment is based on specific SRI interviews with key individuals in the company. We do not use rating agencies. In addition, SRI interviews are systematically conducted in pairs with the manager or financial analyst following the investment case and one of the members of the SRI team. At the end of each interview, a rating is given that reflects our assessment of each company. It is revised every two years, on average, when we conduct follow-up interviews. All reports on SRI interviews and non-financial ratings of the securities are archived in our proprietary database.

## ESG Policy:

For this fund, we focus on applying the general policy by carrying out, in as many cases as possible, a non-financial analysis of the securities in the portfolios. This analysis is based on social, environmental and governance criteria and results in an SRI rating, which is revised every three years on average. The SRI rating assigned to the fund's securities is not grounds for exclusion.

More detailed information is available on our website under:

<https://www.lfde.com/en/the-company/responsible-investment/>

**Order Exclusion Policy:**

This policy is specifically to select market brokers, institutions specially approved to execute market orders. The purpose of our selection is to obtain “best execution” from the brokers, which the management company must itself provide to bearers or shareholders of the UCITS.

Brokers are chosen according to specific criteria and reviewed twice a year according to the opinions expressed by participants on the broker selection committee:

- 1 - ability to find liquidity and quality of execution
- 2 - support in meeting with companies
- 3 - good outcome of transactions
- 4 - quality of analysis and sales support.

For more information, and pursuant to regulations, you may consult the Execution Policy established by La Financière de l'Echiquier for the management of its UCITS on the management company's website

**Voting Policy:**

Please be advised that our voting rights policy is available on our website.

Shareholders may consult the “Report on brokerage fees” on the management company's website.

This document sets out the terms under which the management company made use of support services for investment and order placement decisions during the previous financial year.

The management company LA FINANCIERE DE L'ECHIQUIER calculates the total risk of UCITS using the commitment calculation method.

**Compensation Policy**

Asset management companies are obliged to define a remuneration policy compatible with sound and efficient risk management. This principle is defined in detail in the AIFM Directive (2011/61/EU, including Annex II), in the UCITS V Directive (2014/91/EU), in the French monetary and financial code (Article L. 533-22-2) and in the AMF's general regulation (Article 319-10).

The AMF has also published professional guidelines for investment service providers on how to implement the laws and regulations in practice.

Lastly, the compensation policy complies with Article 5 of the SFDR (EU) 2019/2088.

The Management Company's compensation policy is thus compatible with sound and effective risk management and does not encourage risk-taking incompatible with the risk profiles or regulatory documentation of the Funds managed by the Management Company.

The compensation policy complies with the economic strategy, objectives, values, and interests of the Management Company and the UCITS that it manages and with those of the investors in these Funds, and includes measures to avoid conflicts of interest. The compensation policy has been implemented to actively support the Management Company's strategy and objectives; support the Management Company's competitiveness on the market in which it operates; ensure the Management Company can attract, develop and retain motivated and qualified employees.

The general principles of LFDE's compensation policy are:

- The fixed component of compensation takes account of the actual job market situation.
- The principle of equal pay for men and women, including career development considerations.
- Every employee is evaluated and their skills assessed, with qualitative and quantitative targets set.
- Non-contractual discretionary variable compensation which rewards employees' performance. Variable compensation is reviewed each year for each department and each employee.
- The principles of variable compensation are based on a principle of equity designed to motivate the maximum number of employees.
- Since 2020, the “contribution to LFDE's responsible investment approach” has been a shared objective for all LFDE employees that comes into play in determining their annual variable compensation.
- LFDE has put in place a deferred variable compensation mechanism for risk-taking staff earning more than €200,000 in variable compensation, in accordance with UCITS V and AIFM.

The principles of the compensation policy are revised on a regular basis and adapted according to regulatory developments. The Management Company's Board of Directors has approved the compensation policy. More details on the compensation policy are available on the following website: [www.lfde.com](http://www.lfde.com).

The full compensation policy is available from the management company on request.

2022 Data:

	2022 Number Fixed	2022 Total Fixed	2022 Total Bonus (paid in 2023)	Number Deferred	Total Deferred
<b>Risk Taker</b>	28	4 035 000	4 006 000	6	880 000
<b>Other</b>	114	8 159 400	3 618 300		
<b>Grand total</b>	142	12 194 400	7 624 300	6	880 000
		<b>Annual gross not pro-rated for duration</b>			

# statutory auditors report



ECHIQUIER LUXURY  
Statutory auditors' report of the financial statements  
For the year ended 30 December 2022

**To the unit-holders,**

## 1. OPINION

In compliance with the engagement entrusted to us by your Management Company, we have audited the accompanying financial statements of the mutual fund **ECHIQUIER LUXURY** relating to the financial year ended the 30 December 2022 as attached to this report.

We certify that the annual accounts are, in accordance with French accounting rules and principles, regular and sincere and give a true and fair view of the results of operations for the past financial year as well as the financial situation and assets of the mutual fund at the end of this exercise.

We have not been able to prepare this report due to the fact that some of the information required for our report was not received on time. Hence, we could not provide it to you within the time frame required by the applicable regulations.

## 2. BASIS FOR OPINION

### Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

### Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1<sup>st</sup> January 2022 to the date of our report and specifically we did not provide any prohibited non-audit services referred in the French Code of ethics (« code de déontologie ») for statutory auditors.

## 3. JUSTIFICATION OF ASSESSMENTS

In accordance with the requirements of Articles L. 823-9 et R.823-7 of the French Commercial Code relating to the justification of our assessments, we bring your attention to the following assessments that, in our professional judgment, were of most significance in the audit of the financial statements.

Financial instruments of capital risk are valued according to the methods describe in the fund's by-laws and the appendix.

We performed the correct application of these methods and read carefully the measures defined by the fund's management concerning the monitoring and valuation of capital risk financial instrument.

The shares' valuation is established according to the method detailed in the fund's by-laws and the appendix. We have also performed the correct application of this method.



These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed above. We do not express an opinion on any components of the financial statements taken individually.

#### **4. SPECIFIC VERIFICATIONS**

We have also performed, in accordance with professional auditing standards applicable in France, the specific verifications as required by legal and regulatory texts.

We have no observations to make concerning the accuracy and consistency with the annual financial statements of the information provided in the management report from the management company and in the documents provided to unitholders concerning the financial position and the financial statements.

#### **5. RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS**

The Management Company is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management Company is responsible for assessing the mutual fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the mutual fund or to cease operations.

The financial statements were approved by The Management Company.

#### **6. RESPONSIBILITIES OF THE STATUTORY AUDITOR IN RELATION TO THE AUDIT OF THE ANNUAL ACCOUNTS**

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability or the quality of management of the affairs of your mutual fund.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditors exercise professional judgment throughout the audit and furthermore:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the mutual fund's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditors conclude that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Paris, 26 April 2023

**RSM PARIS**  
The Statutory Auditors

**Ratana LYVONG**  
Associate

# annual accounts

# BALANCE SHEET assets

	12.30.2022	12.31.2021
Currency	EUR	EUR
<b>Net assets</b>	-	-
<b>Deposits</b>	-	-
<b>Financial instruments</b>	<b>17,154,956.01</b>	<b>24,873,452.17</b>
• <b>EQUITIES AND SIMILAR SECURITIES</b>		
Traded on a regulated or similar market	17,154,956.01	24,873,452.17
Not traded on a regulated or similar market	-	-
• <b>BONDS AND SIMILAR SECURITIES</b>		
Traded on a regulated or similar market	-	-
Not traded on a regulated or similar market	-	-
• <b>DEBT SECURITIES</b>		
Traded on a regulated or similar market		
<i>Negotiable debt securities</i>	-	-
<i>Other debt securities</i>	-	-
Not traded on a regulated or similar market	-	-
• <b>MUTUAL FUNDS</b>		
UCITS and general purpose AIF for non-professionals and equivalents in other countries	-	-
Other funds for non-professionals and equivalents in other European Union Member States	-	-
Professional general purpose funds and equivalents in other European Union Member States and listed securitization bodies	-	-
Other Professional Investment Funds and equivalents in other European Union Member States and unlisted securitization bodies	-	-
Other non-European organisations	-	-
• <b>TEMPORARY PURCHASES AND SALES OF SECURITIES</b>		
Receivables representing financial repurchase agreements	-	-
Receivables representing financial securities lendings	-	-
Borrowed financial securities	-	-
Repurchase financial agreements	-	-
Other temporary purchases and sales	-	-
• <b>FINANCIAL CONTRACTS</b>		
Transactions on a regulated or similar market	-	-
Other transactions	-	-
• <b>OTHER FINANCIAL INSTRUMENTS</b>	-	-
<b>Receivables</b>	<b>872.83</b>	<b>18,568.06</b>
Foreign exchange forward contracts	-	-
Other	872.83	18,568.06
<b>Financial accounts</b>	<b>83,666.87</b>	<b>99,729.88</b>
Cash and cash equivalents	83,666.87	99,729.88
<b>Other assets</b>	-	-
<b>Total assets</b>	<b>17,239,495.71</b>	<b>24,991,750.11</b>



# BALANCE SHEET liabilities

	12.30.2022	12.31.2021
Currency	EUR	EUR
<b>Equity</b>		
• Capital	17,435,738.77	22,442,782.95
• Previous undistributed net capital gains and losses	-	-
• Retained earnings	-	-
• Net capital gains and losses for the financial year	-250,004.46	2,625,877.03
• Result	49,275.43	-102,997.51
<b>Total equity</b> <i>(amount representing net assets)</i>	<b>17,235,009.74</b>	<b>24,965,662.47</b>
<b>Financial instruments</b>	-	-
• DISPOSALS OF FINANCIAL INSTRUMENTS	-	-
• TEMPORARY PURCHASES AND SALES OF FINANCIAL SECURITIES		
Debts representing financial repurchase agreements	-	-
Debts representing financial securities borrowings	-	-
Other temporary purchases and sales	-	-
• FINANCIAL CONTRACTS		
Transactions on a regulated or similar market	-	-
Other transactions	-	-
<b>Debts</b>	<b>4,485.97</b>	<b>26,087.64</b>
Foreign exchange forward contracts	-	-
Other	4,485.97	26,087.64
<b>Financial accounts</b>	-	-
Cash credit	-	-
Borrowings	-	-
<b>Total liabilities</b>	<b>17,239,495.71</b>	<b>24,991,750.11</b>

# OFF-balance sheet

12.30.2022

12.31.2021

Currency	EUR	EUR
<b>Hedging</b>		
• Commitments on regulated or similar markets		
- Futures market (Futures)	-	-
- Options market (Options)	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
• OTC commitments		
- Futures market (Futures)	-	-
- Options market (Options)	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
• Other commitments		
- Futures market (Futures)	-	-
- Options market (Options)	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
<b>Other transactions</b>		
• Commitments on regulated or similar markets		
- Futures market (Futures)	-	-
- Options market (Options)	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
• OTC commitments		
- Futures market (Futures)	-	-
- Options market (Options)	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
• Other commitments		
- Futures market (Futures)	-	-
- Options market (Options)	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-

# INCOME statement

	12.30.2022	12.31.2021
Currency	EUR	EUR
<b>Income from financial transactions</b>		
• Income from deposits and financial accounts	135.13	-
• Income from equities and similar securities	299,033.11	156,906.37
• Income from bonds and similar securities	-	-
• Income from debt securities	-	-
• Income from temporary purchases and disposals of financial securities	-	-
• Income from financial contracts	-	-
• Other financial income	-	-
<b>Total (I)</b>	<b>299,168.24</b>	<b>156,906.37</b>
<b>Expenses on financial transactions</b>		
• Expenses on temporary purchases and disposals of financial securities	-	-
• Expenses on financial contracts	-	-
• Expenses on financial debt	-660.76	-2,102.87
• Other financial expenses	-212.21	-66.31
<b>Total (II)</b>	<b>-872.97</b>	<b>-2,169.18</b>
<b>Profit/loss on financial transactions (I - II)</b>	<b>298,295.27</b>	<b>154,737.19</b>
Other income (III)	-	-
Management fees and depreciation expense (IV)	-245,020.81	-222,160.84
<b>Net income for the period (L.214-9-17-1) (I - II + III - IV)</b>	<b>53,274.46</b>	<b>-67,423.65</b>
Income adjustments for the period (V)	-3,999.03	-35,573.86
Interim payments in terms of the period (VI)	-	-
<b>Income (I - II + III - IV +/- V - VI):</b>	<b>49,275.43</b>	<b>-102,997.51</b>

# 1 accounting rules and methods

appetites

The financial statements are presented in the form provided by the regulation ANC No. 2014-01, amended.

## Valuation rules

### a) Valuation method

- Financial instruments and securities traded on a regulated market are valued at their market price.

However, the instruments listed below are valued using the following methods:

- European bonds and equities are valued at their closing price, and foreign securities are valued at their last known price.
- Negotiable debt securities and similar instruments that are not traded in large volumes are valued by applying an actuarial method using the rate for issues of equivalent securities, plus or minus, if required, a differential reflecting the issuer's specific characteristics. However, negotiable debt securities with low sensitivity and a residual maturity of three (3) months or less may be valued on a straight-line basis.
- Negotiable debt securities with a residual life of less than three months are valued at their market rate at time of purchase. Any discount or premium is amortised on a straight-line basis over the life of the instrument.
- Negotiable debt securities with a residual life of more than three months are valued at their market price.
- UCI units or shares are valued at the last known net asset value.
- Securities subject to repurchase agreements are valued according to the rules applicable under the terms of the original contract.
- Financial instruments that are not traded on a regulated market are valued under the responsibility of the management company at their likely trading value.
- Warrants or subscription certificates distributed free of charge with private placements or capital increases will be valued as of their listing on a regulated market or the formation of an OTC market.
- Contracts:
  - Futures are valued at their settlement price and options are valued based on the underlying.
  - The market value for futures is the price in euro multiplied by the number of contracts.
  - The market value for options is equal to the conversion value of the underlying.
  - Interest rate swaps are valued at market value based on the terms of the contract.
  - Off-balance sheet transactions are valued at their market value.
- Financial instruments whose price has not been established on the valuation date or whose price was corrected are valued at their probable market value as determined by the board of directors of the management company. The auditors are provided with these valuations and the basis therefore in the course of their audit.

### b) Practical details

- Equities and bonds are valued using prices extracted from the Finalim and Bloomberg databases, depending on where they are listed. The research options are supplemented by data from Telekurs (Fin'xs) and Reuters (Securities 3000):
  - Asia-Oceania:  
extraction at 12 p.m. for a listing at the closing price for that day.
  - North America:  
extraction at 9:00 a.m. for a listing at the closing price for the previous day.
  - Europe (except France):  
extraction at 4:45 p.m. for a listing at the opening price for that day.

extraction at 7:30 p.m. for a listing at the closing price for that day.

extraction at 2:30 p.m. for a listing at the opening price for that day.

extraction at 9:00 a.m. for a listing at the price for the previous day.

- France:

extraction at 12:00 p.m. and 4:00 p.m. for a listing at the opening price for that day.

extraction at 5:40 p.m. for a listing at the closing price for that day.

- Contributors:

extraction at 2:00 p.m. for a listing based on price availability.

- Positions on futures markets on each NAV calculation day are valued at the settlement price for that day.

- Positions on options markets on each NAV calculation day are valued using the principles applied to their underlying.

- Asia-Oceania: extraction at 12 p.m.

- North America: extraction T+1 at 9 a.m.

- Europe (except France): extraction at 7:30 p.m.

- France: extraction at 6 p.m.

#### Accounting method

- The accounting method used for recording income from financial instruments is the “coupons received” method.

- The accounting method for recording transaction fees excludes expenses.

#### Methods for evaluating off-balance sheet commitments

Off-balance sheet commitments are evaluated at their commitment value.

The commitment value for futures contracts is equal to the price (in the currency of the UCIT) multiplied by the number of contracts multiplied by the nominal amount.

The commitment value for options contracts is equal to the price of the underlying security (in the currency of the UCIT) multiplied by the number of contracts multiplied by the delta multiplied by the nominal amount of the underlying security.

The commitment value for swap contracts is equal to the nominal amount of the contract (in the currency of the UCIT).

#### Operating and management costs

Fees charged to the UCITS	Basis	Rate
Financial management costs	Net assets	Unit A Maximum of 1.65 % incl. tax
Administrative fees external to the management company		Unit I Maximum of 1.00 % incl. tax
Maximum indirect fees (management fees and commissions)	Net assets	(1)
Transaction commissions received by the management company	Payable on each transaction or operation	None

Fees charged to the UCITS	Basis	Rate
Performance fee	Net assets	Unit A 15% including taxes of the fund's outperformance, net of management fees, relative to its benchmark index, provided the fund's performance is positive.
		Unit I None

<sup>(1)</sup> The Fund may invest up to 10% of its assets in other UCIs if the management fees do not exceed 2.392%. For further information, please contact the management company.

Fund management contributions due according to Article L. 621- 5- 3, 3°, II of the Financial and Monetary Code are charged to the fund.

In addition to the fees set out above, other fees may be borne by the subfund in certain circumstances, such as extraordinary and non- recurring costs relating to debt recovery or proceedings to assert a right, provided that these fees are consistently lower than the amounts recovered.

Furthermore, research expenses pursuant to article 314-21 of the AMF General Regulation may be billed to the subfund. Additional information on how these research expenses work is available from the management company.

#### **Procedures for calculating the performance fee**

##### Frequency of crystallisation of the performance fee

The frequency of crystallisation, i.e. the frequency at which the provisions for the performance fees can be definitively retained by the management company, is annual.

It spans from 1 January to 31 December.

##### The performance reference period

The performance reference period is the period during which the performance is measured and compared to that of the reference indicator, at the end of which the mechanism for compensating for past underperformance (or negative performance) can be reset. This period is set at five rolling years.

##### Benchmark

MSCI World Index dividendes nets réinvestis (Euro)

##### Calculation method

The performance fee is provisioned at each net asset value.

The performance fee is adjusted at each net asset value calculation, on the basis of 15% including all taxes of the outperformance of the fund compared to the benchmark, on the condition that the fund's performance is positive (the net asset value is higher than the net asset value at the start of the period).

If the UCI underperforms the benchmark, this provision is adjusted through writebacks. Provision writebacks are capped at the level of the allocations made.

The methodology applied for the calculation of the performance fee is based on the "fictional asset" calculation method, which simulates a fictional asset subject to the same subscription and redemption conditions as the original subfund, incremented by the performance of the benchmark. This fictional asset is then compared with the performance of the fund's actual assets. The difference between the two assets therefore gives the fund's outperformance relative to its benchmark.

##### Payment of the performance fee and catch-up period

In the event that the fund has outperformed at the end of the observation period and that it has a positive performance, the management company receives the provisioned fees and a new observation period begins.

In the event that the fund has outperformed at the end of the observation period and has a negative performance, the management company takes no performance fee but a new observation period starts.

In the case that the fund has underperformed its reference indicator at the end of the observation period, no fee is charged and the initial observation period is extended by 12 months (catch-up period) so that this underperformance may be compensated for before a performance fee becomes payable again.

The initial observation period may be extended as such by up to five years (reference period). Beyond that, if the residual underperformance has not been caught up, it will be abandoned. If a year of underperformance has occurred within this first 5-year period and has not been caught up by the end of this first period, a new period of up to 5 years will begin from this new year of underperformance.

When units are redeemed, if there is a provision for performance fees, the amount proportional to the redeemed units is paid to the management company.

**Examples**

First case: the fund outperforms its index over each observation period.

Fees are taken for each observation period, and each observation period will be 12 months.

Second case:

Depending on the observation periods, the fund underperforms or outperforms its benchmark:

	Fund performance	Index performance	Relative performance over the year	Underperformance of the previous year to be offset	Net relative performance	Underperformance to be offset over the next year	Performance fee	Performance fee calculation
Year 1	5%	0%	5%	0%	5%	0%	Yes	15% x 5%
Year 2	3%	3%	0%	0%	0%	0%	No	-
Year 3	-5%	0%	-5%	0%	-5%	-5%	No	-
Year 4	5%	2%	3%	-5%	-2%	-2%	No	-
Year 5	7%	5%	2%	-2%	0%	0%	No	-
Year 6	10%	5%	5%	0%	5%	0%	Yes	15% x 5%
Year 7	9%	4%	5%	0%	5%	0%	Yes	15% x 5%
Year 8	-15%	-5%	-10%	0%	-10%	-10%	No	-
Year 9	-2%	-4%	2%	-10%	-8%	-8%	No	-
Year 10	0%	-2%	2%	-8%	-6%	-6%	No	-
Year 11	2%	0%	2%	-6%	-4%	-4%	No	-
Year 12	10%	10%	0%	-4%	-4%	0%*	No	-
Year 13	6%	4%	2%	0%	2%	0%	Yes	15% x 2%
Year 14	-6%	0%	-6%	0%	-6%	-6%	No	-
Year 15	4%	2%	2%	-6%	-4%	-4%	No	-
Year 16	6%	4%	2%	-4%	-2%	-2%	No	-
Year 17	10%	14%	-4%	-2%	-6%	-6%	No	-
Year 18	7%	7%	0%	-6%	-6%	-4%**	No	-
Year 19	6%	1%	5%	-4%	1%	0%	Yes	15% x 1%

\* The underperformance of year 12 to be offset in the following year (year 13) is 0% and not -4% (“theoretical” underperformance to be offset the following year). The residual underperformance of year 8 that was not fully offset in the subsequent years is abandoned since the five-year reference period expired (the underperformance of year 8 could only be offset until year 12).

\*\* The underperformance of year 18 to be offset in the following year (year 19) is -4% and not -6% (“theoretical” underperformance to be offset the following year). The share of the residual underperformance of year 14 (-2%) that was not fully offset in the subsequent years is abandoned since the five-year reference period expired (the underperformance of year 14 could only be offset until year 18).

**Accounting currency**

Euro.

**Indication of accounting changes subject to special information to unitholders**

- Changes made: None.
- Changes to occur: None.

**Details of other changes which must be specifically notified to unitholders (*not certified by the statutory auditor*)**

- Changes made: None.
- Changes to occur: None.

**Details and justification of changes in valuation and implementation procedures**

None.

**Details of the type of errors that have been corrected during the period**

None.

**Details of the rights and conditions attached to each unit category**

Unit(s)	Net income allocation	Realised net gain allocations
Unit A	Accumulation	Accumulation
Unit I	Accumulation	Accumulation



# 2 changes net assets

	12.30.2022	12.31.2021
Currency	EUR	EUR
<b>Net assets at the beginning of the period</b>	<b>24,965,662.47</b>	<b>7,801,248.64</b>
Subscriptions (including the subscription fee allocated to the UCIT)	4,062,795.20	17,410,387.00
Redemptions (with deduction of the redemption fee allocated to the UCIT)	-6,642,025.33	-4,745,995.99
Capital gains on deposits and financial instruments	626,193.31	3,182,839.47
Capital losses on deposits and financial instruments	-1,206,136.44	-1,290,084.86
Capital gains on financial contracts	-	-
Capital losses on financial contracts	-	-
Transaction fees	-13,865.66	-50,424.04
Foreign exchange differences	276,500.12	538,207.69
Changes in the estimate difference in deposits and financial instruments:	-4,887,388.39	2,186,908.21
- Estimate difference – period N	-843,977.05	4,043,411.34
- Estimate difference – period N-1	4,043,411.34	1,856,503.13
Changes in the estimate difference in financial contracts:	-	-
- Estimate difference – period N	-	-
- Estimate difference – period N-1	-	-
Distribution over the previous year net capital gains and losses	-	-
Prior period distribution	-	-
Net income for the period before adjustment accounts	53,274.46	-67,423.65
Deposit(s) paid(s) during the year net capital gains and losses	-	-
Interim payment(s) during the period	-	-
Other items	-	-
<b>Net assets at the end of the period</b>	<b>17,235,009.74</b>	<b>24,965,662.47</b>

## 3 additional information

### 3.1. Financial instruments: breakdown by legal or economic type of instrument

#### 3.1.1. Breakdown of the "Bonds and similar securities" item by type of instrument

	Traded on a regulated or similar market	Not traded on a regulated or similar market
Indexed bonds	-	-
Convertible bonds	-	-
Fixed-rate bonds	-	-
Variable-rate bonds	-	-
Zero-coupon bonds	-	-
Investments	-	-
Other instruments	-	-

#### 3.1.2. Breakdown of the "Debt securities" item by legal or economic type of instrument

	Traded on a regulated or similar market	Not traded on a regulated or similar market
Treasury Bonds	-	-
Short-term debt securities (NEU CP) issued by non-financial issuers	-	-
Short-term debt securities (NEU CP) issued by bank issuers	-	-
Medium-term debt securities NEU MTN	-	-
Other instruments	-	-

#### 3.1.3. Breakdown of the "Disposals of financial instruments" item by type of instrument

	Disposals of repurchase agreements	Disposals of borrowed securities	Disposals of acquired repurchase agreements	Short sales
Equities	-	-	-	-
Bonds	-	-	-	-
Debt securities	-	-	-	-
Other instruments	-	-	-	-

3.1.4. Breakdown of the off-balance sheet sections by market type (in particular rates, securities)

	Rates	Equities	Foreign Exchange	Other
<b>Hedging</b>				
Commitments on regulated or similar markets	-	-	-	-
OTC commitments	-	-	-	-
Other commitments	-	-	-	-
<b>Other transactions</b>				
Commitments on regulated or similar markets	-	-	-	-
OTC commitments	-	-	-	-
Other commitments	-	-	-	-

3.2. Breakdown by rate type for asset, liability and off-balance sheets items

	Fixed rate	Variable rates	Rollover rate	Other
<b>Assets</b>				
Deposits	-	-	-	-
Bonds and similar securities	-	-	-	-
Debt securities	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-
Financial accounts	-	-	-	83,666.87
<b>Liabilities</b>				
Temporary purchases and sales of financial securities	-	-	-	-
Financial accounts	-	-	-	-
<b>Off-balance sheet</b>				
Hedging	-	-	-	-
Other transactions	-	-	-	-

3.3. Breakdown by residual maturity for asset, liability and off-balance sheets items

	0 - 3 months	3 months - 1 year	1 - 3 years	3 - 5 years	> 5 years
<b>Assets</b>					
Deposits	-	-	-	-	-
Bonds and similar securities	-	-	-	-	-
Debt securities	-	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-	-
Financial accounts	83,666.87	-	-	-	-
<b>Liabilities</b>					
Temporary purchases and sales of financial securities	-	-	-	-	-
Financial accounts	-	-	-	-	-
<b>Off-balance sheet</b>					
Hedging	-	-	-	-	-
Other transactions	-	-	-	-	-

### 3.4. Breakdown by listing currency or evaluation for asset, liability and off-balance sheets items

This breakdown is provided for the main listing and evaluation currencies, except for the currency in which the books are kept.

By main currency	USD	GBP	CHF	Other currencies
<b>Assets</b>				
Deposits	-	-	-	-
Equities and similar securities	2,612,713.71	1,082,977.00	886,206.07	806,462.58
Bonds and similar securities	-	-	-	-
Debt securities	-	-	-	-
Collective investment undertakings	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-
Receivables	-	-	-	-
Financial accounts	7.98	-	-	-
Other assets	-	-	-	-
<b>Liabilities</b>				
Disposal operations on financial instruments	-	-	-	-
Temporary purchases and sales of financial securities	-	-	-	-
Debts	-	-	-	-
Financial accounts	-	-	-	-
<b>Off-balance sheet</b>				
Hedging	-	-	-	-
Other transactions	-	-	-	-

### 3.5. Receivables and Debts: breakdown by type

Details on elements comprising the "other receivables" and "other debts" items, particularly the breakdown of foreign exchange forward contracts by type of operation (purchase/sale).

<b>Receivables</b>	<b>872.83</b>
Foreign exchange forward contracts:	
Forward currency purchases	-
Total amount traded for forward currency sales	-
Other Receivables:	
Subscriptions to be received	872.83
-	-
-	-
-	-
Other transactions	-
<b>Debts</b>	<b>4,485.97</b>
Foreign exchange forward contracts:	
Forward currency sales	-
Total amount traded for forward currency purchases	-
Other Debts:	
Provisioned costs	4,463.01
Redemption to be paid	22.96
-	-
-	-
Other transactions	-

### 3.6. Equity

Number of units issued / redeemed during the period:	Subscriptions		Redemptions	
	Number of units	Amount	Number of units	Amount
Unit A / FR0010960930	23,721.463	4,062,795.20	27,643.369	4,798,997.93
Unit I / FR0010458265	-	-	6,630	1,843,027.40
Subscription / redemption fee:		Amount		Amount
Unit A / FR0010960930		-		-
Unit I / FR0010458265		-		-
Retrocessions:		Amount		Amount
Unit A / FR0010960930		-		-
Unit I / FR0010458265		-		-
Commissions allocated to the UCIT:		Amount		Amount
Unit A / FR0010960930		-		-
Unit I / FR0010458265		-		-

### 3.7. Management fees

Operating and management fees (fixed charges) as a % of the average net assets %

Unit class:	
Unit A / FR0010960930	<b>1.65</b>
Unit I / FR0010458265	<b>1.00</b>

Outperformance fee (variable charges): amount of fees for the period Amount

Unit class:	
Unit A / FR0010960930	<b>14.96</b>
Unit I / FR0010458265	-

Retrocession of management fees:

- Amount of fees retroceded to the UCIT	-
- Breakdown by "target" UCIT:	
- UCIT 1	-
- UCIT 2	-
- UCIT 3	-
- UCIT 4	-

**3.8. Commitments received and granted**

3.8.1. Description of the guarantees received by the UCIT with mention of capital guarantees .....**none**

3.8.2. Description of other commitments received and/or granted .....**none**

**3.9. Other information**

3.9.1. Current value of financial instruments pertaining to a temporary acquisition:

- Financial instruments as repurchase agreements (delivered) -

- Other temporary purchases and sales -

3.9.2. Current value of financial instruments comprising guarantee deposits:

Financial instruments received as a guarantee and not written to the balance sheet:

- equities -

- bonds -

- debt securities -

- other financial instruments -

Financial instruments granted as a guarantee and maintained in their original item:

- equities -

- bonds -

- debt securities -

- other financial instruments -

3.9.3. Financial instruments held as a portfolio issued by the entities related to the management company (funds) or financial managers (Mutual Funds) and UCITS managed by these entities:

- UCITS -

- other financial instruments -

**3.10. Income allocation table** *(In the accounting currency of the UCIT)***Interim payments in terms of the period**

Date	Unit Class	Total amount	Unit amount	Total tax credit	Unit tax credit
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

	12.30.2022	12.31.2021
<b>Income allocation</b>	EUR	EUR
<b>Sums remaining to be allocated</b>		
Retained earnings	-	-
Result	49,275.43	-102,997.51
<b>Total</b>	<b>49,275.43</b>	<b>-102,997.51</b>

Unit A / FR0010960930	12.30.2022	12.31.2021
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Retained earnings for the period	-	-
Capitalisation	-2,926.91	-88,936.80
<b>Total</b>	<b>-2,926.91</b>	<b>-88,936.80</b>
<b>Information concerning the units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-
<b>Tax credits</b>	-	-

Unit I / FR0010458265	12.30.2022	12.31.2021
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Retained earnings for the period	-	-
Capitalisation	52,202.34	-14,060.71
<b>Total</b>	<b>52,202.34</b>	<b>-14,060.71</b>
<b>Information concerning the units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-
<b>Tax credits</b>	-	-



**3.11. Allocation table of amounts available for distribution relating to net capital gains and losses***(in the accounting currency of the UCITS)***Payments on net capital gains and losses for the financial year**

Date	Total amount	Unit amount
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-

	12.30.2022	12.31.2021
<b>Allocation of net capital gains and losses</b>	EUR	EUR
<b>Amounts remaining to be allocated</b>		
Previous undistributed net capital gains and losses	-	-
Net capital gains and losses for the financial year	-250,004.46	2,625,877.03
Payments on net capital gains and losses for the financial year	-	-
<b>Total</b>	<b>-250,004.46</b>	<b>2,625,877.03</b>

Unit A / FR0010960930	12.30.2022	12.31.2021
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Capitalisation	-130,942.56	1,294,433.26
<b>Total</b>	<b>-130,942.56</b>	<b>1,294,433.26</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-

Unit I / FR0010458265	12.30.2022	12.31.2021
Currency	EUR	EUR
<b>Allocation</b>		
Distribution	-	-
Undistributed net capital gains and losses	-	-
Capitalisation	-119,061.90	1,331,443.77
<b>Total</b>	<b>-119,061.90</b>	<b>1,331,443.77</b>
<b>Information concerning units conferring distribution rights</b>		
Number of units	-	-
Unit distribution	-	-

**3.12. Table of results and other characteristic elements of the Fund over the last 5 periods**

UCIT creation date: May 9, 2007.

Currency

EUR	12.30.2022	12.31.2021	12.31.2020	12.31.2019	12.31.2018
<b>Net assets</b>	<b>17,235,009.74</b>	24,965,662.47	7,801,248.64	**7,192.78	**10,797.64

Unit A / FR0010960930

UNIT currency: EUR

	12.30.2022	12.31.2021	12.31.2020	12.31.2019	12.31.2018
<b>Number of outstanding units</b>	<b>56,062.578</b>	59,984.484	25,028.366	13,943.000	122.000
<b>Net asset value</b>	<b>160.87</b>	204.81	160.72	139.79	107.34
<b>Unit distribution net capital gains and losses (including interim payments)</b>	-	-	-	-	-
<b>Unit distribution (including interim payments)*</b>	-	-	-	-	-
<b>Unit tax credit transferred to unit holders (individuals) <sup>(1)</sup></b>	-	-	-	-	-
<b>Unit capitalisation*</b>	<b>-2.38</b>	20.09	10.02	45.24	32.20

\* The amounts of the unit distribution, the unit capitalization and the tax credits are indicated in the accounting currency of the UCITS. The unit capitalization is the sum of earnings and higher net capital losses and the number of units outstanding. This calculation method has been applied since 1 January 2013.

<sup>(1)</sup> In application of the Tax Instruction of 4 March 1993 of the General Tax Directorate, the unitary tax credit is determined on the day the dividend is clipped by dividing the total amount of the tax credits amongst the outstanding units on that date.

Unit I / FR0010458265

UNIT currency: EUR

	12.30.2022	12.31.2021	12.31.2020	12.31.2019	12.31.2018
<b>Number of outstanding units</b>	<b>30,117</b>	36,747	14,051.000	23,051.000	63,067.000
<b>Net asset value</b>	<b>272.79</b>	345.06	268.90	227.47	171.00
<b>Unit distribution net capital gains and losses (including interim payments)</b>	-	-	-	-	-
<b>Unit distribution (including interim payments)*</b>	-	-	-	-	-
<b>Unit tax credit transferred to unit holders (individuals) <sup>(1)</sup></b>	-	-	-	-	-
<b>Unit capitalisation*</b>	<b>-2.21</b>	35.85	22.96	76.70	53.91

\* The amounts of the unit distribution, the unit capitalization and the tax credits are indicated in the accounting currency of the UCITS. The unit capitalization is the sum of earnings and higher net capital losses and the number of units outstanding. This calculation method has been applied since 1 January 2013.

<sup>(1)</sup> In application of the Tax Instruction of 4 March 1993 of the General Tax Directorate, the unitary tax credit is determined on the day the dividend is clipped by dividing the total amount of the tax credits amongst the outstanding units on that date.

\*\* Net assets in K EUR.

# 4 inventory at 12.30.2022

Asset Code	Asset Description	Holding Status	Nominal	Market Value - FCY	Quotation Ccy	% TNA
<i>Valeurs mobilières</i>						
<i>Action</i>						
US0378331005	APPLE INC	PROPRE	5,607.00	680,666.64	USD	3.95
DE0005190037	BAYERISCHE MOTOREN WERKE PFD	PROPRE	11,080.00	881,414.00	EUR	5.11
IT0004764699	BRUNELLO CUCINELLI	PROPRE	6,158.00	425,517.80	EUR	2.47
FR0000130403	CHRISTIAN DIOR SE	PROPRE	1,186.00	807,666.00	EUR	4.69
GB0002374006	DIAGEO	PROPRE	26,257.00	1,082,977.00	GBP	6.28
DE000PAG9113	DR PORSCHE AKTIENGESELLSCHAFT PREFERRED STOCK	PROPRE	7,186.00	680,873.50	EUR	3.95
FR0000121667	ESSILOR LUXOTTICA SA	PROPRE	8,162.00	1,381,010.40	EUR	8.01
US5184391044	ESTEE LAUDER COMPANIES INC-A	PROPRE	2,090.00	484,490.24	USD	2.81
NL0011585146	FERRARI NV	PROPRE	3,475.00	695,695.00	EUR	4.04
CH0114405324	GARMIN LTD	PROPRE	3,010.00	259,546.76	USD	1.51
FR0000052292	HERMES INTERNATIONAL	PROPRE	551.00	796,195.00	EUR	4.62
FR0004024222	INTER PARFUMS	PROPRE	11,562.00	642,847.20	EUR	3.73
FR0000121485	KERING	PROPRE	1,231.00	585,340.50	EUR	3.40
FR0000120321	LOREAL SA	PROPRE	2,900.00	967,440.00	EUR	5.61
FR0000121014	LVMH MOET HENNESSY LOUIS VUITTON SE	PROPRE	1,786.00	1,214,301.40	EUR	7.05
IT0004965148	MONCLER SPA	PROPRE	15,839.00	784,030.50	EUR	4.55
US6541061031	NIKE INC -B-	PROPRE	5,275.00	576,686.68	USD	3.35
FR0000120693	PERNOD RICARD	PROPRE	4,389.00	806,478.75	EUR	4.68
FR0000130395	REMY COINTREAU	PROPRE	4,161.00	655,773.60	EUR	3.80
LU1778762911	SPOTIFY TECHNOLOGY SA	PROPRE	4,479.00	330,390.59	USD	1.92
CH1175448666	STRAUMANN HOLDING LTD	PROPRE	8,306.00	886,206.07	CHF	5.14
IT0005162406	TECHNOGYM S.P.A	PROPRE	61,820.00	442,013.00	EUR	2.56
US88160R1014	TESLA INC	PROPRE	2,441.00	280,932.80	USD	1.63
CNE000000VQ8	WULIANGYE YIBIN -A-	PROPRE	32,957.00	806,462.58	CNY	4.68
<b>Total Action</b>				<b>17,154,956.01</b>		<b>99.54</b>
<b>Total Valeurs mobilières</b>				<b>17,154,956.01</b>		<b>99.54</b>

Asset Code	Asset Description	Holding Status	Nominal	Market Value - FCY	Quotation Ccy	% TNA
<i>Liquidites</i>						
<i>BANQUE OU ATTENTE</i>						
	ACH DIFF OP DE CAPI	PROPRE	-22.96	-22.96	EUR	-0.00
	BANQUE EUR BPP	PROPRE	83,658.89	83,658.89	EUR	0.49
	BANQUE USD BPP	PROPRE	8.54	7.98	USD	0.00
	SOUS RECEV EUR BPP	PROPRE	872.83	872.83	EUR	0.01
<b>Total BANQUE OU ATTENTE</b>				<b>84,516.74</b>		<b>0.49</b>
<i>FRAIS DE GESTION</i>						
	PRCOMGESTFIN	PROPRE	-2,865.31	-2,865.31	EUR	-0.02
	PRCOMGESTFIN	PROPRE	-1,582.74	-1,582.74	EUR	-0.01
	PRCOMVARIABLEACQU	PROPRE	-14.96	-14.96	EUR	-0.00
<b>Total FRAIS DE GESTION</b>				<b>-4,463.01</b>		<b>-0.03</b>
<b>Total Liquidites</b>				<b>80,053.73</b>		<b>0.46</b>
<b>Total ECHIQUIER LUXURY</b>				<b>17,235,009.74</b>		<b>100.00</b>

ANNEX IV

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

Product name: **Echiquier Luxury**

Legal entity identifier: 969500XWGF1SSE3MU89

## Environmental and/or social characteristics

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

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

Did this financial product have a sustainable investment objective?	
<p style="text-align: center;">●● <input type="checkbox"/> <b>Yes</b></p> <p><input type="checkbox"/> It has made <b>sustainable investments with the following objectives</b></p> <p style="margin-left: 20px;"><b>environmental:</b> _____%</p> <div style="margin-left: 20px;"> <p><input type="checkbox"/> in economic activities that are considered environmentally sustainable under the EU taxonomy</p> <p><input type="checkbox"/> in economic activities that are not considered environmentally sustainable under the EU taxonomy</p> </div> <p><input type="checkbox"/> It has made <b>sustainable investments with a social objective:</b> _____%</p>	<p style="text-align: center;">●● <input checked="" type="checkbox"/> <b>No</b></p> <p><input checked="" type="checkbox"/> It promoted <b>environmental and/or social (I/O) characteristics</b> and although it did not have a proportion of 10% of sustainable investments</p> <div style="margin-left: 20px;"> <p><input type="checkbox"/> with an environmental objective in economic activities that are considered environmentally sustainable under the EU taxonomy</p> <p><input checked="" type="checkbox"/> with an environmental objective in economic activities that are not considered environmentally sustainable under the EU taxonomy</p> <p><input type="checkbox"/> with a social objective</p> </div> <p><input type="checkbox"/> It <input checked="" type="checkbox"/> promoted I/O features, but <b>has not made any sustainable investments</b></p>



**To what extent have the environmental and/or social characteristics promoted by this financial product been achieved?**

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

The responsible investment strategy is based on ESG criteria highlighting the environmental and/or social characteristics promoted by this financial product, such as the reduction of the environmental impact of companies in terms of air pollution, the protection of biodiversity, the consideration by companies of environmental risks... or the improvement of working conditions, the protection of employees, the fight against discrimination...

All the positions in the portfolio have benefited from an extra financial analysis.

● **How did the sustainability indicators perform?**

Indicators	31/12/2022
<b>ESG rating</b>	
ESG rating (source LFDE)	6,2/10
Note Environment (source LFDE)	5,6/10
Note Social (source LFDE)	6,1/10
Governance note (source LFDE)	6,5/10
<b>Other Indicators</b>	
Carbon Intensity of Induced Emissions (source Carbon4 Finance)	158,7

*\*The calculation of this indicator can be based on estimated data*

● **...and compared to previous periods?**

Indicators	31/12/2021	31/12/2022	Minimum expected
<b>ESG rating</b>			
ESG rating (source LFDE)	6,3/10	6,2/10	4,0/10
Note Environment (source LFDE)	5,6/10	5,6/10	/
Note Social (source LFDE)	5,9/10	6,1/10	/
Governance note (source LFDE)	6,6/10	6,5/10	/
<b>Other Indicators</b>			
Carbon Intensity of Induced Emissions (source Carbon4 Finance)	164,6	158,7	/

*\*The calculation of these indicators can be based on estimated data*

● **What were the objectives of the sustainable investments that the financial product intended to partially achieve and how did the sustainable investment contribute to these objectives?**

The sustainable investment objectives of the financial product were to contribute to the achievement of the United Nations Sustainable Development Goals (including the fight against climate change, the protection of biodiversity and the improvement of access to health in the world). To assess this positive contribution to society and the environment, the financial product uses three impact scores developed internally by La Financière de l'Échiquier (SDG Score (focus on 9 SDGs), Climate & Biodiversity Maturity Score (MCB), AAAA Score (focus on access to health)) and an external score called the "MSCI SDG Score" built from MSCI ESG Research data. If the issuer has a sufficient score on one of these four scores, it will be considered that its economic activity contributes to an environmental or social objective. Finally, if none of the four impact scores mentioned above is available for a company (notably in the case of a company

not covered by MSCI), an analysis of the contribution to the SDGs will be carried out internally through the internal "SDG ID Score" (broader than the SDG Score because it focuses on 17 SDGs instead of 9).

In practice, this financial product has achieved 24% of sustainable investments.



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

**How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

To ensure that the financial product's sustainable investments do not cause significant harm to an environmental or social objective (DNSH), La Financière de l'Echiquier has applied a "DNSH" procedure for products with a sustainable investment objective, including:

- Sectoral and normative exclusions (recalled below) that reduce its exposure to social and environmental harms: tobacco, coal, recreational cannabis, controversial armaments.

**How were the indicators for adverse impacts on sustainability factors taken into account?**

Regarding negative impacts, this financial product has taken into account 14 mandatory indicators from Table 1 of Annex I of the European Commission's Delegated Regulation (EU) 2022/1288, and also includes 2 additional indicators (investments in companies without carbon reduction initiatives and investments in issuers without a policy to prevent workplace accidents). These indicators are taken into account in the various aspects of the management company's responsible investment approach: through the exclusion policy (sectoral and normative), the ESG analysis methodology, the various Impact scores, and the measurement and monitoring of ESG performance indicators (carbon intensity, ESG controversy score) as follows

**CLIMATE & ENVIRONMENT PILLAR**

- Scope 1, 2 and 3 greenhouse gas emissions by measuring and monitoring CO2 emissions and equivalents for all scopes (1, 2, 3),
- The carbon footprint, measured and monitored using the Carbon Impact Ratio methodology (ratio of saved emissions to induced emissions),
- The carbon intensity of the invested companies (in tCO2) calculated according to the intensity of the induced emissions (WACI),
- The exposure of invested companies to fossil fuels is taken into account in the ESG analysis,
- The share of non-renewable energy consumption and production taken into account in the ESG analysis,
- The impact on biodiversity through ESG analysis, the Climate and Biodiversity Maturity Score and the measurement of the biodiversity footprint,
- The impact on biodiversity through ESG analysis and the measurement of the biodiversity footprint,
- Tons of priority substances discharged into water considered in ESG analysis
- Tons of hazardous waste considered in the ESG analysis,
- Investments in companies without carbon reduction initiatives in the ESG analysis (additional indicator).

**SOCIAL PILLAR, HUMAN RESOURCES AND RESPECT FOR RIGHTS INCLUDING HUMAN RIGHTS**

- The share of issuers involved in violations of the UN Global Compact or the OECD Guidelines, through MSCI ESG Research's normative exclusion policy and controversy monitoring,
- The proportion of investments in issuers without a compliance process and mechanism to monitor compliance with the principles of the UN Global Compact or the OECD Guidelines, through MSCI ESG Research's normative exclusion policy and controversy monitoring,
- The gender pay gap taken into account in the ESG analysis,
- Diversity on company boards in terms of % of women according to the different legislation between countries and the level of voluntarism and proactivity of companies on the subject, taken into account in the ESG analysis,
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, etc.) taken into account in the sectoral exclusion policy,
- Investments in issuers without a policy of prevention of occupational accidents taken into account in the ESG analysis (additional indicator).



*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Through our normative exclusion policy and MSCI ESG Research's controversy monitoring, including the exclusion of the most controversial companies (including companies guilty of violating the UN Global Compact), we have ensured that the following two IAPs are included:

- The share of issuers involved in violations of the UN Global Compact or the OECD Guidelines,
- The proportion of investments in issuers without a compliance process and mechanism to monitor compliance with the UN Global Compact or OECD Guidelines.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

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

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



## How did this financial product address key negative impacts on sustainability factors?

Regarding negative impacts, this financial product has taken into account 14 mandatory indicators from Table 1 of Annex I of the European Commission's Delegated Regulation (EU) 2022/1288, and also includes the following two additional indicators: investments in companies without carbon reduction initiatives and investments in issuers without a policy to prevent work-related accidents. These indicators are taken into account in the various aspects of the management company's responsible investment approach: through the exclusion policy (sectoral and normative), the ESG analysis methodology, the various Impact scores, and the measurement and monitoring of ESG performance indicators (carbon intensity, ESG controversy score). The details of the indicators taken into account are mentioned above.



## What were the main investments in this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:

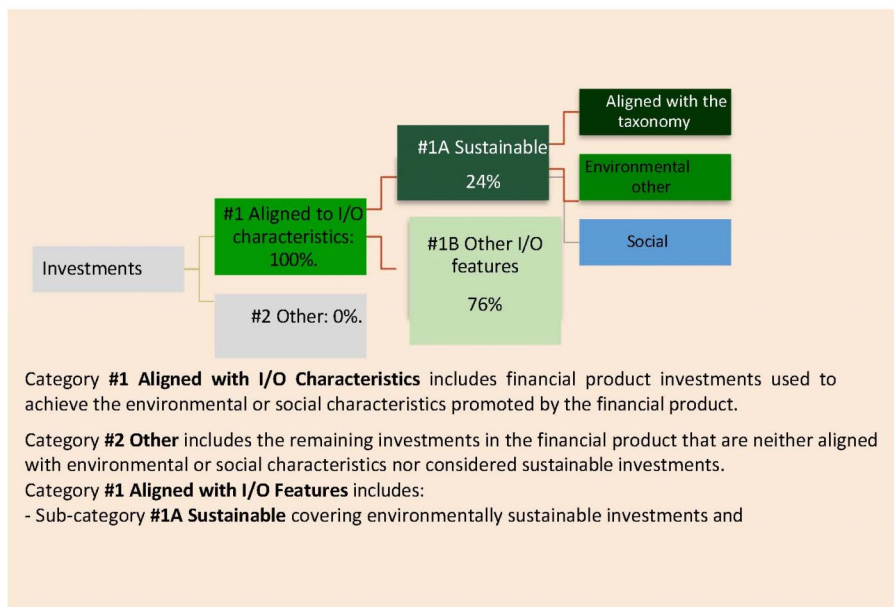
<b>Largest investments as of 12/31/2022</b>	<b>Economic sectors</b>	<b>of assets</b>	<b>Country</b>
COOPERAGE FRANCOIS FRERES	Materials	5,7%	France
NEURONES	Information Technology	5,5%	France
INFOTEL	Information Technology	5,3%	France
DELTA PLUS	Industry	5,0%	France
CEMBRE	Industry	4,9%	Italy
THERMADOR	Industry	4,8%	France
B&C SPEAKERS	Consumer discretionary	4,4%	Italy
BOIRON	Health Care	4,1%	France
GERARD PERRIER INDUSTRIE	Industry	4,0%	France
LABOMAR	Basic necessities	3,6%	Italy



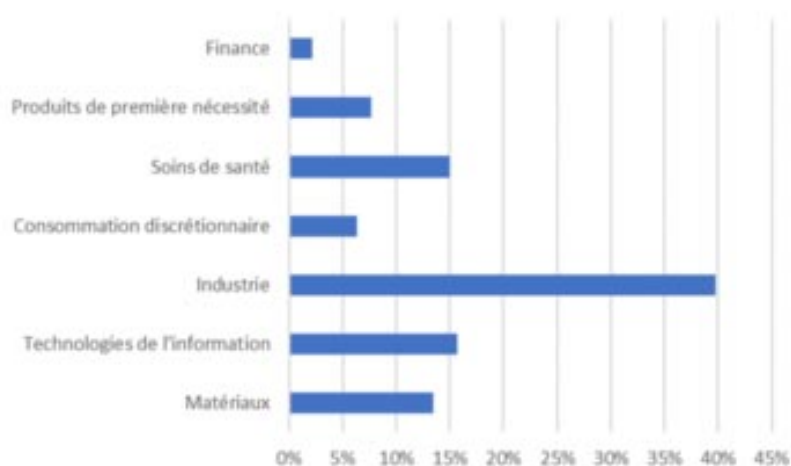
**Asset allocation** describes the share of investments in specific assets.

**What was the proportion of sustainability-related investments?**

● **What was the asset allocation?**



● **In which economic sectors were the investments made?**



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules. **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



**To what extent were sustainable investments with an environmental objective aligned with the EU taxonomy?**

**Has the financial product invested in fossil gas and/or nuclear energy activities that comply with the EU taxonomy<sup>1</sup> ?**

Yes :

In fossil gas  In nuclear energy

No

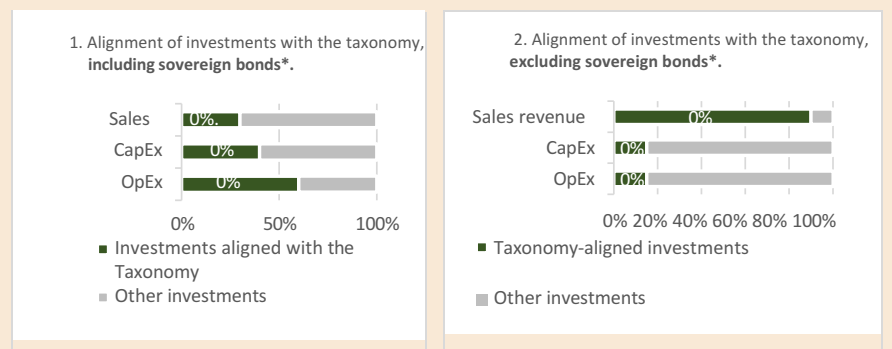
...ar activities will only be consistent with the EU taxonomy if they contribute to limiting climate change ("mitigation") and do not cause significant harm to any objective of the EU taxonomy - see explanatory note in the left margin. The set of criteria for economic activities in the fossil gas and nuclear energy sectors that are consistent with the EU taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) shows the green investments made by investee companies, e.g. relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

*In the absence of data reported by companies, we do not produce data on this indicator.*

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



*\*For the purposes of these charts, "sovereign bonds" include all sovereign exposures.*

● **How much of the investment was in transitional and enabling activities?**

*Not applicable*

**What is the percentage of investments aligned with the EU taxonomy compared to previous reporting periods?**

*Not applicable*



**What was the share of sustainable investments with an environmental objective not aligned with the EU taxonomy?**

*To date, the methodology for calculating sustainable investments does not allow for the precise identification of sustainable investments that meet only environmental objectives.*



**What was the share of socially sustainable investments?**

*To date, the methodology for calculating sustainable investments does not allow for the precise identification of sustainable investments that meet only social objectives.*



**What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards ?**

*The "non-sustainable" category was composed of stocks of companies that do not meet our sustainable investment criteria, as well as cash. The same sector and normative exclusion policy applies to all portfolio assets.*



**What actions were taken to meet environmental and/or social characteristics during the reporting period?**

*The "non-sustainable" category was composed of stocks of companies that do not meet our sustainable investment criteria, as well as cash. The same sector and normative exclusion policy applies to all portfolio assets.*

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



**How has this financial product performed against the benchmark?**

*The UCI does not have a sustainable investment objective.*

● **How does the benchmark differ from a broad market index?**

*Not applicable*

- **How did this financial product perform on the sustainability indicators designed to determine the alignment of the benchmark with the environmental or social characteristics being promoted?**

*Not applicable*

- **How has this financial product performed against the benchmark?**

*Not applicable*

- **How has this financial product performed against the broad market index?**

*Not applicable*