

QUESTIONS / REQUIREMENTS	DEGREE OF COMPLIANCE WITH THE REQUIREMENT				Weighting of the question	Score obtained	Weighted score	Maximum weighted score
	0	1	2	3				
<b>A) CHANGE THEORY</b>	0	1	2	3		<b>OUTCOME (%) - A</b>	<b>27</b>	<b>/30</b>
<b>1. Definition of general objectives</b>	0	1	2	3		<b>TOTAL OUTCOME (A1)</b>	<b>12</b>	<b>/12</b>
<b>1. Does the fund clearly have sustainable transformation objectives in its supporting documents?</b>	No, the supporting documents do not mention sustainable transformation objectives or refer to them ambiguously		Yes, the supporting documents clearly state that investments in the fund aim to contribute to one or more sustainable transformation objectives		1	2	2,00	/2
<b>2. How is each sustainable transformation objective pursued by the fund described and justified?</b>	The sustainable transformation objectives pursued by the fund are not described	The sustainable transformation objectives pursued by the fund are described in general as part of major social or environmental trends	The sustainable transformation objectives pursued by the fund are described in conjunction with specific targets from the reference frameworks (e.g. the 164 targets of the 17 SDGs)		1	2	2,00	/2
<b>3. Does the fund derive specific objectives for each issuer invested in relation to its general objectives of sustainable transformation?</b>	No, the general objective is not broken down into specific objectives at the issuer level	Yes, the general objective is broken down into specific objectives at the issuer level	Yes, the general objective is broken down into specific objectives at the issuer level, and the objectives are aligned with a reference scenario, where one exists		1	2	2,00	/2
<b>4. How do other competing funds cover the need for each sustainable transformation objective pursued by the fund?</b>	The needs that are met by the sustainable transformation objectives pursued by the fund are already well covered by other competing funds (using a similar or different strategy)	The needs that are met by the sustainable transformation objectives pursued by the fund are only partially covered by other competing funds (using a similar or different strategy) - there is a real need to increase the volume of solutions offered	The needs that are met by the sustainable transformation objectives pursued by the fund are not covered or are poorly covered by other competing funds (using a similar or different strategy) - there is a critical need to increase the volume of solutions offered		1	2	2,00	/2
<b>4.1 To meet the objectives of sustainable transformation, does the fund propose an original or innovative solution? (WHITE QUESTION)</b>	No	Yes, and this solution is likely to better meet the preferences of certain issuers or investors	Yes, and this solution is likely to better meet the preferences of certain issuers or investors. It also has the potential to be widely duplicated and to be a new type of strategy as it does not involve significant barriers to entry (e.g. engagement fund around the SDG)		0	2	0,00	
<b>5. Does the fund state the explicit objective of having an impact in its supporting documents (i.e. legal and commercial)? (QUALIFYING QUESTION)</b>	No, the fund does not mention the notion of impact in its supporting documents (i.e. legal and commercial)		Yes, in its supporting documents (i.e. legal and commercial), the fund is positioned as an impact-driven fund or indicates that investing in the fund allows investors to have an impact, emphasizing the concepts of intentionality, additionality and measurement.		1	2	2,00	/2
<b>6. Does the fund aim to implement actions to limit the negative externalities of selected issuers beyond the targeted sustainable transformation objective(s)? (QUALIFYING QUESTION)</b>	No, the fund does not mention in its supporting documents its goal to actively monitor and manage the negative externalities of the selected issuers		Yes, in its supporting documents, the fund declares its intention to actively monitor and manage the negative externalities (considered material) of the issuers selected once the investment has been made (beyond the ex-ante selection of issuers only)		1	2	2,00	/2
<b>2. Definition of the actions deployed by the financial institution to achieve the objectives (i.e. cause the desired changes)</b>	0	1	2	3		<b>TOTAL OUTCOME (A2)</b>	<b>15</b>	<b>/18</b>
<b>7. Are the actions associated with the fund to achieve the sustainable transformation objectives described in the supporting documents? (QUALIFYING QUESTION)</b>	Actions to achieve the objectives set are not described	Actions to achieve the objectives set are briefly described	The actions to achieve the objectives set are described in detail		2	2	4,00	/4
<b>8. From the following list, please select the planned contribution actions and the assets under management covered (note in column N). Please refer to the explanatory note for a presentation of the various contribution actions.</b>								
1. Provision of flexible capital 2. Development of new capital markets where supply is insufficient 3. Provision of non-financial support 4. Shareholder engagement 5. Reporting the importance of the impact (market signals) 6. Reporting the importance of the impact (other signals)	No action	At least 1 planned reporting action (actions 5 and 6)	At least one planned action, excluding reporting (actions 1 to 4)	More than one planned action, excluding reporting (actions 1 to 4)	1	3	3,00	/3
<b>8.1. Does the fund use "impact mechanisms" other than those described above? If yes, describe them. (WHITE QUESTION)</b>	No, the fund does not use any other impact mechanism	Yes, the fund uses one or more other impact mechanisms but for now there is no empirical evidence of their effectiveness	Yes, the fund uses one or more other impact mechanisms and there is empirical evidence of their effectiveness		0	0	0,00	0

Comments
The impact thesis - which details the fund's sustainable transformation objectives - has been formalized and is set out in the fund's publicly available supporting documents (impact report, theory of change, prospectus, etc.). The fund's impact thesis is as follows: "Supporting European companies whose products, services and operations contribute to the United Nations Sustainable Development Goals (SDGs).".
Each sustainable transformation objective pursued by the fund is described and justified in the fund's Theory of Change. In the specific case of Echiquier Positive Impact Europe, our objectives are also precisely described in our proprietary methodology for measuring the net contribution of companies to the SDG targets. The SDG Score. The targets used in this methodology are the precise targets from the UN's SDG framework. The Theory of Change of the FUND is freely available on our website in the "Responsible Investment" section, on the "Further reading" page, in the "LFDE - Impact documents" section.
The general objective is broken down into specific objectives at issuer level. The targets are aligned with the SDG reference framework. For each issuer, the management team identifies one or more SDG targets to which the company makes a positive contribution whether through its products and services, or its cutting-edge initiatives.
In 2023, the Secretary General of the United Nations highlighted the significant delay in financing the Sustainable Development Goals, with a shortfall of around 4,200 billion dollars a year. Only a fraction of global financial flows are devoted to them. Redirecting them towards the SDGs on the basis of rigorous methodologies is becoming increasingly critical. Listed financial markets - which account for over 90% of financial flows but less than 20% of impact investments - have an indispensable role to play. To date, to our knowledge, two other impact mutual funds in France - whose assets under management are smaller than those of our fund - have a methodology similar to ours. We have identified less than 10 mutual funds worldwide with a similar approach, whose assets under management are very small compared to the colossal financing needs for the SDGs that listed markets could provide.
Since its creation, the FUND has adopted a singular positioning in its selection of companies. This positioning makes it possible to enhance the value of companies whose positive impacts are less recognized and valued by the market. To this end, Echiquier Positive Impact Europe selects stocks according to two types of impact: direct and indirect. Companies generating indirect positive impacts are often less financed. These are companies that have an impact upstream, along the value chain. This may be via products or services that improve the impact along the value chain of their B2B customers, or via the design of products with a positive impact through ambitious eco-design or carbon neutrality approaches. Our funding therefore supports their strategy of making a greater impact at the heart of their business model.
In its supporting documents (i.e. legal and commercial), the fund positions itself as an impact fund and indicates that it enables investors to have an impact, insisting on the three pillars of impact investment: intentionality, additionality and measurement.
In its supporting documents, the fund states its intention to actively monitor and manage the negative externalities (considered material) of its chosen issuers once the investment has been made (beyond the only selection of ex-ante issuers). In this way, the fund implements actions aimed at limiting the negative externalities of all issuers ex-ante and ex-post, thanks to various levers of action: <ul style="list-style-type: none"> <li>Exclusions filter: This excludes from the portfolio companies involved in activities or sectors with high negative externalities, as well as companies with the most controversial practices.</li> <li>ESG rating filter: We ensure that the companies we select have good governance, social and environmental practices, and that they control (and if possible reduce) their negative externalities. The minimum ESG rating required ensures a high level of selectivity. This assessment is regularly updated.</li> <li>Impact filter: The fund applies an impact filter based on a proprietary methodology for assessing companies' net contribution to the SDGs. This enables us to integrate issuers' negative externalities into our assessment, and to select only companies with a positive net contribution. This assessment is regularly updated.</li> <li>Controversy monitoring: We closely monitor controversies linked to the companies in which we invest. This monitoring may result in the divestment of certain companies.</li> <li>Outperformance Indicators: Throughout its lifetime, the objective of the fund is to outperform its benchmark on two indicators extra - financial. Within the framework of this FUND, these are: the carbon intensity emissions across all scopes and the ESG controversies score.</li> <li>Sustainable investment: 100% of the investments made by the fund are sustainable investments, as defined in the SFDR regulation. To be considered sustainable, companies must, among other things, "not cause significant harm environmental or social objective".</li> <li>Shareholder engagement: Our shareholder engagement approach has several objectives, including limiting the negative externalities of the issuers in our portfolio.</li> </ul>
The actions associated with the fund to achieve the sustainable transformation objectives are described in detail in the various fund support documents.
The contribution actions planned by the fund are as follows: <ul style="list-style-type: none"> <li>(A) Development of new capital markets where supply is insufficient: The fund finances a significant proportion of small- and mid-cap companies, representing around 20% of assets.</li> <li>(B) Shareholder engagement: The Fund's commitment to shareholder engagement covers 100% of assets under management, with a minimum of systematically sending progress reports to all portfolio companies.</li> <li>(C) Reporting the importance of the impact (market signals): The fund adopts a patient investor approach, taking long-term equity stakes in companies. This loyalty sends a signal to issuers about the confidence we have in their impact and our desire to support them over the long term. It concerns 100% of the issuers in our portfolio.</li> <li>(D) Reporting the importance of the impact (other signals): LFDE contributes to the development of impact investing on listed markets through its active participation in market working groups on the subject.</li> </ul>
The fund does not currently use any impact mechanisms other than those described in question 8.

9. Does the fund justify the actions envisaged (in questions 7 and 8) by seeking additionality? (QUALIFYING QUESTION)	No, the fund presents the actions deployed in its supporting documents without suggesting that they will allow it to have an additional effect.	Yes, in its supporting documents, the fund justifies the actions deployed by their potential to generate additionality	1	2	2,00 /2		
10. How are the expected causal chains between actions and impacts described?	No causal chain is presented; the fund's contribution to the objectives is not explained	A simplified causal chain is presented at the fund level	Several detailed causal chains are presented, with a high level of granularity (by objective, sector or company)	1	2	2,00 /2	
11. How are the external factors on which the success of change theory depends described?	The external factors on which the success of the fund's change theory depends are not described	The external factors on which the success of the fund's change theory depends are discussed in a very general manner at the level of the fund	The external factors on which the success of the fund's change theory depends are detailed for sub-parts of the portfolio (e.g. by sector)	1	1	1,00 /3	
12. Is there an action plan in place to manage and/or correct this dependency on external factors?	An action plan has not been developed to manage dependency	One or more actions are mentioned but are not the subject of a systematic action plan with specific steps and a follow-up schedule	A systematic action plan has been put in place with specific steps and a follow-up schedule	1	1	1,00 /2	
13. How are the actions taken to detect, prioritise and control negative externalities described?	Actions to detect, prioritise and control negative externalities before and after investment are not described.	Actions to detect, prioritise and control negative externalities before and after investment are mentioned by the fund but are not described in detail	Actions to detect, prioritise and control negative externalities before and after investment are described in detail: the fund provides the methodology for the materiality analysis and describes the procedure for engagement around material negative externalities	1	2	2,00 /2	
B) OPERATIONAL IMPLEMENTATION		0	1	2	3	OUTCOME (%) - B	19 /27
14. How systematically do the selected issuers meet the objectives and strategy pursued by the fund? (QUALIFYING QUESTION)	Less than 50% of the portfolio is invested in issuers that exactly meet the objectives and strategy pursued by the fund	Between 50% and 70% of the portfolio is invested in issuers that exactly meet the objectives and strategy pursued by the fund	Between 70% and 90% of the portfolio is invested in issuers that exactly meet the objectives and strategy pursued by the fund	Over 90% of the portfolio is invested in issuers that exactly meet the objectives and strategy pursued by the fund	2	3	6,00 /6
15. How intensively does the fund activate the most relevant impact mechanisms for its asset class (listed equities)?						8,00 /8	
15.1 ACTIVE ENGAGEMENT – Does the fund have an active shareholder engagement policy on the targeted sustainable transformation goals that incorporates a detailed escalation strategy?	No, the fund does not have an active shareholder engagement policy in relation to its sustainable transformation objectives or, if it does, does not communicate on its escalation strategy	Yes, the fund has an active shareholder engagement policy and provides details on its escalation strategy (setting intermediate objectives, grading responses, action of last resort, etc.)	Yes, the fund has an active shareholder engagement policy, provides details on its escalation strategy (setting intermediate targets, grading responses, action of last resort, etc.) and provides portfolio level statistics on the progress of its engagement actions in respect of its escalation strategy	Yes, the fund has an active shareholder engagement policy, provides details on its escalation strategy (setting intermediate targets, grading responses, action of last resort, etc.) AND justifies all its votes AND regularly submits resolutions at GMS concerning the fund's sustainable transformation objectives and/or conducts media campaigns around votes relating to these objectives (at least three resolutions/campaigns per year)	1	3	3,00
15.2 BEHAVIOUR AT GENERAL MEETINGS – Does the fund and the management company as a whole behave at general meetings in line with the sustainable transformation objectives targeted by the fund?	No, the fund or management company does not apply a voting policy consistent with the targeted sustainable transformation objectives	The fund and the management company apply a voting policy consistent with the targeted sustainable transformation objectives.	The fund and the management company apply a voting policy consistent with the sustainable transformation objectives targeted AND i) justifies all its votes OR ii) regularly submits resolutions at GMS concerning the fund's sustainable transformation objectives and/or conducts media campaigns around votes relating to these objectives (at least three resolutions/campaigns per year)	The fund and the management company apply a voting policy consistent with the targeted sustainable transformation objectives AND justifies all its votes AND regularly submits resolutions at GMS concerning the fund's sustainable transformation objectives and/or conducts media campaigns around votes relating to these objectives (at least three resolutions/campaigns per year)	1	2	2,00
15.3 COLLABORATIVE ENGAGEMENT – Does the fund actively participate in collaborative engagements (through investor coalitions) regarding the targeted sustainable transformation objectives?	No, the fund does not participate in collective engagement actions with other investors regarding the targeted sustainable transformation objectives	Yes, the fund participates in collective engagement actions with other investors regarding the targeted sustainable transformation objectives without providing details on their frequency	Yes, the fund is involved in collective engagement actions with other investors regarding the targeted sustainable transformation objectives for at least 20% of the portfolio positions (unless duly justified inability, see explanatory note) or is the organiser/spokesperson of investor coalitions (between 0 and 3 per year)	Yes, the fund is involved in collective engagement actions with other investors regarding the targeted sustainable transformation objectives for at least 30% of the portfolio positions (unless duly justified inability, see explanatory note) or is the organiser/spokesperson of investor coalitions (> 3 per year)	2	1	2,00
15.4 MARKET SIGNAL – Does the fund apply a singular capital allocation policy that is consistent with its sustainable transformation objectives that is liable to have a significant impact on the prices of financial assets and, consequently, influence the behaviour of issuers?	No, the fund does not apply a singular capital allocation policy in line with sustainable transformation objectives	Yes, the fund applies a singular capital allocation policy (involving positive, negative or thematic issuer selection) in line with its sustainable transformation objectives which, if replicated by many other players, would be likely to have a significant effect on the prices of financial assets, and therefore change the behaviour of issuers.	Yes, the fund applies a singular capital allocation policy in line with its sustainable transformation objectives that is likely to have a significant effect on the prices of financial assets and therefore change the behaviour of issuers (the fund and other funds applying a very similar strategy – see explanatory note – together represent more than 5% of the capitalisation of the investee companies or the fund can demonstrate, based on rigorous work, that its capital allocation decisions have resulted in a rise of at least 10% in the price of the investee companies or a fall of 10% in the companies excluded).	Yes, the fund applies a singular capital allocation policy in line with its sustainable transformation objectives that is likely to have a very significant effect on the prices of financial assets and therefore change the behaviour of issuers (the fund and other funds applying a very similar strategy – see explanatory note – together represent more than 10% of the capitalisation of the investee companies or the fund can demonstrate, based on rigorous work, that its capital allocation decisions have resulted in a rise of at least 20% in the price of the investee companies or a fall of 20% in the companies excluded).	1	1	1,00

The actions envisaged in questions 7 and 8 are part of the fund's additionality approach and are presented in the FUND's supporting documents, in particular the Impact Doctrine, the Impact report and the fund's Theory of change. These documents are freely available on our website in the "Responsible Investment" section, on the "To find out more" page, under the heading "LFDE - Impact documents".

The expected causal chains between actions and impacts are explained with a high degree of granularity. They are detailed in the theory of change document for each fund. Concrete company examples illustrating these causal chains are also presented in the fund impact report. These two documents are freely available on our website in the "Responsible Investment" section, on the "Further reading" page, under the heading "LFDE - Impact documents". In this case, two distinct causal chains are presented, one dedicated to environmental issues and the other to social issues, covering the panel of the 9 main SDGs targeted by the fund.

The external factors on which the success of the theory of change depends, which are taken into account in the selection and monitoring of portfolio companies, are described at the level of the mutual fund. They are detailed in the Theory of Change document for each fund, freely available on our website in the "Responsible Investment" section, on the "To find out more" page, under the heading "LFDE - Impact documents".

Several actions are implemented in the portfolio selection and monitoring process to manage and/or correct dependence on external factors. They are not, however, the subject of a systematic action plan with specific stages and a follow-up schedule. These actions are detailed in the Theory of Change document for each fund, freely available on our website in the "Responsible Investment" section, on the "To find out more" page, under the heading "LFDE - Impact documents".

Actions to detect, prioritise and control negative externalities before and after investment are described in detail (analysis methodology, commitment approach to negative externalities, etc.) in various publications such as the Transparency Code, the Commitment Policy, the SFRD Policy on the main negative impacts and the Exclusion Policy. These documents are freely available on our website in the "Responsible Investment" section, on the "Further reading" page.

100% of the issuers in the portfolio meet the objectives and strategy pursued by the fund, i.e. its impact thesis. This is made possible by the systematic application of a proprietary impact analysis methodology - in this case the SDG Score - to which each issuer must obtain a minimum score in order to integrate the mutual fund.

The Fund has an active and systematic shareholder engagement policy (i.e. it applies to 100% of the companies in its portfolio). Details of its escalation strategy are clearly defined in the engagement Policy. Statistics are provided annually on the progress of commitments, and examples of commitments at different levels of escalation are given in the fund's Impact Report, as well as in the Voting and Commitment Report. The themes of the prioritized commitments are linked to the impact thesis of each strategy, enabling us to reinforce our intentionality. The success of these impact commitments is the source of additional variable remuneration for the fund managers concerned. Both documents are freely available on our website in the "Responsible Investment" section, on the "Further reading" page.

The fund and the management company apply a voting policy that is consistent with its sustainable transformation objectives, justifies all its votes and from time to time submits resolutions concerning the fund's sustainable transformation objectives to the AGM and/or conducts media campaigns around votes relating to these objectives. One of the areas identified for improvement over the next few years is to step up the number of resolutions submitted and the media campaigns surrounding votes.

The fund participates in collective engagement actions with other investors concerning the targeted sustainable transformation objectives. However, we cannot guarantee that these actions will target at least 20 or 30% of the companies in the portfolio each year. We have identified this as an area for improvement over the next few years.

The fund applies a singular capital allocation policy in line with its sustainable transformation objectives. This policy is designed to enhance the value of companies whose positive impacts are not always recognized by the market. If replicated by many other investors, it would be likely to have a significant effect on financial asset prices, and consequently change the behavior of issuers. However, we are not currently in a position to measure the impact of our singular capital allocation policy on the rise in share prices of the companies concerned. In the case of Echiquier Positive Impact Europe, the target of our singular capital allocation policy are indirect-impact companies that have an impact upstream and/or downstream of their value chains. They are often less well identified by the markets and therefore less financed.

<p>16. What actions does the fund take to control the negative externalities associated with its investments (beyond the fund's sustainable transformation objectives)? (QUALIFYING QUESTION)</p>	<p>The fund does not control the negative externalities associated with its investments beyond the targeted sustainable transformation objectives</p>	<p>The fund systematically engages actively with issuers in the event of material negative externalities, which includes dialogue with issuers and voting at CMs in a manner consistent with the objective of limiting such material negative externalities. In addition, the fund sets targets for issuers to reduce material negative externalities likely to call into question its support for management at rate.</p>	<p>1</p>	<p>1</p>	<p>1,00</p>	<p>2</p>	<p>The fund systematically engages actively with issuers in the event of negative material externalities. This engagement covers at the very least a dialogue with issuers - via the sending of progress reports - as well as a systematic vote at the ACM in a manner consistent with the objective of limiting these material negative externalities. To find out more about the actions taken by the fund to limit and control its negative externalities, please refer to the answer to question 6 of the matrix.</p>		
<p>17. Does the fund apply a specific strategy that ensures that its impact/contribution is materialised and made sustainable (minimum investment period, choice of exit time, buyer selection, etc)?</p>	<p>No</p>	<p>Yes, and this particular strategy is detailed in the fund's supporting documents</p>	<p>1</p>	<p>2</p>	<p>2,00</p>	<p>2</p>	<p>As an impact investor, we make it a point of honor to be a patient shareholder by acquiring long-term stakes in companies. It is important for us to offer a certain capital stability to the companies in which we invest. This stability is essential since it enables them to deploy their sustainable strategy more serenely by taking a long-term view of their actions and decision-making. This long-term holding gives us the opportunity to accompany them in their development, by supporting, for example, the various capital transactions that punctuate the life of these companies. This shareholder stability also enables us to build up a relationship of trust with their management teams, an important condition for constructive shareholder dialogue over the long term, which may in some cases extend beyond the holding period. This particular strategy is detailed in the fund's Impact Report and LFDE's Impact Doctrine. We are particularly transparent in our impact report on our investment duration at the level of the fund, as well as for each company in the portfolio. These two documents are freely available on our website in the "Responsible Investment" section, on the "Further reading" page, under the heading "LFDE - Impact documents".</p>		
<p>18. What resources does the fund allocate to the operational implementation of the strategy?</p>	<p>The manager has external sources of information on the impact of issuers</p>	<p>The manager has external sources of information on the impact of issuers and can rely on internal resources specifically dedicated to the operational implementation of the strategy (analysts, head of engagement, etc.). The quantification of these resources is mentioned in the fund's supporting documents.</p>	<p>1</p>	<p>2</p>	<p>2,00</p>	<p>2</p>	<p>LFDE allocates substantial resources - external and internal - to support the operational implementation of the impact strategy of its impact funds. Externally, the fund's management team has access to sources of information on the impact of issuers, via exchanges with thematic experts, for example. In addition, they benefit from the expertise of the members of the Board of Directors of the SICAV Echiquier Impact, in which the fund is invested. These are experienced professionals, mostly independent, with in-depth expertise in the environmental and social impact of investments. In particular, these directors are responsible for advising and supervising the work of the management team and the IR research team on their methodology, management approach, reporting and impact assessment. In addition, the team can count on the external expert eye of a consultancy firm specializing in impact, with whom we work closely. Internally, the management team can also call on resources specifically dedicated to the operational implementation of the strategy (LFDE's IR Research team and LBP AM's SRI Solutions team, made up of experts in impact, engagement and voting, climate, biodiversity, governance and human rights). These resources are mentioned in the Fund's Impact Report, freely available on our website in the "Responsible Investment" section, on the "To find out more" page, under the heading "LFDE - Impact documents".</p>		
<p>C) MONITORING OF OUTCOMES</p>			<p>0</p>	<p>1</p>	<p>2</p>	<p>3</p>	<p>OUTCOME (%) - C</p>	<p>16</p>	<p>/30</p>
<p>1. Procedure for monitoring outcomes. The outcome is a change between the pre-investment situation and the post-investment situation. A pre-existing situation cannot be considered an outcome.</p>							<p>TOTAL OUTCOME (C1)</p>	<p>14</p>	<p>/15</p>
<p>19. Are changes in the non-financial performance of issuers monitored during the fund's holding period?</p>	<p>No or, if they are, for less than 90% of assets under management</p>	<p>Yes, for more than 90% of assets under management</p>	<p>1</p>	<p>2</p>	<p>2,00</p>	<p>/2</p>	<p>Changes in the extra-financial performance of issuers during the time they are held by the fund are monitored. The ESG and impact analyses of each company in the portfolio are updated regularly (at least every two years) to reflect as accurately as possible the company's situation and its impact on society and the environment. This monitoring covers all the companies in the portfolio, i.e. over 90% of the fund's assets under management.</p>		
<p>20. Are changes (relative to specific objectives set ex ante by the fund, to comparables or to a past trend) in the non-financial performance of the issuers during the fund holding period monitored? (QUALIFYING QUESTION)</p>	<p>No or, if they are, for less than 50% of the portfolio</p>	<p>Yes, for over 50% of the portfolio</p>	<p>Yes, for over 70% of the portfolio</p>	<p>2</p>	<p>2</p>	<p>4,00</p>	<p>/4</p>	<p>Relative changes in the extra-financial performance of issuers during the period in which the fund is held are tracked for all companies in the portfolio (over 70% of assets under management). The ESG and impact analyses carried out for each company prior to investment are used to identify specific progress targets in line with the fund's sustainable transformation objective. These objectives are monitored and revised at least every time these analyses are updated. Depending on the criticality of the progress escalation procedure may be envisaged. We also aim to ensure that the impact scores of our investee companies improve over time. Accordingly, part of the variable remuneration of the managers of these funds is conditional on an improvement of at least 10 points in the portfolio's average impact score over 3 years.</p>	
<p>20.1 At what level are the consequences of the actions of the companies in the portfolio monitored? (WHITE QUESTION)</p>	<p>There is no verification of the consequences of issuer actions, either in terms of outputs or outcomes</p>	<p>The issuer performance control process makes it possible to verify outputs</p>	<p>The issuer performance control process makes it possible to verify outcomes</p>	<p>0</p>	<p>2</p>	<p>0,00</p>	<p>When monitoring the performance of our portfolio companies, we analyze both outputs and outcomes. This analysis is adapted to the materiality of the company's business model.</p>		
<p>21. How is the additionality of the fund in achieving the objectives analysed?</p>	<p>The additionality of the fund in achieving the outcomes and impacts observed is not analysed</p>	<p>The additionality of the fund in achieving the outcomes and impacts observed is rationalised in a plausible manner and/or supported by "basic" quantitative or qualitative methods (see explanatory note)</p>	<p>The additionality of the fund in achieving the observed outcomes and impacts is analysed using a level 2 body of evidence (see explanatory note)</p>	<p>The additionality of the fund in achieving the observed outcomes and impacts is analysed using a level 3 or above body of evidence (see explanatory note)</p>	<p>1</p>	<p>3</p>	<p>3,00</p>	<p>/3</p>	
<p>21.1 In evaluating its additionality, does the fund analyse any indirect impacts of its investments (e.g. displacement effects)? (WHITE QUESTION)</p>	<p>No</p>	<p>Yes. A procedure for monitoring any indirect effects on competitors is taken into account in the analysis of the outcomes achieved.</p>	<p>0</p>	<p>0</p>	<p>0,00</p>	<p>The fund does not analyze the possible indirect impacts of its investments. This is an area for improvement identified for the coming years.</p>			
<p>22. Is there a process of continuous improvement of the strategies deployed and actions carried out?</p>	<p>No continuous improvement process is implemented</p>	<p>A process of continuous improvement is mentioned but no details are given</p>	<p>A continuous improvement process is in place, with specified milestones and corrective actions</p>	<p>-</p>	<p>1</p>	<p>1</p>	<p>1,00</p>	<p>/2</p>	
<p>23. How are negative externalities (beyond the fund's sustainable transformation objectives) monitored by issuers? (QUALIFYING QUESTION)</p>	<p>The monitoring of material negative externalities (beyond the fund's sustainable transformation objectives) is not carried out on all issuers, or the fund does not provide targeted objectives for material negative externalities for each targeted issuer</p>	<p>Issuers' material negative externalities (in addition to the fund's sustainable transformation objectives) are systematically monitored against clearly identified objectives for each issuer. If it is not possible to carry out systematic monitoring (due to the constraints specific to the fund's asset class), the fund provides explanations, under a "comply or explain" logic.</p>	<p>-</p>	<p>1</p>	<p>2</p>	<p>2,00</p>	<p>/2</p>	<p>Systematic monitoring of issuers' negative material externalities (over and above the fund's sustainable transformation objectives) is carried out in relation to clearly identified objectives for each issuer. Actions to actively monitor and manage the negative externalities of selected issuers once the investment has been made are detailed in question 6.</p>	

<p><b>24. Is there an internal or external control process for the sustainable transformation strategy and its outcomes? (QUALIFYING QUESTION IN 2025)</b></p>	No	Yes	1	2	2,00 /2
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The fund has a process for monitoring its sustainable transformation strategy and results. The fund is managed by SICAV Echiquier Impact, whose Board of Directors is made up of experienced professionals, most of whom are independent. Their complementary backgrounds provide the management team with in-depth expertise in the environmental and social impacts of investments. The role of these directors is to advise and supervise the work of the management team and the Responsible Investment research team on their methodology, management approach, reporting and impact assessment. The commitment of our directors is strong. They are called upon to take a stand on a number of issues throughout the year. In addition, we wanted to have a regular external perspective on our approach and methodologies. To this end, during our annual impact measurement exercise, we are accompanied by a consulting firm specializing in impact. In addition to their independent review of impact performance and associated reporting, their expert eye constantly stimulates our vision of impact on listed markets, leading us to question and surpass ourselves. In addition, the IR Research team, independent of the management team, also plays a first-level control role in LFDE's impact system.

<b>2. Quality of observed outcomes</b>	0	1	2	3	<b>TOTAL OUTCOME (C)</b>	2	/18
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<p><b>25. To what extent are the absolute outcomes (i.e. progression or regression) observed at the issuer level consistent with the sustainable transformation objectives of the fund? (QUALIFYING QUESTION)</b></p>	<p>The outcomes or objectives are not described in any document making it possible to answer the question, are described too generally or are not at all aligned with what had been planned</p>	<p>For more than 50% of the portfolio (see explanatory note), the outcomes observed show an improvement in the evaluated outcomes (environmental or social) of the investee companies compared to the situation before the investment. If it is not possible to systematically monitor the outcomes or to activate the desired contribution actions, the fund provides explanations, under a "comply or explain" logic.</p>	1	2	2,00 /3
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Prior to investing, a impact analysis is systematically carried out (i.e. for 100% of issuers in the portfolio) using our proprietary methodology. It is updated at least every 2 years. It makes it possible to assess the net contribution of companies to the sustainable transformation objectives targeted by the fund. A company that fails to meet the minimum standards (cf. minimum net SDC Score of 25/100 + minimum net Solutions Score of 20/100 + net Initiatives Score > 0) will not be eligible for investment. Details of these scores for each company in the portfolio are published annually in an appendix to the annual impact report. In addition, we aim for the impact scores of the companies in which we invest to improve with each review (excluding methodological changes). If an issuer's score does not evolve favorably after several reviews, in valid justification, the management team may be led to disinvest. That's why, among the ex-ante impact indicators to which part of the variable remuneration of the managers of our impact funds is linked, we have one that requires the fund's impact score to increase by 10 points over a 3-year period. To date, we can safely say that for over 50% of the portfolio, the results observed have improved. The fund's impact report is freely available on our website in the "Responsible Investment" section, on the "To find out more" page, under the heading "LFDE - Impact documents".

<p><b>26. To what extent do the relative outcomes (i.e. relative to sector comparables, the past trend or the specific objectives set by the fund) observed at the issuer level correspond to the sustainable transformation objectives of the fund?</b></p>	<p>The specific outcomes or objectives are not described in any document making it possible to answer the question, are described too generally or are not at all aligned with what had been planned</p>	<p>For more than 50% of the portfolio (see explanatory note), the relative outcomes observed are aligned with the objectives set ex ante (i.e. the specific objectives set have been achieved) or reflect a better performance than that of the comparables or an improvement compared to the past trend. If it is not possible to systematically monitor the outcomes or to activate the desired contribution actions, the fund provides explanations, under a "comply or explain" logic.</p>	2	0	0,00 /6
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Analyzing the relative results observed at issuer level is a delicate exercise in a context where impact measurements provided by companies are rare, heterogeneous and of variable quality. What's more, in a fund covering a variety of themes, we would need to establish a range of benchmarks, not always available on the market. To date, we have communicated elements such as the fund's climate trajectory, compared with that of its benchmark index, on an aggregated, portfolio-wide basis. The fund also aims to have a lower carbon intensity than its benchmark. Measuring the relative performance of our investments, at the issuer level, has been identified as an area for improvement over the coming years.

<p><b>27. To what extent is the additionality of the fund in achieving the observed outcomes demonstrated?</b></p>	<p>The additionality of the fund in achieving the outcomes and impacts observed is not analysed</p>	<p>A convincing rationale or a level 1 body of evidence (see explanatory note) makes it possible to conclude with confidence that the fund has had a positive additional effect for more than 50% of assets under management</p>	1	0	0,00 /3
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To date, we find it difficult to demonstrate the extent to which the fund's additionality has played a role in achieving the results we've observed, and for what percentage of assets under management. For example, we measure the extent to which companies have achieved the progress targets, and the role we have played in this success (based, for example, on the number of exchanges with the company concerning this progress target), but this still seems insufficient to be truly convincing in terms of the expectations of this question. We have identified this as an area for improvement over the next few years.

<p><b>27.1 Can the fund demonstrate that by taking into account indirect effects (such as substitution and displacement effects), the outcomes achieved are positive for the intended sustainable transformation objectives? (WHITE QUESTION)</b></p>	<p>No, because no indirect impact analysis has been performed</p>	<p>Yes, A detailed logical analysis suggests that, taking into account the indirect impacts, the outcomes obtained are positive for the targeted sustainable transformation objectives (for more than 50% of assets under management).</p>	0	0	0,00
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The fund does not analyze the possible indirect impacts of its investments. This is an area for improvement identified for the coming years.

<p><b>28. To what extent were the negative externalities of issuers (beyond the sustainable transformation objectives targeted by the fund) reduced during the fund's holding period?</b></p>	<p>The fund has not defined targets for reducing (material) negative externalities for each issuer or the targets for reducing material negative externalities set have only been achieved during the fund's holding period for a minority (&gt; 30%) of targeted issuers (&lt;30% of targeted issuers)</p>	<p>The objectives of reducing material negative externalities set were achieved during the fund's holding period for a majority (&gt; 50%) of targeted issuers</p>	1	0	0,00 /3
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The fund does not systematically define targets for reducing negative material externalities for each issuer. However, as part of our commitment to sustainable development, we have identified a number of areas for progress in reducing the negative externalities of issuers, but we are not in a position to measure the percentage of issuers concerned.

<b>D) COMMUNICATION AND CREDIBILITY</b>	0	1	2	3	<b>OUTCOME (%) - D</b>	7	/10
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<p><b>29. How is the fund's impact potential communicated to savers and investors?</b></p>	<p>The fund's contribution potential as communicated to savers and investors may be perceived as too ambitious compared to what this analysis reveals: the fund claims to be impact-driven without (yet) validating all the conditions necessary to do so (qualifying questions and minimum total score). The communication can be described as deceptive or misleading.</p>	<p>The fund's contribution potential as communicated to savers and investors is consistent with what this analysis reveals: the fund mentions its <b>significant contribution potential (score &gt; 50%)</b> to sustainable transformation by appropriately specifying its strengths and weaknesses (e.g. the limits of its transformative actions or its inability to substantiate its additionality). The fund does not claim to be impact-driven even though it does not validate the required conditions. The communication may be described as appropriate.</p>	1	3	3,00 /3
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The fund's potential contribution, as communicated to savers and investors, is in line with what this analysis reveals. The mutual fund claims to be impact-oriented (and even uses the word "impact" in its name), and meets all the conditions for doing so (qualifying questions validated and minimum total score exceeded). Its communication can therefore be qualified as appropriate. The fund also communicates as much as possible about its limitations and areas for improvement. The fund's communication is therefore in line with the present analysis, classifying the fund as "solid in this dimension and able to communicate on its good practice" with a score greater than or equal to 70%.

<p><b>30. Does the fund provide an annual impact/contribution report that is available to investors? (QUALIFYING QUESTION)</b></p>	<p>No</p>	<p>Yes, and the report presents in detail the changes in issuers' outcomes.</p>	1	2	2,00 /3
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The fund publishes an annual impact report, the primary objective of which is to give an account of what has been achieved over the past financial year, and the impacts generated directly and indirectly. This is a vital transparency exercise for our customers, given the initial promise of impact made by the product in which they invest. This report contains specific sections on changes in the performance of issuers (e.g. zooming in on stocks representing the 4 SDGs most represented in the fund) and an aggregated view of the contribution/impact actions deployed by the fund (e.g. "Impact" section of the fund), and where possible the correspondence between the two (e.g. impact of our engagement actions on invested companies), but not systematically issuer by issuer. Impact assessment at LFDE is based on several key features:

- ☑ Carried out annually in partnership with independent experts, enabling us to verify the figures reported.
- ☑ Report on the impact of the fund and its investments, while remaining humble about the manager's responsibility for them.
- ☑ Be transparent about any negative impacts and externalities of the fund.
- ☑ Monitor ex-ante impact targets, which are used to determine part of the variable compensation of managers of impact mutual funds.
- ☑ Appropriately communicate the methodologies used to calculate and aggregate the various impact indicators, and their limitations.

The fund's impact report is freely available on our website in the "Responsible Investment" section, on the "To find out more" page, under the heading "LFDE - Impact documents".

<p><b>31. Is the management company's CSR consistent with the fund's sustainable transformation objectives?</b></p>	<p>The management company has not implemented a CSR policy or the management company's CSR policy is not consistent with the fund's sustainable transformation objectives</p>	<p>The management company's CSR policy is consistent with the fund's sustainable transformation objectives. The fund is not an "anomaly" in the management company's range.</p>	1	1	1,00 /1
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For several years now, La Financière de l'Echiquier has been implementing an ambitious CSR policy, in line with the requirements it applies to its investments and consistent with the fund's sustainable transformation objectives. It is built around our raison d'être: "to commit our energies and our customers' capital together, in a pioneering and responsible spirit, to building tomorrow's world". As part of its integration into the LBP AM group, the group has drawn up a common roadmap organized around 5 pillars: promoting responsible investment, acting as a responsible employer, reducing our environmental footprint (all scopes), acting as a socially responsible player, and responsible governance. La Financière de l'Echiquier's CSR policy is detailed on our website, in the "About us" section, on the "Responsible Enterprise" page and through an integrated report published annually, also available on this page.

<p>The remuneration of the fund's managers involves a variable component that is not indexed or linked to fund-level impact criteria (outcomes achieved or means implemented) OR in the absence of variable remuneration, the managers have personal annual targets that include criteria relating to the fund's financial performance without also including fund-level impact criteria (outcomes achieved or means implemented)</p> <p><b>32. Is the remuneration of the fund's managers dependent on the fund's impact performance? (QUALIFYING QUESTION IN 2025)</b></p>	<p>The remuneration of the fund's managers involves a variable component that is <b>significantly</b> indexed to fund-level impact criteria (outcomes achieved or actions implemented) (see explanatory note) OR the remuneration of the fund's managers does not involve any variable component and, if the managers have personal annual targets, these do not include criteria relating to the fund's financial performance without including any impact criteria at the fund level (outcomes achieved or means implemented)</p>	<p>The remuneration of the managers involves a variable component that is <b>substantially</b> indexed to impact criteria at the fund level (outcomes obtained or actions implemented) (representing between 25% and 50% of variable remuneration)</p>	<p>The remuneration of managers involves a variable component that is <b>very substantially</b> indexed to impact criteria at the fund level (outcomes obtained or actions implemented) (representing 50% or more of variable remuneration)</p>	1	1	1,00	3
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We have incorporated ex-ante impact objectives into the variable compensation policy for the managers of our impact funds in 2021. These objectives will be measured over a 3-year period. The associated amount represents a maximum surplus of 20% of the managers' variable compensation. Aligning the financial interests of the managers of our impact funds with the impact fund approach, in particular its ex-ante impact indicators, is fundamental for us. It guarantees not only financial but also extra-financial alignment with the investors in our impact funds. This practice is still relatively uncommon in the listed impact investment sector. As a pioneer in this field, we have decided to include ex-ante impact objectives, specific to each fund, in the variable remuneration scheme for the managers concerned, drawing inspiration from practices in the non-listed sector. This work is being carried out in conjunction with the members of the Board of Directors of the SICAV Echiquier Impact, who were the decision-makers on the implementation of such a mechanism.

Particular attention has been paid to the choice of indicators so that they are :

- Simple, so as to retain a limited number of indicators. We believe that two indicators per fund are appropriate.
- Demanding, in line with the quality of the approach adopted by our impact funds. The achievement of these objectives rewards the work of the managers via an additional envelope to their variable remuneration. It is therefore important to ensure that this remuneration reflects a truly successful impact approach.
- Disposable, so that evaluation of their results is as simple and reliable as possible.

In the process of assessing whether these criteria have been met, the Responsible Investment Research team exercises first-level control, while the SICAV's Board of Directors exercises second-level control. Any methodological change that could affect the chosen ex ante impact indicators must be approved by the Board beforehand.

E) BONUS	0	1	2	3	OUTCOME (%) - D	5	/5
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<p><b>33. Does the fund incorporate a mechanism for sharing income or management fees for projects of general interest (associations, foundations, etc.)?</b></p>	<p>No, the fund does not include a mechanism for sharing management fees with associations</p>	<p>Yes, the fund incorporates a mechanism for sharing management fees with associations equivalent to less than 0.5% of management fees in a "normal" year</p>	<p>Yes, the fund incorporates a mechanism for sharing management fees with associations equivalent to between 0.5% and 1% of management fees in a "normal" year</p>	<p>Yes, the fund incorporates a mechanism for sharing management fees with associations equivalent to more than 1% of management fees in a "normal" year</p>	1	3	3,00 /3
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From our very first steps as an Impact Investor, we have made a point of incorporating a value-sharing mechanism into our funds. This takes the form of paying a portion of our management fees to positive-impact projects, selected either directly or via the Groupe Foundation LBP AM. The projects selected are closely linked to the impact thesis of each fund and make tangible the positive and direct contribution of the fund to the targeted environmental and social challenges. We are extremely committed to the selection of the projects we finance. This mechanism, which is an integral part of the history of our impact funds, complements the impact of the companies invested in response to these same challenges. Our impact funds thus have a dual intentionality, which maximizes their impact. Over the last three years (2021, 2022 and 2023) the amount donated to the LBP AM Group Foundation is at least 500,000€ per year, which is equivalent to around 10% of the fund's annual management fees.

<p><b>34. Does the fund organise impact awareness events or impact reporting for investee companies?</b></p>	<p>No, the fund does not engage or very irregularly engages in this type of "educational" initiative with its holdings.</p>	<p>Yes, the fund regularly carries out this type of "educational" initiative with its holdings (for more than 30% of holdings each year)</p>	<p>Yes, the fund very regularly carries out this type of "educational" initiative with its holdings (for more than 50% of holdings each year)</p>	1	2	2,00 /2
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Fund regularly organizes educational initiatives to raise awareness of the impact of its activities. Three main actions are carried out. Firstly, every year, the Fund management team sends each portfolio company its impact report, in order to raise awareness of the importance of impact measurement and demonstrate the usefulness of the work we ask them to do on the subject. In addition, each year we invite our portfolio companies to take part in the "Rencontres du Climat et de la Biodiversité" by LFDE, during which we organize thematic workshops to raise awareness of best practices and identify concrete avenues for further work. Last but not least, our management and IR Research teams make themselves widely available throughout the year, as part of our commitment to advising companies on the theme of impact.

SUMMARY	FINAL OUTCOME (%)	74	/100
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Position on the scale

<b>Section A</b>	Change theory (Max = 30)	<b>27</b>
<b>Section B</b>	Implementation (Max = 27)	<b>19</b>
<b>Section C</b>	Monitoring of outcomes (Max = 30)	<b>16</b>
<b>Section D</b>	Communication and credibility (Max = 10)	<b>7</b>
<b>Section E</b>	Bonus (Max = 5)	<b>5</b>
<b>Final score</b>	Total (Maximum = 100)	<b>74</b>