



SICAV ECHIQUIER IMPACT

Prospectus
31/12/2022

UCITS compliant with European Directive 2009/65/EC



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I. General features

1.1 Form of the UCITS

1. Name and registered office

Echiquier Impact - 53 avenue d'Iéna, 75116 Paris

2. Legal form and member state in which the UCITS was created

French SICAV (open-ended investment fund) established in the form of an SA (public limited company).

3. Fund overview: The SICAV has 3 subfunds

Share class ISIN code	Subfund 1 - ECHIQUIER POSITIVE IMPACT EUROPE			
	Distributable sums allocation	Base currency	Target investors	Minimum subscription amount
A share: FR0010863688	Net income: Accumulation Realised net gains: Accumulation	Euro	All investors	None
G share: FR0013299294	Net income: Accumulation Realised net gains: Accumulation	Euro	Reserved for distribution by financial intermediaries (1)	None
I share: FR0013286911	Net income: Accumulation Realised net gains: Accumulation	Euro	Reserved for institutional investors	EUR 1,000,000 minimum (2)
J share: FR0013392438	Net income: Accumulation Realised net gains: Accumulation	Euro	Reserved for institutional investors	EUR 1,000,000 minimum (2)
N share: FR001400BFK5	Net income: Accumulation Realised net gains: Accumulation	Euro	Reserved for institutional investors, and specifically for Nordrheinische Ärzteversorgung	EUR 100,000,000 minimum (2)

(1) Subscription for this share class is limited to investors subscribing through intermediaries providing an independent advisory service or discretionary investment management (including the management company within the limits of its "Sélection" offer) or multi-managers or distributors who:

- are subject to national law forbidding any inducements to distributors (e.g. the United Kingdom and the Netherlands)
- or provide investment services and activities as defined by the MiFID II directive, and for which they are exclusively remunerated by their clients

(2) With the exception of the management company, which may subscribe on its own behalf or on behalf of third parties without any minimum subscription amount.

Share classes ISIN Code	Subfund 2 ECHIQUIER CLIMATE & BIODIVERSITY IMPACT EUROPE			
	Distributable sums allocation	Base currency	Target investors	Minimum subscription amount
A share: FR0013517273	Net income: Accumulation Realised net gains: Accumulation	Euro	All investors	None
G share: FR0013517281	Net income: Accumulation Realised net gains: Accumulation	Euro	Reserved for distribution by financial intermediaries (1)	None
I share: FR0013517299	Net income: Accumulation Realised net gains: Accumulation	Euro	Reserved for institutional investors	EUR 1,000,000 minimum (2)
F share FR0014000TH9	Net income: Accumulation Realised net gains: Accumulation	Euro	Founder subscribers	EUR 500,000 minimum (3)
E share: FR001400D7Z2	Net income: Accumulation Realised net gains: Accumulation	Euro	Reserved for savers who manage their employee and retirement savings via Epsor	None

(1) Subscription for this share is limited to investors subscribing through intermediaries providing an independent advisory service or discretionary investment management (including the management company within the limits of the Echiquier Club Sélection offer) or multi-managers or distributors who:

- are subject to national law forbidding any inducements to distributors (e.g. the United Kingdom and the Netherlands)
- or provide investment services and activities as defined by the MiFID II directive, and for which they are exclusively remunerated by their clients

(2) With the exception of the management company, which may subscribe on its own behalf or on behalf of third parties without any minimum subscription amount.

(3) The minimum initial subscription amount for the F shares is 500,000 euros, with the exception of the management company, which may subscribe for only one share. This share will be closed to subscription when the subfund reaches assets under management of 50 million euros. Only "founder subscribers" will be able to continue to subscribe to this share.

Share class ISIN code	Subfund 3 - ECHIQUIER HEALTH IMPACT FOR ALL			
	Distributable sums allocation	Base currency	Target investors	Minimum subscription amount
A share: FR0013441714	Net income: Accumulation Realised net gains: Accumulation	Euro	All investors	None
G share: FR0013441722	Net income: Accumulation Realised net gains: Accumulation	Euro	Reserved for distribution by financial intermediaries (1)	None
I share: FR0013441730	Net income: Accumulation Realised net gains: Accumulation	Euro	Reserved for institutional investors	EUR 1,000,000 minimum (2)
F share FR00140075Q9	Net income: Accumulation Realised net gains: Accumulation	Euro	Reserved for founder subscribers	EUR 250.000 minimum (3)

(1) Subscription for this share class is limited to investors subscribing through intermediaries providing an independent advisory service or discretionary investment management (including the management company within the limits of its "Sélection" offer) or multi-managers or distributors who:

- are subject to national law forbidding any inducements to distributors (e.g. the United Kingdom and the Netherlands)
- or provide investment services and activities as defined by the MiFID II directive, and for which they are exclusively remunerated by their clients

(2) With the exception of the management company, which may subscribe on its own behalf or on behalf of third parties without any minimum subscription amount.

(3) The minimum initial subscription amount for the F shares is 250,000 euros, with the exception of the management company, which may subscribe for only one share. This share will be closed to subscription when the subfund reaches assets under management of 80 million euros. Only "founder subscribers" will be able to continue to subscribe to this share.

4. Where to obtain the latest annual and interim reports

The latest annual and interim reports are available on the website www.lfde.com or may be sent to shareholders within eight business days on written request to:

LA FINANCIERE DE L'ECHIQUIER
53 Avenue d'Iéna
75116 Paris

If required, additional information may be obtained from the management company by telephoning +33 (0)1.47.23.90.90.

1.2 Parties involved

1. Depositary and custodian

BNP PARIBAS SA
16, boulevard des Italiens
75009 Paris
Trade and Companies Register: 662 042 449 RCS Paris

BNP PARIBAS SA is a licensed bank authorised by the Autorité de Contrôle Prudentiel et de Résolution (ACPR). It is also the issuance account keeper (UCITS liabilities) and the centralising agent appointed to act on behalf of the SICAV.

Description of its duties and of conflicts of interest that may arise:

The Depositary exercises three types of responsibilities, namely the oversight of the management company (as defined in Article 22.3 of the UCITS V directive), the monitoring of the cash flows of the UCITS (as set out in Article 22.4) and the safekeeping of the UCITS assets (per Article 22.5). The overriding objective of the Depositary is to protect the interests of the holders/investors of the UCITS, which always prevail over any commercial interests.

Conflicts of interest may arise if and when the management company or the UCITS maintains other business relationships with BNP Paribas SA in parallel with an appointment of BNP Paribas SA acting as Depositary. For example, BNP Paribas SA could, as well as acting as Depositary, also provide the UCITS or the management company with fund administration services, including net asset value calculation.

In order to address situations of conflicts of interest, the Depositary has implemented and maintains a management of conflicts of interest policy, aiming at:

- Identifying and analysing potential situations of conflicts of interest;
- Recording, managing and monitoring conflict of interest situations
 - by relying on the permanent measures in place to address conflicts of interest such as maintaining separate legal entities, segregation of duties, separation of reporting lines, insider lists for staff members,
 - Implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall, making sure that operations are carried out at arm's length and/or informing the concerned client, or (ii) refuse to carry out the activity giving rise to the conflict of interest.

Description of any safekeeping functions delegated by the Depositary, the list of delegates and subdelegates and any conflicts of interest that may arise from such a delegation:

The Depositary of the UCITS, BNP Paribas SA, is responsible for safekeeping of the assets (as defined in Article 22.5 of the

directive cited above). In order to provide custody services in a large number of countries, allowing UCITS to meet their investment objectives, BNP Paribas SA has appointed sub-custodians in countries where BNP Paribas SA has no direct local presence. These entities are listed on the following site: <https://securities.bnpparibas.com>

The process of appointing sub-custodians and their continuing oversight follows the highest quality standards, including the management of any potential conflict of interest that should arise from such an appointment.

Up-to-date information on the two previous points will be sent to the investor on request.

2. Statutory auditor

Mazars, Represented by Gilles Dunand-Roux
Tour Exaltis
61 rue Henri Regnault
92400 Courbevoie

3. Distributor

LA FINANCIERE DE L'ECHIQUIER
53, avenue d'Iéna - 75 116 Paris

This list of distributors is not exhaustive, mainly as the UCITS is listed on Euroclear. As a result, some distributors may not be mandated by or known to the management company.

4. Delegates

Financial Manager

LA FINANCIERE DE L'ECHIQUIER
53, avenue d'Iéna - 75 116 Paris

Management company authorised by the AMF (Autorité des Marchés Financiers) on 17/01/1991 under number GP 91004

5. Administrative and Accounting Management

SOCIETE GENERALE
29 boulevard Haussmann – 75009 Paris

6. Advisers

None.

7. Centralising agent for subscription and redemption orders appointed by the management company

BNP Paribas SA is responsible for receiving subscription and redemption orders.

8. Members of the administrative, management and supervisory bodies of the SICAV

The list of the SICAV's managers and their main roles is available in the SICAV's annual report. Such information is communicated under the responsibility of each of the cited members.

II. Operating and management procedures

1.3 General features

1. Segregation of subfunds

The SICAV allows investors to choose between several subfunds, each with a different investment objective. Each subfund constitutes a separate pool of assets. The assets of a specific subfund cover only the debts, commitments and obligations that concern that subfund.

2. Share characteristics

Nature of rights attached to the share class: Each shareholder has co-ownership rights on the Fund's net assets in proportion to the number of shares held.

Liability accounting: Liability accounting is performed by the depositary, BNP PARIBAS SA. Shares are administered under Euroclear France.

Voting rights: Each share entitles the holder to vote and be represented in general meetings under the conditions set by law and the articles of association.

Form of shares: Bearer shares.

Subdivision of shares: Subscriptions and redemptions are carried out in thousandths of shares.

3. Year-end

The last trading day of the Paris stock market in December each year.

4. Tax regime

This prospectus does not purport to set out the tax implications for investors subscribing, redeeming, holding or selling shares of a subfund of the SICAV. These tax implications will vary depending on the laws and practices in force in the shareholder's country of residence, domicile or incorporation, and on the shareholder's individual circumstances.

Depending on your tax regime, your country of residence, or the jurisdiction from which you invest in this SICAV, any capital gains and income from holding shares of subfunds of the SICAV may be subject to taxation. We advise you to consult a tax adviser regarding the potential consequences of purchasing, holding, selling, or redeeming shares of subfunds of the SICAV 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 shares of a subfund of the SICAV.

The SICAV offers accumulation shares through various subfunds. Investors are advised to consult their tax adviser regarding the regulations in force in their country of residence, following the rules for their particular situation (individuals, legal entities subject to corporate income tax, other cases, 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.

5. Intermediary selection policy

Intermediaries and counterparties are selected from a predefined list by means of a competitive process. The list is established based on selection criteria specified in the policy for selection of market intermediaries available on the management company's website.

1.4 Specific features

Subfund ECHIQUIER POSITIVE IMPACT EUROPE

- A share ISIN code: FR0010863688
- G share ISIN code: FR0013299294
- I share ISIN code: FR0013286911
- J share ISIN code: FR0013392438
- N share ISIN code: FR001400BKF5

1. Investment objective

ECHIQUIER POSITIVE IMPACT EUROPE is a subfund seeking long-term performance net of management fees through exposure to European equity markets via companies whose business activities provide solutions to the challenges of sustainable development and which stand out for the quality of their governance and social and environmental policies (ESG).

The objective of the subfund is combined with an extra-financial approach incorporating environmental, social, and governance (ESG) criteria and an impact score. The management team seeks to minimise the risks and capture opportunities by investing in companies that provide solutions to the challenges of sustainable development and which have good social, environmental and governance practices. This extra-financial objective complies with the provisions of Article 9 of the SFDR.

The extra-financial objective also aims to help companies move forward in their contribution to sustainable development challenges and ESG issues by engaging in dialogue with them on a regular basis and sharing with them specific areas of improvement monitored over time.

In addition, investors are reminded that their investment in the subfund does not have any direct impact on the environment and the company, but that the subfund seeks to select and invest in companies that meet specific criteria defined in the management strategy.

2. Benchmark

In view of the SICAV's investment objective, no relevant benchmark exists. The index stated below is therefore not representative of the SICAV's risk profile but has been selected as an ex-post performance indicator.

The SICAV's performance may be compared with the benchmark. This benchmark is only used for information purposes and reflects equity market trends of Europe's most developed countries. It is calculated in euros, with dividends reinvested.

The administrator MSCI Limited of the benchmark MSCI EUROPE NR 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.

Investors are advised that the portfolio's composition may differ from that of the benchmark index.

3. Investment strategy

1. Strategies used

The management is focused on European equity markets (European Union, European Free Trade Association, and the United Kingdom). Its exposure is permanently maintained between 60% and 100%.

ECHIQUIER POSITIVE IMPACT EUROPE applies three extra-financial filters in its stock-picking: after controversial sectors and practices are excluded, these companies must achieve a minimum ESG rating as well as a minimum score on their impact (measuring their contribution to the challenges of sustainable development). Finally, a financial selection is applied, leading to the construction and management of the portfolio.

The initial investment universe of the subfund is made up of European stocks (EU + EFTA + UK) with a market capitalisation of greater than 100 million euros (around 2,300 stocks).

Stock picking is based on extra-financial criteria.

After controversial sectors and practices are excluded, the following two filters are applied:

1) An ESG analysis is conducted for each issuer.

This gives us a rating that provides us with more comprehensive knowledge of the companies with the aim of minimising the risks and capitalising on the opportunities related to the investment. This rating is produced prior to the investment. Governance and the environmental and human resources policies put in place by the companies are at the heart of this analysis.

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 ESG rating is given out of 10 and is awarded to each issuer. This score is determined 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 service stocks: the "Social" score accounts for 2/3 of the "Responsibility" score, while the "Environmental" score represents 1/3 of the "Responsibility" score.

The ESG rating may be lowered if significant controversy arises. The minimum ESG rating is set at 6.5/10 for this subfund.

A minimum selectivity rate of 20% is applied to the ESG filter.

2) The analysis of their contribution to the challenges of sustainable development is conducted for each issuer.

It is conducted prior to the investment. This results in a score (Impact score) that provides us with more comprehensive knowledge of the companies with the aim of minimising the risks and capitalising on the opportunities related to the investment in sustainable development challenges. The contribution is analysed through the turnover generated by the products and services that provide solutions to the challenges of sustainable development and the analysis of significant initiatives implemented by the company to make a positive contribution to these challenges. The management team has decided to use the United Nations Sustainable Development Goals (SDGs) framework to assess these criteria.

Examples of indicators considered for the Impact score are:

- **Measure of turnover:** percentage of turnover that the company generates through products or services that make a net positive contribution to one or several SDGs: health products and services, education-related services, water saving or access solutions, production of renewable energy, energy efficiency solutions, productivity tools, digitisation services, sustainable mobility services, CO2 reduction solutions, eco-designed products, cybersecurity solutions.
- **Analysis of significant initiatives promoting SDGs:** product accessibility strategy, general health insurance for all employees, feminisation of the workforce and management bodies, policy of using renewable energy, employee health and security indicators falling, job creation, decrease in carbon intensity, water, waste, combating food waste, recycling of plastic, major collaborations promoting SDGs.

The Impact score is out of 100 and is awarded to each issuer. It consists of the average of the following two scores:

- **Score Solutions:** 1 point is allocated per percentage of turnover that makes a positive contribution and 1 point is subtracted per percentage of turnover that makes a negative contribution.
- **Score Initiatives:** points are allocated for every significant initiative that makes a positive contribution to SDGs. Points are subtracted for negative contributions.

The minimum SDG score is set at (25/100)

ECHIQUIER POSITIVE IMPACT EUROPE focuses on selecting the top-rated issuers from an extra-financial perspective within its investment universe ("best in universe" approach), which contains European securities of all market capitalisations that have an ESG rating. Note that this approach may cause a sector bias compared with the benchmark index (over- or under-representation of certain sectors).

In addition, the management team checks that the company adopts a continuous improvement approach for its practices by setting with it regularly monitored areas of improvement relating to its contribution to sustainable development challenges and ESG.

Investors are reminded that their investment in the subfund does not have any direct impact on the environment and the company, but that the subfund seeks to select and invest in companies that meet specific criteria defined above.

The ESG rating and Impact score of companies in the portfolio must always be equal to 100%.

If a company's ESG rating or Impact score falls below the minimum required by the management company for the subfund, the position in the issuer will be sold in the best interests of the shareholders.

For more detailed information on the extra-financial rating methodology used for the subfund and its limits, investors should refer to the Transparency Code of La Financière de l'Echiquier available on www.lfde.com.

SRI label

In addition, and in order to meet the requirements of the French SRI label, the fund must obtain a better result than its benchmark for the following indicators:

- **Engaging Environmental Indicator** – Intensity of emissions generated (calculated according to the WACI methodology of Carbone4 Finance)
- **Engaging Governance Indicator** – ESG Controversy Score (rating measuring the management and occurrence of ESG controversies on topics such as the environment, consumer rights, human rights, labour rights, supplier management and governance)

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 100% of the UCI's net assets excluding cash. 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.

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.

Final stock picking is based on financial criteria.

ECHIQUIER POSITIVE IMPACT EUROPE implements an active and discretionary management based on a rigorous selection of securities known as stock picking, obtained through a process involving direct meetings with the companies in which the subfund invests.

A fundamental analysis of each investment opportunity is conducted, including several criteria such as:

- the quality of its financial structure
- visibility on future earnings
- the growth prospects for its business
- and the possibilities of the security increasing in value.

Depending on the manager's convictions, the portfolio's construction can lead to a concentrated portfolio (fewer than 50 stocks).

Lastly, for cash management purposes, the subfund may invest:

- up to a maximum of 10% of its net assets in investment grade negotiable debt securities.
- up to 10% of its net assets in units or shares of French and/or European UCITS or in units or shares of retail investment funds.

2. Assets used (excluding derivatives)

a) Equities:

To achieve its investment objective and make the subfund eligible for PEAs, a minimum of 75% is invested in European equities of the European Economic Area.

The maximum exposure to small and mid-caps will be 60%.

b) Debt securities and money market instruments:

Up to 10% of the subfund's assets may be invested:

- in negotiable debt securities. The longest maturity of debt securities used for the SICAV's cash management shall be 5 years. The short-term securities used have a Standard & Poor's rating of investment grade or an equivalent rating by another ratings agency.
- in bonds. In this regard, particular attention will be given to the credit quality of the companies that issue these securities. Eligible securities are deemed investment grade, i.e., having a minimum Standard & Poor's rating of BBB- or equivalent or

considered as such by the management team. The maximum maturity of bonds is 10 years. No limits have been set for the proportion of bonds of sovereign and private issuers in the portfolio.

Prior to purchase and for monitoring purposes over the life of securities, the credit risk is assessed on the basis of research and analysis carried out in-house by La Financière de l'Echiquier and using the ratings produced by the rating agencies.

The ratings mentioned above are those used by the Fund manager at the time of the initial investment. If a rating is downgraded over the life of an investment, the manager will conduct an analysis on a case-by-case basis and decide whether or not to maintain the position concerned. The investment limits defined in relation to the assessment of credit risk by the rating agencies may therefore be adjusted slightly to reflect the management team's own analysis.

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

Up to 10% of the subfund's assets may be invested in shares of French and/or European UCITS and in retail investment funds. These may be UCIs in any AMF category. The SICAV may invest in UCIs of the management company or an associate company.

4. Derivatives

None

5. Securities with embedded derivatives

The manager may invest in securities with embedded derivatives (warrants, subscription certificates, convertible bonds, etc.) traded on regulated markets or over-the-counter. No rating restrictions apply to convertible bonds.

In this context, the manager may take positions to hedge and/or expose the portfolio to business sectors, geographical areas, interest rates, equities (small, mid or large cap stocks), currencies, securities and similar transferable securities or indices in order to achieve the investment objective.

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.

In any event, the amounts invested in securities with embedded derivatives cannot exceed 10% of the net assets.

The risk associated with this type of investment will be limited to the amount invested in the purchase.

6. Deposits

None

7. Cash borrowings

The subfund of the SICAV may borrow cash. Although the SICAV may be in a debtor position temporarily as a result of its payment flows (investments and disposals in progress, subscriptions/redemptions, etc.) for up to 10% of its assets, this is not part of the investment objective.

8. Securities financing transactions

None

4. 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 share 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.

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.

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.

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.

5. Eligible investors and typical investor profile

Target investors:

- A share: All investors
- G share: Reserved for distribution by financial intermediaries
- I share: Reserved for institutional investors
- J share: Reserved for institutional investors
- N share: Reserved for institutional investors, and specifically for Nordrheinische Ärzteversorgung

Typical investor profile:

The subfund is intended for individuals or institutional investors who are aware of the inherent risk in holding shares in such a SICAV, which is a high risk due to investment in European equities.

ECHIQUIER POSITIVE IMPACT EUROPE may be used for variable-capital, unit-linked individual life insurance policies.

ECHIQUIER POSITIVE IMPACT EUROPE may be used for investment in UCITS funds managed by La Financière de l'Echiquier.

The subfund may invest in UCITS managed by La Financière de l'Echiquier.

The appropriate amount to invest in ECHIQUIER POSITIVE IMPACT EUROPE depends on the personal situation of the shareholders. In deciding how much to invest, shareholders should take into account their personal assets and any business assets, their cash requirements at the time and in 5 years, and whether they are willing to take risks on equity markets. They are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this SICAV.

6. Recommended investment duration

More than 5 years.

7. Methods for determining and appropriating distributable sums

Share class	Net income allocation	Realised net gain allocations
A share	Accumulation	Accumulation
G share	Accumulation	Accumulation
I share	Accumulation	Accumulation
J share	Accumulation	Accumulation
N share	Accumulation	Accumulation

8. Share characteristics: (base currencies, fractional units, etc.)

The I, G, J, and A shares are denominated in euros and subdivided into thousandths.

The initial value of the A share is fixed at 194.12 euros.

The initial value of the G share is fixed at 100.00 euros.

The initial value of the I share is fixed at 1,000.00 euros.

The initial value of the J share is fixed at 1,000.00 euros.

The initial value of the N share is fixed at 1,000.00 euros

The initial value of the Echiquier ISR mutual fund was fixed at 100 euros. Upon its conversion into a SICAV, the value of the A share is fixed at 194.12 euros.

A share of the management fees is paid to Fondation Groupe Primonial under the auspices of Fondation de France. The breakdown is made known to the Board of Directors of the SICAV and all investors may request more detailed information from La Financière de l'Echiquier.

The management company may enjoy a tax credit for any donations made to this foundation.

9. Subscription and redemption procedures

Subscriptions and redemptions are carried out in thousandths of shares.

The minimum initial subscription amount for the "I" and "J" units is 1,000,000 euros, with the exception of the management company, which may subscribe for only one unit. Subsequent subscriptions may be carried out in thousandths of units.

The minimum initial subscription for the N share is 100,000,000 euros. Subsequent subscriptions may be carried out in thousandths of units.

Subscription and redemption requests are centralised each day before 12 p.m. (Paris time) by the depositary:

BNP PARIBAS SA

16, boulevard des Italiens, 75009 Paris

Postal address: Grands Moulins de Pantin, 9 Rue du Débarcadère, 93500 Pantin

And are executed on the basis of the next net asset value calculated using the closing price on the day the requests were centralised. Subscription and redemption requests arriving after 12 p.m. (Paris time) are executed on the basis of the net asset value calculated after the one mentioned above.

In some countries, subscriptions may be carried out according to procedures other than a single, one-off subscription. For Italy, details of the subscription procedures are provided on the subscription form.

The net asset value is calculated daily, except for days when the Paris stock market is closed and on official French public holidays.

T	T: Date of establishment of the net asset value	T+1 working day	T+2 working days
Centralisation before 12 p.m. of subscription and redemption orders	Execution of the order at the latest during day T	Calculation and publication of the net asset value	Payment for subscriptions and redemptions

The net asset value is available upon request from the management company on +33 (0)1.47.23.90.90 or on its website (www.lfde.com).

10. Fees and charges

Fees charged to the investor, deducted upon subscription and redemption	Basis	Rate
Subscription fee not retained by the UCITS	Net asset value x number of shares	3.00% maximum With the exception of the Echiquier Positive Impact Europe AP unit: Maximum of 1%
Subscription fee retained by the UCITS	Net asset value x number of shares	None
Redemption fee not retained by the UCITS	Net asset value x number of shares	None
Redemption fee retained by the UCITS	Net asset value x number of shares	None

Fees charged to the UCITS		Basis		Rate
1	Financial management costs	Net assets	A share	Maximum of 1.80% incl. tax
			G share	Maximum of 1.20% incl. tax
			I share	Maximum of 1.00% incl. tax
	Administrative fees external to the management company		J share	Maximum of 0.75% incl. tax
			N share	Maximum of 0.60% incl. tax
2	Maximum indirect fees (management commissions and fees)	Net assets		(*)
3	Transaction fees received by the management company	Payable on each transaction or operation		None
4	Performance fee	Net assets	A share	15% including taxes of the Fund's outperformance, net of fixed management fees, relative to its benchmark index, provided the Fund's performance is positive
			G share	None
			I share	None
			J share	15% including taxes of the Fund's outperformance, net of fixed management fees, relative to its benchmark index, provided the Fund's performance is positive
			N share	None

(*) The subfund 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.

A share of the management fees is paid to Fondation Groupe Primonial under the auspices of Fondation de France.

The breakdown is made known to the Board of Directors of the SICAV and all investors may request more detailed information from La Financière de l'Echiquier.

The management company may enjoy a tax credit for any donations made to this foundation.

The fees due for the management of the UCITS in application of 4° of II of Article L. 621-5-3 of the French Monetary and Financial Code; the exceptional and non-recurring duties, taxes, fees, and government rights (related to the subfund) are charged to the subfund.

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 and observation period

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.

However, the first crystallisation period of the A share will be more than one year, from 1 July 2021 to 31 December 2022, and thereafter annually 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 benchmark, 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 Europe Net Return

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 existing allocations.

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 takes the fees provisioned for and a new observation period starts.
- 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 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 shares are redeemed, if there is a provision for performance fees, the amount proportional to the redeemed shares is paid to the management company.

Examples

First case: the fund outperforms its index in 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).

Subfund ECHIQUIER CLIMATE & BIODIVERSITY IMPACT EUROPE

- A share ISIN code: FR0013517273
- G share ISIN code: FR0013517281
- I share ISIN code: FR0013517299
- F share ISIN code: FR0014000TH9
- E share ISIN code: FR001400D7Z2

1. Tax treatment

The subfund is eligible for share-based savings plans (PEA).

2. Investment objective

ECHIQUIER CLIMATE & BIODIVERSITY IMPACT EUROPE is a subfund seeking long-term performance through exposure to European equity markets via companies that stand out for their level of progress in taking their climate and biodiversity issues into account, their good governance, and the quality of their social and environmental policy (ESG).

The extra-financial objective is to minimise risks and capitalise on opportunities by investing in mature companies in terms of sustainable development that are putting into place policies compatible with climate control and environmental issues. This extra-financial objective complies with the provisions of Article 9 of the SFDR.

The extra-financial objective will also be to help companies move forward on ESG, climate, and biodiversity issues, in particular by engaging in dialogue with them on a regular basis and by sharing with them specific areas for improvement monitored over time.

In addition, investors are reminded that their investment in the subfund does not have any direct impact on the environment and the company, but that the subfund seeks to select and invest in companies that meet specific criteria defined in the management strategy.

3. Benchmark

In view of the subfund's investment objective, no relevant benchmark exists. The index stated below is therefore not representative of the subfund's risk profile but has been selected as an ex-post performance indicator.

The subfund's performance may be compared with the benchmark MSCI EUROPE NR. This benchmark is only used for information purposes and reflects equity market trends of Europe's most developed countries. It is calculated in euros, with dividends reinvested.

The administrator MSCI Limited of the benchmark MSCI EUROPE NR 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.

Investors are advised that the portfolio's composition may differ from that of the benchmark index.

4. Investment strategy

1. Strategies used

The management of the ECHIQUIER CLIMATE & BIODIVERSITY IMPACT EUROPE subfund is focused on European equity markets (European Union + European Free Trade Association + the United Kingdom).

ECHIQUIER CLIMATE & BIODIVERSITY IMPACT EUROPE applies three extra-financial filters in its stock-picking: after controversial sectors and practices are excluded, these companies must meet a minimum ESG rating requirement as well as a minimum Climate and Biodiversity Maturity score requirement. Stocks are then categorised into three segments, reflecting companies' involvement and efforts made in combating climate and biodiversity change. Finally, a financial selection is applied, leading to the construction and management of the portfolio.

Stock picking is based on extra-financial criteria.

After controversial sectors and practices are excluded, the following two filters are applied:

1) An ESG analysis is conducted for each issuer. This gives us a rating that provides us with more comprehensive knowledge of the companies with the aim of minimising the risks and capitalising on the opportunities related to the investment. This rating is produced prior to the investment. Governance and the environmental and human resources policies put in place by the companies are at the heart of this analysis.

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 ESG rating is given out of 10 and is awarded to each issuer. This score is determined 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 service stocks: the "Social" score accounts for 2/3 of the "Responsibility" score, while the "Environmental" score

represents 1/3 of the “Responsibility” score.

The ESG rating may be lowered if significant controversy arises.
The minimum ESG rating is set at 6/10 for this subfund.

A minimum selectivity rate of 20% is applied to the ESG filter.

2) An analysis of companies’ climate and biodiversity issues is conducted for each issuer through a proprietary methodology called Climate and Biodiversity Maturity. This seeks to identify and quantify the level of progress made by a company in taking climate and biodiversity issues into account, helping to minimise the risks associated with the investment and to maximise the opportunities that the company may capitalise on in this area.

The Climate and Biodiversity Maturity score is on a scale of 0% to 100% and is awarded to each issuer.

For companies that do not have an impact on biodiversity according to the management company’s proprietary sector matrix, the Climate and Biodiversity Maturity Score uses the following indicators:

- **Climate Commitment (60% of the total score):** existence of a Climate road map, inclusion of climate issues at supplier level, CO2 emissions trajectory and involvement in external initiatives or recognition.
- **Climate Governance (30% of the total score):** body monitoring the Climate strategy, inclusion of climate criteria in executives’ remuneration schemes, level of climate expertise within management bodies, and consideration of specific climate risks.
- **Just Transition (10% of the total score):** consequences on employment and accessibility of products and services resulting from the company’s climate trajectory.

For companies that have an impact on biodiversity according to the management’s company’s proprietary sector matrix, the Climate and Biodiversity Maturity criterion uses the following indicators:

- **Biodiversity Commitment (30% of the total score):** existence of a biodiversity road map incorporating suppliers, external recognition and management of pressures negatively affecting biodiversity.
- **Climate Commitment (30% of the total score):** existence of a Climate road map, inclusion of climate issues at supplier level, CO2 emissions trajectory and involvement in external initiatives or recognition.
- **Climate and Biodiversity Governance (30% of the total score):** body monitoring the Climate and Biodiversity strategy, inclusion of climate and biodiversity criteria in executive remuneration schemes, level of climate and biodiversity expertise in the governing bodies, and consideration of specific climate and biodiversity risks.
- **Just Transition (10% of the total score):** consequences on employment and accessibility of products and services resulting from the company’s climate and biodiversity trajectory.

Biodiversity Commitment groups all company measures and results relating to its biodiversity preservation approach. We

use this criterion to analyse the quality of the company road map and the proper management of its pressures on biodiversity. Pressures on biodiversity are defined as factors that negatively affect nature, such as pollution.

Climate commitment groups all company measures and results relating to its climate trajectory approach. We use this criterion to analyse the quality of the company’s environmental road map and its past and future greenhouse gas emissions along its whole value chain.

Climate (and biodiversity) Governance presents the level of the hierarchy that drives the climate (and biodiversity) trajectory within the company and the quality of how associated climate (and biodiversity) risks are taken into account. We use this criterion to analyse to what extent the company’s governance is compatible with its climate (and biodiversity) commitment.

Just Transition is a concept that aims to ensure energy and environmental transition is compatible with the social aspects it impacts (consequences on employment and product accessibility). We use this criterion to analyse the exposure and management of this issue by the company.

This division is set to evolve over time to take account of the macroeconomic and climate context. The weightings will be updated in the Transparency Code of La Financière de l’Echiquier, available on www.lfde.com.

The Climate and Biodiversity Maturity score may be lowered if significant controversy arises.

The minimum Climate and Biodiversity Maturity score is set at 40% for this subfund.

A minimum selectivity rate of 20% is applied to the Climate and Biodiversity Maturity filter.

ECHIQUEUR CLIMATE & BIODIVERSITY IMPACT EUROPE focuses on selecting within its investment universe (European securities - EU + EFTA + UK - of all market capitalisations), the top-rated companies from an extra-financial perspective (“best in universe” approach), or those showing continuous improvement in their practices over time (“best efforts” approach). For us, this means assessing whether the company is taking a real step forward by setting ambitious ESG and Climate and Biodiversity goals. Note that the approach may cause a sector bias compared with the benchmark index (over- or under-representation of certain sectors).

Investors are reminded that their investment in the subfund does not have any direct impact on the environment and the company, but that the subfund seeks to select and invest in companies that meet specific criteria defined above.

The ESG rating and Climate and Biodiversity Maturity score of companies in the portfolio must always be equal to 100%.

If a company’s ESG rating or Climate and Biodiversity Maturity score falls below the minimum required by the management company for the subfund, the position in the issuer will be sold in the best interests of the unitholders/shareholders.

For more detailed information on the extra-financial rating methodology used for the subfund and its limits, investors should refer to the Transparency Code of La Financière de l'Echiquier available on www.lfde.com.

Once these three extra-financial filters have been applied, the management team categorises issuers into three segments:

- **Solutions segment:** comprising companies that generate a significant portion of their turnover from products or services that help to reduce the CO2 emissions of their clients and preserve or restore biodiversity.
- **Pioneers segment:** comprising companies of all sectors that have a very high Climate and Biodiversity Maturity score or that have already made very ambitious Climate and Biodiversity commitments.
- **Transition segment:** comprising companies that have launched their Climate and Biodiversity action but still need to formalise their commitment or whose efforts have not yet produced concrete results. We consider that the transition of all economic stakeholders is indispensable.

At least 60% of the portfolio must be invested in the Solutions and Pioneers segments.

The selection of these stocks incorporates climate data. These relate in particular to companies' "temperature" and "green portion".

By analysing and monitoring these data, we can manage the weightings of the segments and select the securities that will best contribute to achieving a responsible climate trajectory for the European economy.

*The notion of **climate trajectory for the European economy** is defined as the measure of CO2 emissions induced by productive activities and the use of products of companies listed in Europe. The effort sought by the subfund is to limit CO2 emissions at the level of the value chain of the company taken individually, regardless of its place of implementation, provided it is listed in Europe.*

*The notion of **temperature** is defined as the concise expression of a company's climate trajectory. The calculation of temperature includes current and future greenhouse gas emissions from activities and the use of the company's products. If current and future greenhouse gas emissions are high, the company's temperature will be high and vice versa. The term temperature makes reference to the global warming caused by the increased quantities of greenhouse gas emissions into the atmosphere, but on the scale of a company, this is a theoretical calculation subject to numerous hypotheses, which simply provides a benchmark without expressing the real meteorological situation.*

*The **green portion** is the percentage of a company's turnover that corresponds to activities considered green within the meaning of the EU Taxonomy.*

There is a methodological limit on the extra-financial level in the categorisation of companies by segment. Different thresholds and criteria are applied to companies in each segment. This implies that companies' extra-financial profiles may be different in each

segment in accordance with ESG and Climate and Biodiversity filters.

SRI label

In addition, and in order to meet the requirements of the French SRI label, the fund must obtain a better result than its benchmark for the following indicators:

- **Engaging Environmental Indicator** – Intensity of emissions generated (calculated according to the WACI methodology of Carbone4 Finance)
- **Engaging Governance Indicator** – ESG Controversy Score (rating measuring the management and occurrence of ESG controversies on topics such as the environment, consumer rights, human rights, labour rights, supplier management and governance)

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 100% of the UCI's net assets excluding cash. 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.

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.

Final stock picking is based on financial criteria.

ECHIQUIER CLIMATE & BIODIVERSITY IMPACT EUROPE implements an active and discretionary management based on a rigorous selection of securities known as stock picking, obtained through a process involving direct meetings with the companies in which the subfund invests.

A fundamental analysis of each investment opportunity is conducted, including several criteria such as:

- the quality of its financial structure
- visibility on future earnings
- the growth prospects for its business
- and the possibilities of the security increasing in value.

Depending on the manager's convictions, the portfolio's construction can lead to a concentrated portfolio (fewer than 50 stocks).

Lastly, for cash management purposes, the subfund may invest:

- up to a maximum of 25% of its assets in investment grade negotiable debt securities.
- up to 10% of its assets in shares of French and/or European UCITS or in shares of retail investment funds.

Up to 40% of the subfund's assets may be exposed to currency risk.

2. Assets used (excluding derivatives)

a) Equities:

In order to allow the subfund to be eligible for the PEA, a minimum of 75% of its net assets is invested in European equities of the European Economic Area at all times.

The maximum investment in small and mid-caps will be 60% (less than 10 billion euros).

b) Debt securities and money market instruments:

Up to 25% of the subfund's assets may be invested:

- in negotiable debt securities. The longest maturity of debt securities used for cash management shall be 5 years. The short-term securities used have a Standard & Poor's rating of investment grade or an equivalent rating by another ratings agency. Up to 10% of the subfund's assets may be invested in "speculative" or unrated negotiable debt securities.
- in bonds. In this regard, particular attention will be given to the credit quality of the companies that issue these securities. Eligible securities are deemed investment grade, i.e., having a minimum Standard & Poor's rating of BBB- or equivalent or considered as such by the management team. The maximum maturity of bonds is 10 years. Up to 10% of the subfund's assets may be invested in "speculative" or unrated bonds. No limits have been set for the proportion of bonds of sovereign and private issuers in the portfolio.

Prior to purchase and for monitoring purposes over the life of securities, the credit risk is assessed on the basis of research and analysis carried out in-house by La Financière de l'Echiquier and using the ratings produced by the rating agencies.

When securities are deemed speculative or unrated, their issuers belong to groups monitored by La Financière de l'Echiquier's internal research.

The ratings mentioned above are those used by the Fund manager at the time of the initial investment. If a rating is downgraded over the life of an investment, the manager will conduct an analysis on a case-by-case basis and decide whether or not to maintain the position concerned. The investment limits

defined in relation to the assessment of credit risk by the rating agencies may therefore be adjusted slightly to reflect the management team's own analysis.

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

Up to 10% of the subfund's assets may be invested in shares or units of French and/or European UCITS and in French retail investment funds. These may be UCIs in any AMF category.

The subfund may invest in UCIs of the management company or an associate company.

4. Derivatives

None

5. Securities with embedded derivatives

The manager may invest in securities with embedded derivatives (warrants, subscription certificates, convertible bonds, etc.) traded on regulated markets or over-the-counter.

No rating restrictions apply to convertible bonds.

In this context, the manager may take positions to hedge and/or expose the portfolio to business sectors, geographical areas, interest rates, equities (small, mid or large cap stocks), currencies, securities and similar transferable securities or indices in order to achieve the investment objective.

The use of embedded derivatives 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.

In any event, the amounts invested in securities with embedded derivatives cannot exceed 10% of the net assets.

The risk associated with this type of investment will be limited to the amount invested in the purchase.

6. Deposits

None

7. Cash borrowings

The subfund may temporarily make use of cash borrowings in the maximum amount of 10% of its net assets in order to achieve the management objective and manage subscription/redemption flows.

8. Securities financing transactions

None

5. 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 share 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.

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.

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.

6. Eligible investors and typical investor profile

Target investors:

A share: All investors

G share: Reserved for distribution by financial intermediaries

I share: Reserved for institutional investors

F share: Founder subscribers

E share: Reserved for savers who manage their employee and retirement savings via Epsor

Typical investor profile:

The subfund is intended for individuals or institutional investors who are aware of the inherent risk in holding shares in such a subfund, which is a high risk due to investment in European equities.

ECHIQUIER CLIMATE & BIODIVERSITY IMPACT EUROPE may be used for investment in UCITS managed by La Financière de l'Echiquier.

ECHIQUIER CLIMATE & BIODIVERSITY IMPACT EUROPE may be used for variable-capital, unit-linked individual life insurance policies.

The appropriate amount to invest in ECHIQUIER CLIMATE & BIODIVERSITY IMPACT EUROPE depends on the personal situation of the shareholders. In deciding how much to invest, shareholders should take into account their personal assets and any business assets, their cash requirements at the time and in 5 years, and whether they are willing to take risks on equity markets. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this subfund.

7. Recommended investment duration

More than 5 years

8. Methods for determining and appropriating distributable sums

Share class	Net income allocation	Realised net gain allocations
A share	Accumulation	Accumulation
G share	Accumulation	Accumulation
I share	Accumulation	Accumulation
F share	Accumulation	Accumulation
E share	Accumulation	Accumulation

9. Share characteristics: (base currencies, fractional units, etc.)

The I, G, F, A and E shares are denominated in euros and are subdivided into thousandths.

The initial value of the A share is fixed at 100.00 euros.

The initial value of the G share is fixed at 100.00 euros.

The initial value of the I share is fixed at 1,000.00 euros.

The initial value of the F shares is fixed at 1,000.00 euros

The initial value of the E share is set at €100.00.

A portion of the management fees is paid to the Fondation Groupe Primonial under the aegis of the Fondation de France or is paid directly to another association. The Board of Directors of the SICAV is informed of the distribution and any investor may request more detailed information from La Financière de l'Echiquier.

Donations made to this foundation may entitle the management company to a tax exemption.

10. Subscription and redemption procedures

Subscriptions and redemptions are carried out in thousandths of shares.

The minimum initial subscription amount for the I shares is 1,000,000 euros, with the exception of the management company, which may subscribe for only one unit. Subsequent subscriptions may be carried out in thousandths of units.

The minimum initial subscription amount for the "F" shares is 500,000 euros, with the exception of the management company, which may subscribe for only one unit. Subsequent subscriptions may be carried out in thousandths of units. This share will be closed to subscription when the subfund reaches assets under management of 50 million euros.

Subscription and redemption requests are centralised before 12 p.m. on every trading day (Paris time) by the depositary:

BNP PARIBAS SA

16, boulevard des Italiens, 75009 Paris

Postal address: Grands Moulins de Pantin, 9 Rue du Débarcadère, 93500 Pantin

And are executed on the basis of the next net asset value calculated using the closing price on the day the requests were centralised. Subscription and redemption requests arriving after 12 p.m. (Paris time) are executed on the basis of the net asset value calculated after the one mentioned above.

In some countries, subscriptions may be carried out according to procedures other than a single, one-off subscription. For Italy, details of the subscription procedures are provided on the subscription form.

The net asset value is calculated daily, except for days when the Paris stock market is closed and on official French public holidays.

Orders are executed in accordance with the table below:

T	T: Date of establishment of the net asset value	T+1 working day	T+2 working days
Centralisation before 12 p.m. of subscription and redemption orders	Execution of the order at the latest during day T	Calculation and publication of the net asset value	Payment for subscriptions and redemptions

The net asset value is available upon request from the management company on +33 (0)1.47.23.90.90 or on its website www.lfde.com.

11. Fees and charges

Fees charged to the investor, deducted upon subscription and redemption	Basis	Rate
Subscription fee not retained by the UCITS	Net asset value x number of shares	Maximum of 3.00%
Subscription fee retained by the UCITS	Net asset value x number of shares	None
Redemption fee not retained by the UCITS	Net asset value x number of shares	None
Redemption fee retained by the UCITS	Net asset value x number of shares	None

Fees charged to the UCITS	Basis		Rate
1	Financial management costs Administrative fees external to the management company	Net assets	A share
			G share
			I share
			F share
			E share
2	Maximum indirect fees (management commissions and fees)	Net assets	(')
3	Transaction fees received by the management company	Payable on each transaction or operation	None
4	Performance fee	Net assets	A share
			G share
			I share
			F share
			E share

(*) The subfund 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.

A portion of the management fees is paid to the Fondation Groupe Primonial under the aegis of the Fondation de France or is paid directly to another association or a non-profit organisation.

The Board of Directors of the SICAV is informed of the distribution and any investor may request more detailed information from La Financière de l'Echiquier.

Donations made to this foundation may entitle the management company to a tax exemption.

The fees due for the management of the UCITS in application of 4° of II of Article L. 621-5-3 of the French Monetary and Financial Code; the exceptional and non-recurring duties, taxes, fees, and government rights (related to the subfund) are charged to the subfund.

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. However, the first crystallisation period will be more than one year: from 11 April 2022 to 31 December 2023. It will then be each year 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 benchmark, 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 Europe Index Net Return

Calculation method

A provision for the performance fee is established at each net asset value calculation.

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 existing allocations.

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

Examples

First case: the fund outperforms its index in 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).

Additional information on the E share

This E share is reserved for savers who manage their employee and retirement savings via Epsor. The associated percent management fee is 2.15% maximum.

Specific features of this share:

By subscribing to this share, you participate in the management company's approach that seeks to finance carbon offset projects. This approach will offset a variable proportion of greenhouse gas (GHG) emissions due to the possible change in price of the underlying projects. The calculation of GHG emissions will incorporate Scope 1, Scope 2 and partially Scope 3 given the methodological limits and access to reliable data. The management company therefore undertakes to allocate 0.75% of the share's net assets to finance these carbon offset projects.

Methodology:

- The management company will initially calculate the carbon footprint corresponding to your invested assets. Secondly, a portion of the management fees collected by the management company (0.75% of the unit's net assets) will be allocated to financing certified projects that will avoid greenhouse gas emissions or carbon sequestration.
- The carbon footprint of the portfolio is calculated as follows:
 - The measurement of the portfolio's carbon footprint (in absolute terms, all scopes) corresponds to the annual average of carbon footprints calculated at the end of each month.
 - The greenhouse gas emissions (expressed in CO2 equivalent) of companies are measured over 3 "Scopes":
 - Scope 1 concerns direct emissions from companies (such as fuel consumption),
 - Scope 2 concerns indirect emissions due to the company's activity (e.g. the electricity supplier's fuel consumption),
 - Scope 3 concerns all other indirect carbon emissions of the company's activities. Those from sources that do not belong to it or which it does not directly control. Thus, within upstream scope 3: upstream freight, personal travel, fixed assets and purchases, and within downstream scope 3: downstream freight, visitor and customer travel, the use of products sold and the end of life of the products. Within this scope, it is important to underline that, depending on the business sector, certain items on the above list may not be included in the calculation due to their low materiality for the business sector analysed or due to the lack of reliable data.
 - The calculation is done on the 3 scopes based on the data and methodology of Carbon4 Finance (C4F). This methodology is divided into two approaches:
 - A bottom-up analysis, which is a specific analysis of a company carried out by an analyst specialising in the business sector and based on physical data (activity and production data): production volumes (tonnes of steel, MWh per source, etc.), production or sales sites, energy efficiency of the process, supply sources, etc.
 - A top-down analysis, which is an analysis based on a statistical methodology, either on sector ratios (and not based on the company's physical data) but which increases the coverage ratio of the database.
 - In both cases, C4F systematically recalculates companies' GHG emissions according to its sector methodologies and does not use the emissions data as published by the companies. This methodology may lead C4F to use emissions that are lower than those actually published by the issuers themselves. As a result, in the absence of reporting standards in this area, the use of a single methodology makes it possible to compare the results (which would not be permitted by simply collecting data from the companies calculated based on different methodologies). In addition, C4F's sector methodologies are derived from the expertise of the Carbon 4 consulting firm and regularly improved. Based on their experience with companies, they best define from the available data which scopes are relevant in the calculation. If there is no reliable calculation methodology, the data is not included, as opposed to incorporating incorrect data. For more information, C4F's methodology for measuring the carbon footprint of the portfolio can be found at <https://www.carbon4finance.com/>.
- The carbon footprint of the share is then calculated taking into account the portion of assets of the E share alone within the sub-fund. The calculation over the average net assets of the share will therefore be done over the year, with a monthly statement of assets, so as not to be based solely on our calculations, on a single point of observation, and to improve the accuracy of our measurement.
- For project financing, the methodology is as follows:
 - At the end of each financial year, a budget will be determined corresponding to a maximum of 0.75% of the average assets of the share over the year.
 - Based on this budget, LFDE will then use the services of Reforest'Action to finance projects (planting and/or preservation of forests). The financing of these projects will be materialised through the acquisition of emissions reduction certificates by the management company.
 - Reforest'Action only offers Verified Emission Reductions (VERs):
 - French projects certified in France by the Label Bas Carbone (LBC - low carbon label issued by the Ministry of the Ecological Transition): afforestation or reforestation projects that allow the creation or restoration of carbon sinks (emission reductions - ER)

- International projects based on the following labels:
 - **VERRA / VCS:** Verified Carbon Standard, develops and manages standards that help the private sector, countries and civil society to achieve ambitious sustainable development and climate action goals. > <https://verra.org/programs/verified-carbon-standard/>
 - **Gold Standard:** Developed by the WWF and other NGOs, Gold Standard ensures that projects that reduce carbon emissions have the highest levels of environmental integrity and also contribute to sustainable development. > <https://www.goldstandard.org/>

These projects are located in tropical areas and aim to preserve forest areas. They can also involve local populations in the sustainable management of forest natural resources (carbon credits).

Figures:

In conclusion, when an investor invests €100 in this share, all other things being equal, the management company will deduct €2.15 in management fees and will pay €0.75 to finance the projects proposed by Reforest Action.

The SICAV's annual report and impact report will publish all the data related to this arrangement: the budget, type and amount of the projects financed, the carbon assessment of the portfolio's share, the portion of GHG emissions of the assets that has actually been offset.

For more information on the financing of projects and the labels and certifications of financed projects, please visit the website <https://www.reforestation.com/> and for any further questions about this share, please contact La Financière de l'Echiquier.

Subfund ECHIQUIER HEALTH IMPACT FOR ALL

- A share ISIN code: FR0013441714
- G share ISIN code: FR0013441722
- I share ISIN code: FR0013441730
- F share ISIN code: FR00140075Q9

1. Classification

International equities

2. Investment objective

ECHIQUIER HEALTH IMPACT FOR ALL is a subfund seeking long-term performance net of management fees through exposure to international equity markets via companies whose business activities provide solutions to the challenges of access to health care and which stand out for the quality of their governance and their environmental and social policies.

The objective of the subfund is associated with an extra-financial approach incorporating the consideration of Environmental, Social, and Governance (ESG) criteria and an impact score. The management team seeks to minimise the risks and capture opportunities by investing in companies that provide solutions to the challenges of access to health care and which have good social, environmental, and governance practices. This extra-financial objective complies with the provisions of Article 9 of the SFDR.

The extra-financial objective is also to help companies move forward in their strategy for access to health care and on their extra-financial practices by engaging in dialogue with them on a regular basis and sharing with them specific areas for improvement monitored over time.

In addition, investors are reminded that their investment in the subfund does not have any direct impact on accessibility to health care, but the subfund seeks to select and invest in companies that meet specific criteria defined in the management strategy.

3. Benchmark

The index, composed of 2/3 MSCI Europe Health Care and 1/3 MSCI World Health Care, is used for illustrative purposes only. This index is representative of the management of ECHIQUIER HEALTH IMPACT FOR ALL.

The MSCI Europe Health Care index represents the performance of large and mid-cap stocks in 15 European countries in the health care sector. It is calculated in euros, with dividends reinvested (Bloomberg code: M7EUOHC).

The MSCI World Health Care index represents the performance of large and mid-cap stocks in 23 developed countries in the health care sector. It is calculated in euros, with dividends reinvested (Bloomberg code: M1W00HC).

The administrator of these indices, MSCI Limited, 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.

4. Investment strategy

1. Strategies used

ECHIQUIER HEALTH IMPACT FOR ALL implements an active and discretionary management strategy focused on international equity markets.

ECHIQUIER IMPACT FOR ALL has a minimum exposure of 60% of its net assets on equity markets of the health care sector.

ECHIQUIER HEALTH IMPACT FOR ALL applies three extra-financial filters in its stock-picking: after controversial sectors and practices are excluded, these companies must achieve a minimum ESG rating as well as a minimum score on their impact (measuring their contribution to the issues of access to health care).

Finally, a financial selection is applied, leading to the construction and management of the portfolio.

The initial investment universe of the subfund is made up of stocks in the health care sector with a turnover of more than 10 million euros, a market capitalisation of more than 50 million euros, and from all geographical areas (approximately 2,000 stocks).

Stock picking is based on extra-financial criteria. After controversial sectors and practices are excluded, the following two filters are thus applied:

1) An ESG analysis is conducted for each issuer. This gives us a rating that provides us with more comprehensive knowledge of the companies with the aim of minimising the risks and capitalising on the opportunities related to the investment. This rating is produced prior to the investment. Governance and the environmental and human resources policies put in place by the companies are at the heart of this analysis.

The examples of indicators used for each of the environmental, social, and governance 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 ESG rating is given out of 10 and is awarded to each issuer. This score is determined 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 service stocks: the "Social" score accounts for 2/3 of the "Responsibility" score, while the "Environmental" score represents 1/3 of the "Responsibility" score.

The ESG rating may be lowered if significant controversy arises.

The minimum ESG rating is set at 6.0/10 for this subfund.

A minimum selectivity rate of 20% is applied to the ESG filter.

2) An analysis of the approach to contributing to health care access is conducted for each issuer. Using a proprietary methodology, we identify companies that meet this challenge through four complementary levers for action (acceptability, geographical accessibility, affordability and availability). This is done prior to investment and results in an Impact Score, which allows us to select companies whose contribution and positive impact on this issue is significant.

This score is composed of two pillars, both of which are distinguishing.

a) We begin by analysing the company's contribution to the issue of access to health care through our four levers as a percentage of its turnover ("Contribution" criterion).

b) We then analyse the company's negative contribution to the four levers for action for access to health care in order to ensure that, while it contributes positively to this issue through its products and services, it does not contribute negatively in the conduct of its activities ("Do No Significant Harm" criterion).

Examples of selected indicators are:

a) Contribution: percentage of turnover that the company generates through solutions (products or services) that improve access to health care. This includes, for example, the percentage of turnover generated through more affordable medicines, the percentage of turnover that the company generates through products or services that make health care more geographically accessible, etc.

b) Do No Significant Harm: the company's activities must not harm the accessibility of certain populations to care or the quality of working life of care providers, must not lead to anti-competitive practices, etc.

The Impact score is out of 100 and is awarded to each issuer.

The minimum Impact score for each portfolio company is 20/100. The weighted average Impact score of the portfolio must be higher than 50/100 at all times.

ECHIQUIER HEALTH IMPACT FOR ALL focuses on selecting the top-rated issuers from an extra-financial perspective within their investment universe ("best in universe" approach).

In addition, the management team checks that the company adopts a continuous improvement approach for its practices by setting with it regularly monitored areas for improvement relating

to its contribution to issues of access to health care and at the extra-financial level.

The ESG rating and Impact score of companies in the portfolio must always be equal to 100%.

If a company's ESG rating or Impact score falls below the minimum required by the management company for the subfund, the position in the issuer will be sold in the best interests of the shareholders.

For more detailed information on the extra-financial rating methodology used for the subfund and its limits, investors should refer to the Transparency Code of La Financière de l'Echiquier available on www.lfde.com.

SRI label

In addition, and in order to meet the requirements of the French SRI label, the fund must obtain a better result than its benchmark for the following indicators:

- **Engaging Environmental Indicator** – Intensity of emissions generated (calculated according to the WACI methodology of Carbone4 Finance)
- **Engaging Governance Indicator** – ESG Controversy Score (rating measuring the management and occurrence of ESG controversies on topics such as the environment, consumer rights, human rights, labour rights, supplier management and governance)

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 100% of the UCI's net assets excluding cash and hedging derivatives. 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.

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.

Final stock picking is based on financial criteria.

ECHIQUIER HEALTH IMPACT FOR ALL implements an active and discretionary management approach based on rigorous stock picking, obtained through a process involving direct meetings with the companies in which the subfund invests.

A fundamental analysis of each investment opportunity is conducted and pertains to several criteria in particular:

- quality of its financial structure,
- visibility on future earnings,
- growth prospects for its business, and
- possibilities of the security increasing in value.

Lastly, for cash management purposes, the subfund may invest:

- up to a maximum of 10% of its net assets in investment grade negotiable debt securities.
- up to 10% of its net assets in units or shares of French and/or European UCITS or in units or shares of retail investment funds.

Depending on the manager's convictions, the portfolio's construction can lead to a concentrated portfolio (fewer than 50 stocks).

2. Assets used (excluding derivatives)

a) Equities:

Investments will be made in international equities, including equities from emerging countries, up to a limit of 20% of the net assets.

The manager may invest in equities of all capitalisations, with a maximum of 60% of the net assets invested in small and mid-caps.

b) Debt securities and money market instruments:

Up to 10% of the fund may be invested in negotiable debt securities. The longest maturity of debt securities used for the fund's cash management shall be 5 years. The short-term securities used have a Standard & Poor's rating of investment grade or an equivalent rating by another ratings agency. Up to 10% of the subfund's assets may be invested in "speculative" or unrated negotiable debt securities.

Prior to purchase and for monitoring purposes over the life of securities, the credit risk is assessed on the basis of research and analysis carried out in-house by La Financière de l'Echiquier and using the ratings produced by the rating agencies.

When securities are deemed speculative or unrated, their issuers belong to groups monitored by La Financière de l'Echiquier's internal research.

The ratings mentioned above are those used by the Fund manager at the time of the initial investment. If a rating is downgraded over the life of an investment, the manager will conduct an analysis on a case-by-case basis and decide whether or not to maintain the position concerned. The investment limits defined in relation to the assessment of credit risk by the rating agencies may therefore be adjusted slightly to reflect the management team's own analysis.

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

Up to 10% of the fund's assets may be invested in units or shares of French and/or European UCITS and in retail investment funds. This will be a UCI in any AMF category provided it is not in conflict with investment strategy. It may be UCIs managed by the management company or by an associate company.

4. Derivatives

The fund may invest in financial derivative instruments traded on international regulated markets, unregulated markets, and/or over the counter. Within this framework, the management team may choose to take positions:

- to hedge the portfolio against equity market risk (within the limit of minimum exposure of 60% of net assets) and exceptionally against currency risk.
- to generate exposure to equity market risk in accordance with the investment objective.

The instruments used are:

- index futures
- options on securities and indices
- forex options and forwards.

These transactions will be carried out within the limit of 100% of the Fund's assets.

Financial instruments are entered into with intermediaries selected by the management company that have no say on the composition or management of the UCITS' portfolio.

5. Securities with embedded derivatives

The manager may invest in securities with embedded derivatives (warrants, subscription certificates, etc.) traded on eurozone and/or international regulated markets or over the counter.

In this context, the manager may take positions to hedge and/or expose the portfolio to business sectors, geographical areas, interest rates, equities (small, mid or large cap stocks), currencies, securities and similar transferable securities or indices in order to achieve the investment objective.

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.

In any event, the amounts invested in securities with embedded derivatives cannot exceed 10% of the net assets.

The risk associated with this type of investment will be limited to the amount invested in the purchase.

6. Deposits

None

7. Cash borrowings

The fund may borrow cash. Although the subfund may be in a debtor position temporarily as a result of its payment flows (investments and disposals in progress, subscription/redemption transactions, etc.) up to a limit of 10% of its assets, this does not form part of its investment objective.

8. Securities financing transactions

None

5. 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.

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.

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.

6. Eligible investors and typical investor profile

Target investors:

Unit A: All investors

Unit G: Reserved for financial intermediaries other than the management company

Unit I: Reserved for institutional investors

Unit F: Reserved for founder investors

Typical investor profile:

The subfund is intended for individuals or institutional investors who are aware of the inherent risk in holding units in such a UCITS, which is a high risk due to investment in European and international equities.

The subfund may be used for variable-capital, unit-linked individual life insurance policies.

The appropriate amount to invest in this subfund depends on the personal situation of the investor. In deciding how much to invest, shareholders should take into account their personal assets and any business assets, their cash requirements at the time and in 5 years, and whether they are willing to take risks on equity markets. We also strongly advise investors to diversify their investments so that they are not wholly exposed to the fund's risks.

7. Recommended investment duration

More than 5 years

8. Methods for determining and appropriating distributable sums

Share class	Net income allocation	Realised net gain allocations
A share	Accumulation	Accumulation
G share	Accumulation	Accumulation
I share	Accumulation	Accumulation
F share	Accumulation	Accumulation

9. Share characteristics: (base currencies, fractional units, etc.)

The A, G, I, and F shares are denominated in euros and subdivided into thousandths.

The initial value of the A share is fixed at 100.00 euros.

The initial value of the G share is fixed at 100.00 euros.

The initial value of the I share is fixed at 1,000.00 euros.

The initial value of the F share is fixed at 1,000.00 euros.

10. Subscription and redemption procedures

Subscriptions and redemptions are carried out in thousandths of units.

The minimum initial subscription amount of the I unit is 1,000,000 euros, with the exception of the management company, which may subscribe for only one unit.

The minimum initial subscription amount of the unit is 250,000 euros, with the exception of the management company, which may subscribe for a single unit.

Subscription and redemption requests are centralised before 12 p.m. on every trading day (Paris time) by the depositary:

BNP PARIBAS SA

16, boulevard des Italiens, 75009 Paris

Postal address: Grands Moulins de Pantin, 9 Rue du Débarcadère, 93500 Pantin

And are executed on the basis of the next net asset value calculated using the closing price on the day the requests were centralised. Subscription and redemption requests arriving after 12 p.m. (Paris time) are executed on the basis of the net asset value calculated after the one mentioned above.

In some countries, subscriptions may be carried out according to procedures other than a single, one-off subscription. For Italy, details of the subscription procedures are provided on the subscription form.

The net asset value is calculated daily, except for days when the Paris stock market is closed and on official French public holidays.

T	T: Date of establishment of the net asset value	T+1 working day	T+2 working days
Centralisation before 12 p.m. of subscription and redemption orders	Execution of the order at the latest during day T	Calculation and publication of the net asset value	Payment for subscriptions and redemptions

Pursuant to Article L. 214-8-7 of the French Monetary and Financial Code, if, under exceptional circumstances it is deemed in the interest of the unitholders, the Fund's redemption of units and its issue of new units may be temporarily suspended by the management company.

The net asset value may be obtained from the management company on request.

11. Fees and charges

Fees charged to the investor, deducted upon subscription and redemption	Basis	Rate
Subscription fee not retained by the UCITS	Net asset value x number of shares	Maximum of 3.00%
Subscription fee retained by the UCITS	Net asset value x number of shares	None
Redemption fee not retained by the UCITS	Net asset value x number of shares	None
Redemption fee retained by the UCITS	Net asset value x number of shares	None

Fees charged to the UCITS	Basis		Rate
1 Financial management costs	Net assets	A share	Maximum of 1.80% incl. tax
Administrative fees external to the management company		G share	Maximum of 1.35% incl. tax
		I share	Maximum of 1.00% incl. tax
		F share	Maximum of 0.50% incl. tax
2 Maximum indirect fees (management fees and commissions)	Net assets		None (*)
3 Transaction commissions received by the management company	Payable on each transaction or operation		None
		A share	15% including taxes of the Fund's outperformance, net of fixed management fees, relative to its benchmark index, provided that the Fund's performance is positive
4 Performance fee	Net assets	G share	None
		I share	None
		F share	None

(*) The subfund 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.

A portion of the management fees is paid to the Fondation Groupe Primonial under the aegis of the Fondation de France or is paid directly to another association or a non-profit organisation. The breakdown is made known to the Board of Directors of the SICAV and all investors may request more detailed information from La Financière de l'Echiquier.

Donations made to this foundation may entitle the management company to a tax exemption.

The fees due for the management of the UCITS in application of 4° of II of Article L. 621-5-3 of the French Monetary and Financial Code; the exceptional and non-recurring duties, taxes, fees, and government rights (related to the subfund) are charged to the subfund.

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 and observation period

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 benchmark, 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

2/3 MSCI Europe Health Care and 1/3 MSCI World Health Care M

Calculation method

A provision for the performance fee is established at each net asset value calculation.

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 existing allocations.

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 observation period may be extended as such by up to five years (reference period). Beyond, if a residual underperformance has not been caught up, it is no longer taken into account. If another 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 shares are redeemed, if there is a provision for performance fees, the amount proportional to the redeemed shares 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	-

	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 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).

III. Commercial information

For further information and documents relating to the subfund, please contact the management company directly:

LA FINANCIERE DE L'ÉCHIQUIER

53 Avenue d'Iéna

75116 Paris

www.lfde.com

The subfund's net asset value may be obtained from the management company on request.

The SICAV's shareholders may obtain additional information from the company's website (www.lfde.com) relating to consideration given in La Financière de l'Echiquier's investment policy to environmental, social, and quality of governance criteria.

Professional investors subject to prudential requirements (Solvency II) may ask the management company for funds' asset portfolios. Communication of such information shall be managed in accordance with the provisions defined by the AMF. For any further information, shareholders may contact the management company.

Investment restrictions

The shares have not been, and will not be, registered under the US Securities Act of 1933 (hereinafter "the 1933 Act") or under any law applicable in a US state, and they cannot be directly or indirectly transferred, offered or sold in the United States of America (including its territories and possessions) or to any US Person, as defined by Regulation S of the 1933 Act adopted by the Securities and Exchange Commission (SEC), unless the shares have been registered or an exemption was applied with the consent of the SICAV.

The SICAV is not and will not be registered under the US Investment Company Act of 1940. Any sale or transfer of shares in the United States of America or to a US Person may constitute a violation of US law and requires prior written consent from the SICAV. Persons wishing to purchase or subscribe for shares will have to provide written certification stating that they are not US Persons.

The SICAV has the power to impose restrictions on the ownership of shares by a US Person and thus the power to conduct compulsory redemption of the shares held and on the transfer of shares to a US Person. This power extends to any person who: (a) appears to be directly or indirectly in violation of the laws and regulations of any country or government authority; or (b) may, in the opinion of the SICAV, cause damage to the SICAV that it would otherwise not have suffered.

The offering of shares has not been authorised or rejected by the SEC, the specialist commission of a US state or any other US regulatory authority. Equally, said authorities have neither accepted nor dismissed the merits of this offering, nor the accuracy or suitability of documents relating to this offering. Any statement to the contrary is against the law. Shareholders must immediately inform the SICAV if they become a US Person.

Shareholders who become a US Person will no longer be permitted to acquire new shares and may be required at any time to relinquish their shares to someone who is not a US Person. The SICAV reserves the right to order the compulsory purchase of any share directly or indirectly held by a US Person, or any shares held by a person in breach of the law or contrary to the interests of the SICAV.

IV. Investment rules

Regulatory investment ratios applicable to the UCITS: The legal investment rules applicable to each subfund of the SICAV are those that govern UCITS investing less than 10% of their assets in other UCIs as well as those applicable to the possible AMF classification of each of the subfunds of the SICAV.

V. Overall risk

The SICAV calculates overall risk using the commitment method.

VI. Asset valuation and accounting rules

1.5 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 not traded on a regulated market are valued under the responsibility of the board of directors of the SICAV at their probable 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 Bloomberg databases, depending on where they are listed:

- 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. extraction at 4:45 p.m. for a listing at the opening price for that day.
- Europe (except France): 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 closing 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 D+1 at 9 a.m.
- Europe (except France): extraction at 7:30 p.m.
- France: extraction at 6 p.m.

1.6 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.
- The SICAV's designated currency is the Euro.

VII. Remuneration

The AMF has also published professional guidelines for investment services providers with a view to the practical application of legal and regulatory provisions.

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

The asset management company's remuneration policy is fully compliant with sound and effective risk management. It does not encourage risk-taking that might be inconsistent with the risk profiles, regulation or regulatory documents of the UCIs managed by the asset management company.

The asset management company's remuneration policy is aligned with the economic strategy, objectives, values and interests of the asset management company as well as the UCITS it manages, and includes measures to prevent potential conflicts of interests. The remuneration policy has been put in place in order to: actively support the strategy and objectives of the Management Company; promote the competitiveness of the Management Company on the market in which it operates; ensure its attractiveness and the development and retention of motivated and qualified employees.

The general principles of LFDE's remuneration policy are as follows:

- The fixed component of remuneration takes into account the real situation of the labour market.
- The principle of equal pay for men and women, including with respect to career development.
- Each employee undergoes a skills assessment and evaluation process with the definition of qualitative and quantitative objectives
- Non-contractual discretionary variable remuneration that rewards employees' performance. The variable portion is therefore reviewed each year by team and for each employee.
- The principles of variable remuneration comply with a principle of fairness that aims to motivate the greatest number of employees.
- Since 2020, the "contribution to LFDE's responsible investment approach" has been a collective objective, set for all LFDE employees, and is included in determining their annual variable remuneration.
- LFDE implements a deferred variable remuneration mechanism for risk takers awarded a variable remuneration of more than €200 K; in application of the UCITS V and AIFM Directives.

Details of the remuneration policy are available online on the following website: www.lfde.com or free on request from the management company.

VIII. Articles of incorporation

Investment company with variable capital (société d'investissement à capital variable, SICAV)

Limited company (Société anonyme, SA)

Registered office: 53 avenue d'Iéna, 75016 Paris

R.C.S. PARIS: 833,974,405

TITLE 1 – FORM, PURPOSE, NAME, REGISTERED OFFICE, TERM OF THE COMPANY

Article 1 – Form

The holders of shares hereinafter created and shares subsequently created hereby form an open-ended investment fund (SICAV) governed particularly by the provisions of the French commercial code relating to public limited companies (Book II – Title II – Chapter V), the French monetary and financial code (Book II – Title I – Chapter IV – Section I – Subsection I), their implementing texts, subsequent texts, and by these articles of association.

The SICAV may have one or more subfunds. The Board of Directors is authorised to create subfunds in accordance with the regulations in force. In such a case, each subfund gives rise to the issuance of one or more share classes representative of the SICAV's assets allocated to it.

As an exception to the principle of financial autonomy of subfunds provided for in Article L. 214-5 of the French Monetary and Financial Code, the Board of Directors may decide that the subfunds are financially interdependent.

Article 2 – Purpose

The purpose of this Company is to constitute and manage a portfolio of financial instruments and deposits.

Article 3 – Name

The name of the Company is Echiquier Impact followed by the wording "Société d'Investissement à Capital Variable" with or without the term "SICAV".

Article 4 – Registered office

Its registered office is located at 53 avenue d'Iéna, 75116 Paris.

Article 5 – Term

The company's term is 99 years from its entry in the companies register unless it is dissolved early or extended as specified herein.

TITLE 2 – CAPITAL, CHANGES IN THE CAPITAL, FEATURES OF THE SHARES

Article 6 – Share capital

The SICAV's initial capital amounts to 23,380,967.84 euros divided into 120,440.101 fully paid-up shares of the same class.

It was fully established through contribution of the assets and liabilities of the ECHIQUIER ISR mutual fund, as part of the conversion of that mutual fund into a SICAV in accordance with (i) the General Regulations of the Autorité des Marchés Financiers (AMF), (ii) Article 1.1.2.6 of its doctrine DOC-2011-05, and (iii) the approval issued by the AMF on 1 August 2017. This contribution is valued on the basis of the net asset values of the ECHIQUIER ISR mutual fund as of 13 October 2017 at the close of the markets and is the subject of a report prepared by the Statutory Auditor, under its responsibility, in accordance with the law.

Share classes:

The features of the various share classes and their access conditions are set out in the SICAV's prospectus. The various share classes may:

- benefit from different income allocation rules (distribution or accumulation);
- be denominated in different currencies;
- incur different management fees;
- incur different subscription and redemption fees;
- have a different nominal value;
- be systematically hedged (fully or partially) as specified in the prospectus. Such hedging is achieved using financial instruments that minimise the impact of hedging transactions on the other unit classes of the UCITS;
- be restricted to one or more marketing networks.

Possibility of grouping or division of shares by decision of the EGM.

Referred to as share fractions, the board of directors may decide to divide the shares into tenths, hundredths, thousandths or ten-thousandths.

The provisions of the articles of association governing the issuance and redemption of shares apply to the fractional shares, whose value shall at all times be proportional to that of the share they represent. All the other provisions of the articles of association concerning the fractional shares apply automatically to the fractional shares unless specified otherwise.

Article 7 – Changes in the capital

The amount of the capital may be altered, resulting from the company's issuance of new shares, and reduced, following the redemption of shares by the company for shareholders who so request.

Article 8 – Issuances, redemptions of shares

Shares are issued at any time at the request of shareholders based on their net asset value plus subscription fees where applicable.

Redemptions and subscriptions are carried out under the terms and conditions set out in the prospectus.

Any subscription of new shares must, under penalty of nullity, be fully paid up and the shares issued rank *pari passu* with shares existing on the day of the issuance.

In accordance with Article L. 214-7-4 of the French monetary and financial code, if exceptional circumstances so require and if it is deemed in the shareholders' interests, redemption by the Company of its shares and the issuance of new shares may be temporarily suspended by the board of directors.

If the net assets of the SICAV (or a subfund where applicable) are less than the amount fixed by regulations, no redemption of shares may be carried out (on the relevant subfund, where applicable).

In accordance with Articles L. 214-7-4 of the French Monetary and Financial Code and 411-20-1 of the AMF General Regulation, the management company may decide to cap redemptions if exceptional circumstances so require and if it is deemed in the interest of the shareholders or the public.

The operating methods of the mechanism for capping and informing shareholders must be described in precise terms.

Possibility of minimum subscription conditions, according to the terms set out in the prospectus.

The UCITS may cease issuing shares in accordance with Article L. 214-7-4(3) of the French Monetary and Financial Code, temporarily or permanently, partially or totally, in certain objectively verifiable situations entailing the closure of subscriptions, such as when the maximum number of shares has been issued, the maximum amount of assets has been reached or a specific subscription period has expired. In the event that this tool is used, existing shareholders shall be notified by any means, along with the threshold and the objective situation that led to the partial or total closure decision. In the event of a partial closure, the notification shall explicitly state the terms under which existing shareholders may continue to subscribe for the duration of the partial closure. Shareholders shall also be informed by any means of the decision by the UCITS or the management company either to end the total or partial closure of subscriptions (once they have fallen below the activation threshold) or not to end it (in the event of a change of threshold or change in the objective situation leading to activation of said tool). Any change in the objective situation invoked or the tool's activation threshold must at all times be made in the shareholders' interests. The notification must specify the exact reasons for such changes.

Article 9 – Calculation of the net asset value

The net asset value per share is calculated in accordance with the valuation rules set out in the prospectus.

Moreover, an indicative instantaneous net asset value will be calculated by the market operator in the event of admission to trading.

Contributions in kind may comprise only securities, stocks or contracts admitted for inclusion in the assets of the UCITS; they are valued in accordance with the valuation rules used for calculating the net asset value.

Article 10 – Form of shares

Subscribers may elect to hold the shares in either bearer or registered form.

In accordance with Article L. 211-4 of the French Monetary and Financial Code, securities must be entered in accounts, held either by the issuer or by an authorised intermediary.

The rights of holders will be represented by an account entry in their name:

- with their chosen intermediary for bearer securities; or
- with the issuer and, if they so wish, with their chosen intermediary for registered securities.

In accordance with Article L. 211-5 of the French monetary and financial code, the Company may request at its own expense the name, nationality, and address of the SICAV's shareholders, as well as the quantity of securities held by each of them.

Article 11 – Admission to trading on a regulated market and/or a multilateral trading facility

The shares may be admitted for trading on a regulated market and/or multilateral trading facility in accordance with the regulations in force. If the SICAV with shares admitted for trading on a regulated market has an investment objective based on an index, it must have put in place an arrangement to ensure that the price of its share does not deviate markedly from its net asset value.

Article 12 – Rights and obligations attached to shares

Each share gives entitlement, in the ownership of the corporate assets and in the sharing of profits, to a portion corresponding to the fraction of the capital which it represents.

The rights and obligations attached to the share follow it into whatever hands it may pass.

Whenever it is necessary to possess more than one share to exercise any right and particularly in the event of exchange or regrouping, the owners of isolated shares, or in a number lower than that required, may exercise such rights only if they make the grouping and any purchase or sale of necessary shares their own personal matter.

By decision of the board of directors, the SICAV may be a feeder UCITS.

Article 13 – Indivisibility of shares

All the individual holders of any share or the beneficiaries must be represented with respect to the Company by one and the same person only, appointed by agreement between them or, failing this, by the presiding judge of the commercial court with jurisdiction where the registered office is located.

The owners of fractional shares may be grouped together. In such a case, they must be represented under the conditions specified in the preceding paragraph by one and the same person only, who will, for each group, exercise the rights attached to ownership of a whole share.

Possibility of specifying the allocation of voting rights at meetings, between beneficial owner and bare owner, or leaving this choice to the discretion of the interested parties, who shall be responsible for notifying the company.

TITLE 3 – ADMINISTRATION AND MANAGEMENT OF THE COMPANY

Article 14 – Administration

The Company shall be administered by a board of directors of (at least three and at most eighteen members) appointed by the general meeting.

Throughout the existence of the Company, directors shall be appointed and reappointed at the shareholders' ordinary general meeting.

Directors may be natural persons or legal entities. When appointed, legal entity directors must designate a permanent representative who is subject to the same conditions and obligations and who incurs the same civil and criminal responsibilities as if he/she were a member of the board of directors in his/her own name, without prejudice to the liability of the legal entity which he/she represents.

This permanent representative mandate is given to him/her for the duration of that of the legal entity which he/she represents. If the legal entity revokes the mandate of its representative, it must notify the SICAV without delay, by registered letter, of such revocation along with the identity of its new permanent representative. The same procedure applies in the event of the permanent representative's death, resignation or extended impediment.

Article 15 – Term of office of directors – Reappointment of the board

Subject to the provisions of the last paragraph of this article, the term of office of directors is three years for the first directors and six years at most for subsequent directors, each year being understood as the interval between two consecutive annual general meetings.

If one of more directors' seats become vacant between two general meetings, as a result of death or resignation, the board of directors may make temporary appointments.

The director appointed by the board temporarily to replace another remains in office only during the time remaining to run of

his/her predecessor's term of office. His/her appointment is subject to ratification by the next general meeting.

Any outgoing director may be re-elected. Directors may be dismissed at any time by the ordinary general meeting.

The duties of each member of the board of directors end following the shareholders' ordinary general meeting called to rule on the past financial year and held in the year during which his/her term of office expires, on the understanding that, if the meeting has not taken place that year, said duties of the interested member end on 31 December of the same year, all subject to the exceptions hereinafter.

Any director may be appointed for a term less than six years if such would be necessary for the renewal of the board to remain as regular as possible and complete within each six-year period. Such will be the case in particular if the number of directors is increased or reduced and if the regularity of the renewal is affected as a result.

If the number of members of the board of directors falls below the legal minimum, the remaining member or members must immediately convene the shareholders' ordinary general meeting with a view to appointing members to achieve the minimum.

The term of office of directors will cease automatically at the time of the annual general meeting called to rule on the financial statements of the financial year during which they have reached the age of 75.

The board of directors may be renewed by rotation.

In the event of resignation or death of a director and if the number of directors remaining in office is greater than or equal to the minimum as set out herein, the board may, temporarily and for the term of office remaining to run, provide for his/her replacement.

Article 16 – Officers of the board

The board elects from amongst its members, for the term that it determines, but without such term being capable of exceeding the term of directors, a chair who must without exception be a natural person.

The chair of the board of directors organises and directs its work, which he/she reports to the general meeting. He/she will see to it that the Company's bodies run smoothly and, in particular, that the directors are in a position to fulfil their tasks.

If it deems it appropriate, the board of directors will also appoint a deputy chair and may also choose a secretary, who need not be a board member.

In the event of temporary impediment or resignation or death of the chair, the vice-chair shall preside over meetings of the board of directors. Failing this, the board of directors may delegate a director to fulfil the duties of the chair.

In the event of temporary impediment, such delegation shall be given for a limited period and may be renewed. In the event of death, said delegation is valid until a new chair has been elected.

Article 17 – Meetings and deliberations of the board

The board of directors meets when convened by the chair as often as the company's interests so require, either at the registered office or at any other place stated in the notice to attend.

If it has not met for more than two months, at least one third of its members may ask the chair to convene it for a specific agenda. The CEO may also ask the chair to convene the board of directors for a specific agenda. The chair is bound by such requests.

Internal rules of procedure define, in accordance with the laws and regulations, the conditions for organising meetings of the board of directors, which may take place by means of videoconferencing except for the adoption of decisions expressly set aside by the French Commercial Code.

Meetings are convened by any means.

The presence of at least one half of the members is necessary for deliberations to be valid. Decisions are taken on a majority of the votes of the members present or represented.

Each director has one vote. If votes are tied, the person chairing the meeting has a casting vote.

The internal rules of procedure may specify, in accordance with the regulations in force, that directors who take part in the Board meeting by videoconference are deemed present when calculating the quorum and majority.

Article 18 – Minutes

The minutes will be drawn up and copies or extracts of the deliberations will be issued and certified in accordance with the law.

Article 19 – Powers of the board of directors

The board of directors determines the directions of the company's business and oversees their implementation. Within the limit of the corporate mission and subject to the powers expressly assigned by the law to shareholders' meetings, the board deals with any question concerning the proper running of the company and regulates issues concerning the company in its deliberations. The board of directors carries out the controls and verifications that it deems appropriate. The chair or the chief executive officer of the company must provide each director with all the documentation and information needed to fulfil his/her duties.

Any director may be represented in the legal forms by one of his/her colleagues for the purpose of voting in his/her stead at a specific meeting of the Board. In such a case, each director may hold only one proxy during any given meeting (Article 83-1 of the Decree of 23 March 1967 on commercial companies).

Article 20 – General management – Non-voting members

The company's general management is assumed, under his/her responsibility, either by the chair of the board of directors or by any other natural person appointed by the board of directors and bearing the title of chief executive officer.

The choice between the two methods of carrying out the general management is made by the board of directors under the conditions set out by these articles of association for a term ending on the expiry of the duties of the chair of the board of directors in office. Shareholders and third parties are informed of said choice under the conditions specified by the laws and regulations in force. Depending on the choice made by the board of directors in accordance with the provisions set out hereinabove, the general management is performed either by the chair or a CEO.

If the board of directors chooses to dissociate the duties of chair and CEO, it will appoint the CEO and determine his/her term of office.

If the Company's general management is assumed by the chair of the board of directors, the provisions which follow on the CEO are applicable to him/her.

Subject to the powers which the law expressly assigns to shareholders' meetings and the powers which it specifically reserves for the board of directors, and within the limit of the corporate mission, the CEO is invested with the widest powers to act in any circumstance on the Company's behalf. He/she exercises said powers within the limit of the corporate mission and subject to the powers which the law expressly assigns to shareholders' meetings and the board of directors. He/she represents the Company in its relations with third parties.

The CEO may grant any partial delegations of his/her powers to any person of his/her choosing. The CEO may be removed by the board of directors at any time.

On a proposal from the CEO, the board of directors may appoint up to five natural persons charged with assisting the CEO with the title of deputy CEO.

The deputy CEOs may be removed by the board at any time on a proposal from the CEO.

In agreement with the CEO, the board of directors will determine the scope and term of the powers conferred on the deputy CEOs. Such powers may comprise the right of partial delegation. In the event of cessation of duties or impediment on the part of the CEO, they keep, unless the board decides otherwise, their duties and powers until the new CEO has been appointed.

The deputy CEOs have the same powers as the CEO with respect to third parties.

The general meeting of shareholders may appoint non-voting meetings to the company, whether or not from amongst the shareholders, natural or legal persons, whose number may not exceed six. Their two-year term of office is renewable. They shall participate in meetings of the board of directors in an advisory capacity.

The board of directors may also appoint non-voting members, subject to ratification by the next general meeting.

Article 21 - Allowances and remuneration of the board (or of non-voting members)

The members of the board of directors may receive annual fixed remuneration. Its overall amount is determined by the general meeting. Said amount is maintained until it makes a new decision. The board of directors will share the remuneration between its members under the conditions it deems appropriate. Annual fixed remuneration may be awarded to the non-voting members under the same conditions. Said remuneration is divided amongst them by the board of directors.

Article 22 – Depositary

The Depositary is appointed by the board of directors. The Depositary carries out the tasks that are its responsibility under the laws and regulations in force, as well as those contractually assigned to it by the SICAV or management company. In particular, it must ensure that the portfolio management company's decisions comply with the applicable rules and regulations. It must, as needed, take all of the protective measures it deems appropriate. In the event of a dispute with the management company, it must inform the AMF.

If the SICAV is a feeder UCITS, the Depositary will enter into an information exchange agreement with the Depositary of the master UCITS, or, as the case may be, if it is also Depositary of the master UCITS, it will draw up appropriate terms of reference.

Article 23 – Prospectus

The board of directors, or the management company if the SICAV has globally delegated its management, has all powers to make any amendments required to ensure the proper management of the company, all within the framework of the laws and regulations specific to SICAVs.

TITLE 4 – AUDITOR

Article 24 – Appointment – Powers – Remuneration

The auditor is appointed for six financial years by the board of directors after agreement from the AMF from amongst the persons authorised to exercise such duties in commercial companies.

The auditor certifies that the financial statements reflect a true and fair view of the Company's position.

The auditor's term of office may be renewed.

It is the auditor's responsibility to notify the AMF at the earliest opportunity of any fact or decision concerning the UCITS that comes to his/her attention over the course of the audit which would:

- 1) constitute a breach of the laws or regulations applicable to the Fund and could have a significant impact on its financial position, performance or assets;
- 2) affect the conditions or continuation of its operation;
- 3) lead to the issuance of reservations or a refusal to certify the financial statements.

The valuations of assets and determination of exchange ratios in any transaction involving a conversion, merger or split must be carried out under the supervision of the auditor.

The auditor is required to evaluate any contribution under its responsibility.

The auditor verifies the composition of the assets and other items before publication.

The auditor's fees are determined by mutual agreement between the auditor and the board of directors of the SICAV on the basis of a work programme, specifying the audits deemed necessary.

The auditor is required to verify the financial positions serving as a basis for interim payments.

If the SICAV is a feeder UCITS:

- The auditor has therefore entered into an information exchange agreement with the auditor of the master UCITS. Or where the auditor is also auditor of the master UCITS, the auditor draws up an appropriate work programme.

TITLE 5 – GENERAL MEETINGS

Article 25 – General meetings

General meetings are convened and deliberate under the conditions specified by law.

The annual general meeting, which must approve the Company's financial statements, must assemble within four months of the close of the financial year.

Meetings take place either at the registered office or in any other place specified in the notice to attend.

Any shareholder may attend meetings, in person or by proxy, upon proof of his/her identity and ownership of his/her securities in the form either of an entry in the registered securities accounts held by the Company or an entry in the bearer securities accounts, at the places mentioned in the notice to attend; the period during which such formalities must be accomplished expires two days before the date on which the meeting is held.

Any shareholder may be represented in accordance with the provisions of Article L. 225-106 of the French Commercial Code. Any shareholder may also vote by post under the conditions specified by the regulations in force.

Meetings are chaired by the chair of the board of directors or, in his/her absence, by a deputy chair or by a director delegated for such purpose by the board. Failing this, the meeting will elect its own chair.

Minutes of meetings will be drawn up and their copies will be certified and issued in accordance with the law.

TITLE 6 – ANNUAL FINANCIAL STATEMENTS

Article 26 – Financial year

The financial year begins on the day after the last Paris stock exchange day of December and ends on the last Paris stock exchange day of the same month of the following year.

Exceptionally, however, the first financial year will include the transactions carried out since the inception date up to and including 29 December 2017.

Article 27 – Procedures for the allocation of distributable sums

The board of directors draws up the net income for the period which, in accordance with the provisions of the law, is equal to the amount of interest, arrears, premiums and bonuses, dividends, directors' fees and any other income concerning the securities constituting the portfolio of the SICAV (and/or, where applicable, of each subfund) plus the income from the sums currently available and less the amount of management fees, borrowing costs and any depreciation allowances.

Distributable sums are made up of:

- 1) net income plus retained earnings, as the case may be, and plus or minus the balance of the income equalisation account for the financial year ended;
- 2) realised capital gains, net of fees, recognised during the period plus net capital gains of the same type recognised in earlier periods which were not subject to distribution or accumulation and minus or plus the balance of the capital gains equalisation account.

The 1) and 2) amounts mentioned hereinabove may be distributed, where applicable, in full or in part, independently of each other.

For each share class, where applicable, the SICAV may opt, for each of the amounts mentioned in 1) and 2), for one of the following formulas:

Accumulation: Distributable sums are fully accumulated with the exception of those subject to compulsory distribution in compliance with the law;

- Distribution: Sums are fully distributable, after rounding. The board of directors may decide, during the period, to make one or more interim distributions within the limit of the net revenue recognised on the date of the decision;
- Distribution and/or accumulation: The general meeting rules on the allocation of the sums mentioned in 1) and 2) each year. The board of directors may decide, during the period, to make one or more interim distributions within the limit of the net revenue recognised on the date of the decision.

The precise methods for allocating distributable sums appear in the prospectus.

Any dividends not claimed within five years of becoming payable are forfeited in accordance with the law.

TITLE 7 - EXTENSION - DISSOLUTION - LIQUIDATION

Article 28 – Extension or early dissolution

The board of directors may, at any time and for any reason whatsoever, propose to an extraordinary general meeting the extension, early dissolution or liquidation of the SICAV.

The issuance of new shares and redemption by the SICAV of shares from shareholders who so request cease on the day of publication of the notice to attend the general meeting at which the early dissolution and the liquidation of the Company are proposed, or on the expiry of the Company's duration.

Article 29 – Liquidation

The liquidation procedures are established in accordance with the provisions of Article L. 214-12 of the French Monetary and Financial Code.

The assets of the subfunds are allocated to the respective shareholders of such subfunds.

TITLE 8 – DISPUTES

Article 30 – Competence – Election of domicile

Any disputes which may arise during the life of the Company or its liquidation, either between the shareholders and the Company or between the shareholders themselves concerning corporate matters, are judged in accordance with the law and are subject to the jurisdiction of the competent courts.

TITLE 9 - MISCELLANEOUS PROVISIONS

Article 31 – Enjoyment of legal personality

The Company shall have legal personality with effect from its entry in the trade and companies register.

Article 32 – Identity of the persons who signed or on behalf of whom the articles of association were signed

Didier Le Ménestrel, representing the management company La Financière de l'Echiquier, in the name and on behalf of the unitholders of the ECHIQUIER ISR mutual fund whose assets and liabilities have been contributed.

Article 33 – Appointment of the first directors

The first directors of the company designated for a term of three (3) years, which will end following the ordinary general meeting called to rule on the financial statements for the period to be closed on the last Paris stock exchange day of December 2019, are:

- Emmanuel Ravanis, born on 27 April 1979 in Marseille (13), residing at 7, rue Humblot, 75015 Paris SPERARE, a simplified joint-stock company with a single shareholder (société par actions simplifiée à associé unique) with a share capital of 1,000 euros, entered in the Paris trade and companies register under number 823 904 982, whose registered office is located at 4 ter, rue du Cherche-Midi, 75009 Paris, represented by Antoine de Salins, born on 14 April 1959 in Toulouse (31) and residing at 4 ter, rue du Cherche-Midi,

75009 Paris, in its capacity as permanent representative, Thibault Couturier, born on 17 November 1952 in Tunis (Tunisia), residing at La Grande Cour, 4 impasse des Messageries, 95160 Montmorency

- Maroussia Ermeneux, née Collignon, born on 5 February 1974 in Fontainebleau (77) and residing at 24 rue Chaptal, 92300 Levallois-Perret

Article 34 – Appointment of the first auditors

The following entity is appointed auditor of the Company for a term of six (6) financial years, its duties expiring at the end of the meeting or the consultation of the shareholders called to rule on the financial statements for the sixth financial year:

MAZARS, represented by Gilles Dunand-Roux,
A public limited company (SA) with a management board and a supervisory board, entered in the Nanterre trade and companies register under number 784 824 153, whose registered office is located at Tour Exaltis, 61, rue Henri Regnault – 92400 Courbevoie

MAZARS has let it be known that it accepts said duties and has stated that there is no incompatibility or prohibition connected with its appointment.

Article 35 – Reiteration of the previous commitments accomplished on behalf of the Company

The statement of actions completed in the name of the Company being formed is appended to these articles of association.

Signing of these articles of association will entail reiteration of said commitments by the Company, which will be deemed to have been subscribed from the outset, this being from the time that the SICAV was entered in the trade and companies register. This statement has also been made available for shareholders at the future registered office of the Company within the period specified by law.

Article 36. – Powers

All powers are given to Maroussia Ermeneux, residing at 24 rue Chaptal, 92300 Levallois Perret, for the purpose of:

- Completing all formalities of formation, in particular:
- Completing all legal formalities of public notice, filing of documents, and registrations.
- Making all declarations of existence required by tax or other authorities.
- Entering the company in the Paris trade and companies register.
- Signing all necessary instruments, forms, documents, registers, and minutes, make all declarations, provide all relevant supporting documentation, elect domicile, and substitute.

IX. Informations for foreign investors

1. ADDITIONNAL INFORMATION FOR INVESTORS IN AUSTRIA

Facility in Austria according to EU Directive 2019/1160 article 92:

Erste Bank der österreichischen Sparkassen AG
Am Belvedere 1
A-1100 Vienna / Austria
E-mail: foreignfunds0540@erstebank.at

Applications for the redemption and conversion of units may be sent to the Austrian Facility.

All payments to investors, including redemption proceeds and potential distributions, may, upon request, be paid through the Austrian Facility.

The full prospectus (composed of the Prospectus and the Investment Fund Rules), the KIIDs and the annual and semi-annual reports may be obtained, free of charge in hardcopy, at the office of the Austrian Facility during normal opening hours.

Issue, redemption and conversion prices of units and any other information to the unitholders are also available, free of charge in hardcopy form, from the Austrian Facility.

No notification has been filed for the sub-fund Echiquier Health Impact for all.

2. ADDITIONNAL INFORMATION FOR INVESTORS IN GERMANY

Right to market shares in Germany

FINANCIERE DE L'ECHIQUIER (the "Company") has notified its intention to market shares in the Federal Republic of Germany and since completion of the notification process it has the right to market shares.

No notification has been filed for the sub-fund Echiquier Health Impact for all.

Copies of the prospectus (including Article of Incorporation), the key investor information document (KIID) as well as the audited annual account and, if subsequently published, the unaudited half-yearly account may be obtained free of charge in paper form at the registered office of the Management company :

La Financière de l'Echiquier
Direction Controle Interne
53 avenue d'Iéna, 75116 Paris – FRANCE
controleinterne@lfde.com

Subscription, redemption and conversion requests shall be made to the depositary (BNP Paribas Securities Services) or the management company directly (per email to gpassif@lfde.com). These entities will then liaise with the transfer agent and registrar to process payments as defined in the Prospectus.

Investors will find information on their rights and further information on complaints procedures on the website : <https://www.lfde.com/de/rechtliche-hinweise/>

Publications

In Germany, the subscription and redemption prices will be published on www.fin-echiquier.fr/de

Shareholder notifications, if any, will be published on the management website : www.lfde.com

In the cases enumerated in Sec. 298 (2) KAGB shareholders additionally will be notified by means of a durable medium in terms of Sec. 167 KAGB.

For any information :

LA FINANCIERE DE L'ECHIQUIER - Bockenheimer Landstraße 51-53, 60325 Frankfurt-sur-le-Main

Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name:
**ECHQUIER POSITIVE IMPACT
EUROPE**

Legal entity identifier: 969500MLEM89WPLKT638

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.

Sustainability indicators

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

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☒ Yes

☐ No

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

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

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

☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of of sustainable investments

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

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

☐ with a social objective

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



What is the sustainable investment objective of this financial product ?

The objective of the financial product is to invest in companies that have a concrete positive environmental and social impact and thus contribute to the 17 UN Sustainable Development Goals. To contribute to the financing of the transition to a more sustainable economy.

The "impact" management process of this fund significantly integrates extra-financial criteria.

○ *What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?*

To measure the achievement of its sustainable investment objective and to comply with the regulatory requirements of Article 9, the financial product uses an impact score developed internally by La Financière de l'Echiquier, namely the UN Sustainable Development Goals Indicator ("SDG Score").

Here we measure the contribution and commitment of portfolio companies to the UN Sustainable Development Goals. This indicator covers social, environmental and human rights aspects. Several indicators are used to assess this impact:

- Average portfolio 'Solutions', 'Initiatives' and 'SDG' score,
- Average turnover of portfolio companies contributing to one or more of the SDGs,
- Number of companies contributing to each of the nine identified SDGs,

The calculation method used is detailed in the question "What investment strategy does this financial product follow?"

For this financial product, the research on environmental and social criteria is carried out with the support of MSCI ESG Research, which has its own analysis framework. Their criteria are adapted to the sector and issues of each of the companies analysed. In the absence of MSCI ESG research available on certain companies, the analysis of environmental and social characteristics is then internalised in its entirety. The main sustainability indicators used to measure the achievement of each of the environmental or social characteristics promoted by the financial product are the following:

Environment :

Policy and actions: existence of an environmental roadmap (precise and dated objectives allowing evolution trends to be identified), choice of indicators for this roadmap, level of ambition of the company with regard to its environmental objectives, environmental actions implemented to achieve the objectives fixed, existence of an environmental management system and a policy to protect biodiversity.

Results: communication by the company on the results of its action plan (results presented over a long period and evolution trends), evolution of the main environmental ratios (water consumption, CO2 emissions, energy consumption, production and treatment of waste including plastic waste, use of chemical products, etc.) and investments made to reduce its environmental impact.

Suppliers: exposure of suppliers to environmental risks, degree of complexity of the supply chain, dependence on suppliers, monitoring of suppliers and support of suppliers towards better practices.

Environmental impact of products: positive or negative impact of products on the environment, eco-design approach, existence of product life cycle analyses, circular economy, green share of company turnover and end-of-life management of products.

Social :

Loyalty and progression: attractiveness of the employer brand, ability to recruit, employee satisfaction, employee loyalty policy, career management, training policy and employee retention potential.

Protection: anti-discrimination, diversity, health and safety protection for employees, respect for trade union rights, promotion and quality of social dialogue and support for employees in the event of restructuring.

Suppliers: exposure of suppliers to social risks, degree of complexity of the supply chain, dependence on suppliers, support of suppliers to improve practices and monitoring of suppliers.

Social impact of products: social impact of products for the customer and for society (e.g. avoided costs) and accessibility of products.

Relations with civil society: the company's philanthropic approach (including skills sponsorship), relations with local communities, customer satisfaction and participation in local sustainability initiatives

Also, as part of this financial product, we monitor several performance indicators:

Induced emissions intensity: This indicator measures the all-scope induced emissions intensity of the financial product (compared to its benchmark) using Carbon4 Finance's Weighted Average Carbon Intensity (WACI) methodology. The calculation method used is detailed in the question "What investment strategy does this financial product follow?"

ESG Controversy Score: This indicator measures the level of severity of a company's controversies. This score, ranging from 0 to 10 (0 being the worst score), is provided to us by MSCI ESG Research. The calculation method used is detailed in the question "What investment strategy does this financial product follow?"

Carbon Impact Ratio (CIR): This indicator corresponds to the ratio between the GHG emissions avoided and the GHG emissions induced by a company (in tonnes of CO2 equivalent). This indicator makes it possible to assess the relevance of a company's activity in relation to the challenges of combating climate change. The calculation method used is available in the Transparency Code available on the management company's website.

United Nations Global Compact: This indicator analyses the share of issuers within the financial product that are signatories to the United Nations Global Compact. Signatory companies are committed to adopting a socially responsible attitude by respecting and promoting principles relating to human rights, international labour standards and the fight against corruption. In addition, they are committed to a process of continuous improvement of their CSR policies and undertake to communicate publicly on their progress on an annual basis. The calculation method used is available in the Transparency Code available on the management company's website.

Employee turnover: This indicator analyses the employee turnover rate of the companies in the financial product. The employee turnover rate is a leading indicator of the social policy of companies. Its result can reflect the level of employee satisfaction, and more broadly the social climate of the company. We report the employee turnover rate provided to us by MSCI ESG Research. The calculation method used is available in the Transparency Code available on the management company's website.

○ How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective ?

To ensure that the sustainable investments of the financial product will not significantly harm an environmental or social objective (DNSH), La Financière de l'Echiquier has defined a "DNSH" procedure for products with a sustainable investment objective, including :

- Sectoral and normative exclusions complementary to the extra-financial approach of the product (recalled below) and which make it possible to reduce its exposure to social and environmental prejudices: Tobacco, all types of armaments, non-conventional and non-controversial fossil fuels, gambling, pornography, alcohol, GMOs, palm oil and biocides,
- A consideration of the principal adverse impacts (PAI) of these investments on sustainability factors.

- How have the indicators for adverse impacts on sustainability factors been taken into account ?

Regarding adverse impacts, this financial product takes 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 2 additional indicators: investments in companies without carbon reduction initiatives and investments in issuers without a policy to prevent accidents at work. Their consideration is carried out within 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, the measurement and monitoring of ESG performance indicators (carbon intensity, ESG controversy score) as below:

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.

CLIMATE & ENVIRONNEMENT

- 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 invested companies (in teqCO_2) calculated according to the intensity of induced emissions (WACI),
- The exposure of invested companies to fossil fuels taken into account in the ESG analysis,
- The share of non-renewable energy consumption and production taken into account in the ESG analysis,
- The intensity of energy consumption taken into account in the ESG analysis,
- Impact on biodiversity through ESG analysis and measurement of the biodiversity footprint
- Tons of priority substances discharged to water considered in the ESG analysis,
- Tonnes of dangerous waste taken into account in the ESG analysis,
- Investments in companies without carbon reduction initiatives in the ESG analysis (additional indicator).

SOCIAL, HUMAN RESOURCES, RESPECT FOR RIGHTS INCLUDING HUMAN RIGHTS

- The proportion of issuers implicated in violating 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 UN Global Compact principles 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 % of women according to the different legislations 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 an occupational accident prevention policy taken into account in the ESG analysis (additional indicator).

- How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights ?

Through the consideration of PAIs, and in particular the use of the following social PAIs, the investments of this financial product are in line with the principles mentioned:

- Violation of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises,
- Lack of processes and mechanisms for monitoring compliance with the UN Principles and the OECD Guidelines for Multinational Enterprises

Compliance with these PAIs is monitored through MSCI ESG Research's normative exclusion policy and controversy monitoring.

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 EU criteria. The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Any other sustainable investments must also not significantly harm any environmental or social objectives.

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

☒ Yes

☐ No

Regarding adverse impacts, this financial product takes 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 2 additional indicators: investments in companies without carbon reduction initiatives and investments in issuers without a policy to prevent accidents at work. Their consideration is carried out within 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, the measurement and monitoring of ESG performance indicators (carbon intensity, ESG controversy score) as below:

CLIMATE & ENVIRONNEMENT

- 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 invested companies (in teqCO_2) calculated according to the intensity of induced emissions (WACI),
- The exposure of invested companies to fossil fuels taken into account in the ESG analysis,
- The share of non-renewable energy consumption and production taken into account in the ESG analysis,
- L'intensité de la consommation d'énergie prise en compte dans l'analyse ESG,
- Impact on biodiversity through ESG analysis and measurement of the biodiversity footprint
- Tons of priority substances discharged to water considered in the ESG analysis,
- Tonnes of dangerous waste taken into account in the ESG analysis,

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



- Investments in companies without carbon reduction initiatives in the ESG analysis (additional indicator).

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- The proportion of issuers implicated in violating 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 UN Global Compact principles 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 % of women according to the different legislations 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 an occupational accident prevention policy taken into account in the ESG analysis (additional indicator).



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

What investment strategy does this financial product follow ?

The financial product implements a financial strategy based on investment in shares of European companies whose activities provide solutions to sustainable development issues and which are distinguished by the quality of their governance and their social and environmental policies. This financial product systematically integrates ESG criteria into its financial management. The financial product is a sub-fund seeking long-term performance net of management fees through exposure to European equity markets and through companies whose activities provide solutions to sustainable development issues and which are distinguished by the quality of their governance and their social and environmental policy (ESG). This financial product systematically integrates ESG criteria into its financial management. This has an impact on the selection of securities in the portfolio.

The extra-financial approach integrated into the investment strategy of this financial product is as follows:

- Sectoral and normative exclusions filter
- Recreational cannabis, Tobacco production, Controversial weapons as defined by the Ottawa and Oslo Conventions, Thermal coal, Tobacco, Armaments (in the broadest sense, including nuclear weapons with no minimum turnover threshold), Gambling, Pornography, Non-conventional and controversial hydrocarbons, Conventional hydrocarbons, Nuclear energy, Alcohol, GMOs, Palm oil, Biocides, companies with controversies deemed very severe by MSCI ESG Research (a list that includes companies guilty of violating one or more of the ten principles of the United Nations Global Compact) and companies affected by the US Executive Order 13959 sanctions.
- The ESG rating coverage rate of the securities in the portfolio must be 100% at all times. ESG analysis of issuers is systematic and prior to investment.
- The minimum ESG rating of each portfolio company must be greater than or equal to 6.5/10. To assess the minimum ESG rating, a number of ESG indicators are used as described in the question "What sustainability indicators are used to measure the achievement of each of the environmental or social characteristics promoted by the financial product? If an issuer's ESG rating is below this threshold, it is automatically excluded from the investable universe.
- Controversies are monitored on the basis of MSCI ESG Research, which will result in a maximum of 2 points (granularity of the malus of 0.5) and sanctions ESG controversies on the three pillars. If necessary, this malus may exclude the stock if the ESG rating falls below the minimum rating (6.5/10). Also, if requested by La Financière de l'Echiquier's teams, the Ethics Committee has the power to decide to exclude a stock from the portfolios if a serious controversy appears within a company held in one or more portfolios.
- Impact filter through the SDG score: This score allows us to define the net contribution of companies to the SDGs. In our methodology, we measure this contribution through two scores. First, the Solutions Score, which is based on the analysis of products and services. Among the 17 SDGs, 9 business-oriented SDGs were selected (3, 4, 6, 7, 8, 9, 11, 12, 16). For each of them, we have mapped the activities that contribute positively and those that contribute negatively. The distribution of the company's turnover in these activities gives a Net Score out of 100. Secondly, the Initiatives Score which is based on the analysis of the company's social and environmental practices. The objective of this score is to value the leading social and environmental practices of companies contributing to the SDGs and to penalise practices that contribute negatively to one or more SDGs. LFDE has mapped these practices for each of the 17 SDGs. From these two scores, the contribution of companies to the SDGs is assigned to the targets of each SDG. The average of the Solutions score and the Initiatives score gives an SDG score out of 100. Companies need to achieve an SDG score of 25/100 and a Solutions score of 20/100 to ensure that they are making a positive environmental and/or social contribution.
- The induced emissions intensity of all scopes must be better than its benchmark. The portfolio coverage rate must be greater than or equal to 90% for this financial product. The calculation method used is available in the Transparency Code available on the management company's website.
- The ESG Controversy Score must be better than its benchmark: This score measures the level of severity of a company's controversies. This score, ranging from 0 to 10 (0 being the worst score), is provided to us by MSCI ESG Research. The portfolio coverage rate must be greater than or equal to 70% for this financial product.

- A minimum of 90% of investments (in net assets) in sustainable investments. To assess this positive contribution to society and the environment, the financial product uses the three impact scores developed internally by La Financière de l'Échiquier:

SDG score : This score is detailed earlier in the question.

Climate & Biodiversity Maturity Score (MCB) : This score determines the level of maturity of companies in taking into account the climate and biodiversity issues they face and will face in the future. The MCB score is composed of 3 or 4 pillars (Governance, Climate, Biodiversity, Just Transition) depending on the impact of the company on biodiversity, to which is added a malus linked to environmental controversies. Companies must obtain a minimum MCB score of 40% to ensure that they are taking climate change and biodiversity decline seriously in their strategy and therefore making a positive environmental contribution

AAAA score : This score defines a company's contribution through its products and services to at least one of the four dimensions of access to health (Availability, Geographical Accessibility, Financial Accessibility, Acceptability) inspired by the work of the World Health Organisation (WHO) on the subject. Companies must contribute at least 20% of their revenue to at least one of the four dimensions without significantly harming these issues (Do No Significant Harm). Companies must obtain an AAAA score of 20% and pass the DNSH filter to ensure their positive social contribution

A score constructed internally from MSCI ESG Research data:

MSCI SDG score : This score identifies companies that contribute positively through their products and services and/or their operations to the achievement of at least one of the 17 SDGs. This contribution is measured using three scores ("PRODUCT", "OPERATIONAL", "NET") provided by MSCI ESG Research. Each of these scores ranges from -10 to +10. To determine the positive contribution to at least one of the 17 SDGs, the company must validate two steps. Firstly, it must have between 10% and 25% of its turnover contributing to an SDG ("PRODUCT" score greater than or equal to +5, considered as aligned or very aligned according to MSCI) and/or have its operations considered as aligned or very aligned with the achievement of this same SDG ("OPERATIONAL" score greater than or equal to +5 according to MSCI) On the other hand, the average of these two scores (NET Score according to MSCI) must be greater than or equal to +2.5 in order to ensure their positive environmental and/or social contribution

In the event that none of the four impact scores listed above are available for a company, we have developed the following impact score internally:

SI SDG Score This score defines the net contribution of companies to the SDGs. It is constructed in the same way as the SDG Score presented above, except that the Solutions Score covers all 17 SDGs (instead of 9). Companies must obtain an SDG score of 25/100 and a Solutions score of 20/100 to ensure that they are making a positive environmental and/or social contribution.

More information on our impact methodologies can be found in the Transparency Code available on the management company's website (www.lfde.com / Responsible Investment section).

- ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

As detailed above, the sector and normative exclusions filter, the minimum ESG rating of each portfolio company (6.5/10), the induced emissions intensity and the ESG controversy score, are binding elements of the investment strategy used to select investments as they narrow the investment universe. Companies must also achieve an SDG score of 25/100 and a Solutions score of 20/100 to ensure their positive environmental and/or social contribution

- ***What is the policy to assess good governance practices of the investee companies?***

The policy for assessing the good governance practices of the companies benefiting from the investments is as follows: the Governance rating represents approximately 60% of the global ESG rating. This is a historical bias of La Financière de l'Echiquier, which has attached particular importance to this aspect since its creation. This conviction is reinforced by the fact that all ESG analyses produced by La Financière de l'Echiquier benefit from a governance rating carried out entirely in-house. The governance criteria assessed are

- **Competences of the management team :**
 - **For the CEO :** legitimacy in the business, track record, managerial capacity, leadership and structure of the remuneration scheme
 - **For the executive committee :** composition, diversity, relevance of the functions represented and commitment on CSR issues
- **Checks and balances :** sources of checks and balances within the Board, anticipation of the succession of the CEO, matching the profiles of directors with the needs of the company, male/female diversity of the Board, geographical diversity, availability and involvement of directors.
- **Respect for minority shareholders :** interest for the company to be listed, anti-takeover mechanisms and transparency of financial information.
- **Evaluation of ESG risks :** identification and management of extra-financial risks, the fight against corruption and responsible taxation, the quality of the company's CSR reporting and discourse, and the positive dynamics of progress on ESG aspects.

Controversies are monitored on the basis of MSCI ESG Research, which will result in a maximum of 2 points (granularity of the malus of 0.5) and sanctions ESG controversies on the three pillars. If necessary, this malus may exclude the stock if the ESG rating falls below the minimum rating (6.5/10). Also, if requested by La Financière de l'Echiquier's teams, the Ethics Committee has the power to decide to exclude a stock from the portfolios if a serious controversy appears within a company held in one or more portfolios.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

Asset allocation describes the share of investments in specific assets.

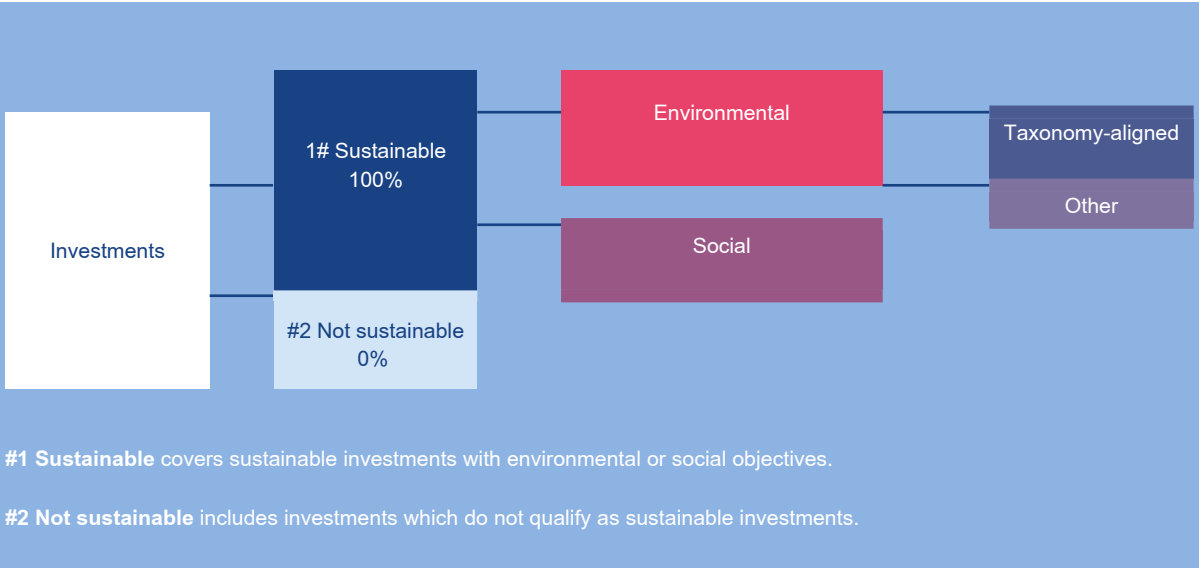


What is the asset allocation and the minimum share of sustainable investments?

The financial product invests 100% of its assets in assets that have been deemed to be sustainable investments (#1A Sustainable).

Taxonomy-aligned activities are expressed as a share of:

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



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.

☐ **How does the use of derivatives attain the sustainable investment objective?**

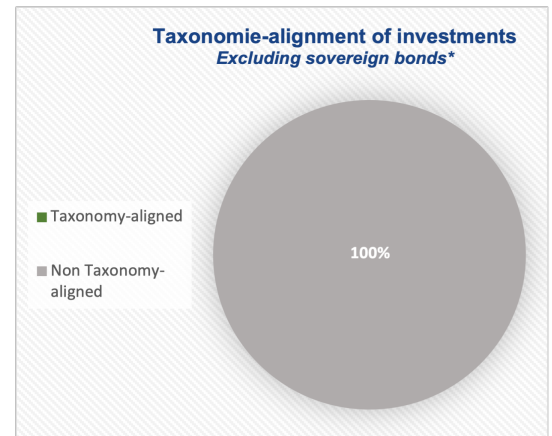
Non applicable



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

The financial product may invest in environmentally sustainable economic activities, however the investments of this financial product do not take into account the EU criteria for environmentally sustainable economic activities. The financial product commits to a 0% alignment with the European Taxonomy

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



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

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

Not applicable



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

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy is 100%.



- **What is the minimum share of sustainable investments with a social objective?**

Not applicable



- **What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?**

There are no investments included in “#2 Other” as 100% of the securities are covered by an ESG rating, ESG analysis and binding elements such as the SDG score, sector and normative exclusions.



- **Is a specific index designated as a reference benchmark to meet the sustainable investment objective?**

Not applicable

- **How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?**

Not applicable

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

Not applicable

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

Not applicable

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

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

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

Not applicable



Where can I find more product specific information online ?

More product-specific information can be found on the website :

More information on the management company's extra-financial approach can be found in the Transparency Code (I) and the SFDR Policy - Article 4 available on the management company's website (www.lfde.com / Responsible Investment section). In addition, further information on the fund and in particular its regulatory documentation is available on the management company's website (www.lfde.com / Funds section)

Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name:

**ECHQUIER CLIMATE &
BIODIVERSITY IMPACT EUROPE**

Legal entity identifier: 9695009G6XL6BB302Y88

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.

Sustainability indicators

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

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☒ Yes

☐ No

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

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

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

☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of of sustainable investments

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

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

☐ with a social objective

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



What is the sustainable investment objective of this financial product ?

The financial product aims to select issuers that have integrated climate and biodiversity issues into their business, and to direct financial flows towards the companies that will make the European economy carbon neutral in the future.

The "impact" management process of this fund significantly integrates extra-financial criteria.

○ **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

To measure the achievement of its sustainable investment objective and to comply with the regulatory requirements of Article 9, the financial product uses an impact score developed internally by La Financière de l'Echiquier, namely the "Climate and Biodiversity Maturity Score".

This indicator is a proprietary LFDE tool that integrates qualitative and quantitative elements, both retrospective and prospective, to measure the company's maturity in taking into account climate change and/or biodiversity issues. This score is based on 4 pillars: Climate Governance, Climate Commitment, Biodiversity Commitment and Just Transition. The inclusion of the Biodiversity Commitment pillar in this score depends on the impact of the company's activity on biodiversity. This score reflects the level of progress (measured in %) of the company in addressing the climate and biodiversity challenges it faces and will face in the future:

- A score of 0% indicates that the company has not yet started its climate and/or biodiversity transition process.
- Conversely, a score of 100% indicates that the company is fully mature in its transition process.

The calculation method used is detailed in the question "What investment strategy does this financial product follow?"

In the specific case of this financial product, we use a set of climate performance criteria:

- Bottom-up and top-down weighted temperatures of the portfolio, compared to its benchmark. The indicator positions the financial product on a temperature scale ranging from 1.5° to 6°C, produced by Carbon4 Finance. At the level of the financial product, each company is given a rating (CIA score) depending on its sector of activity, its past climate results and its decarbonisation strategy.
- Weighted average portfolio green share compared to its benchmark: This indicator represents the share of the company's turnover that comes from activities eligible for the European taxonomy, for climate change mitigation and adaptation objectives.

- Weighted average physical risk score of the portfolio compared to its benchmark. This score, ranging from 0 to 100, measures a company's (or portfolio's) level of physical risk by its exposure to the following seven climate hazards: rising sea levels, storms, extreme precipitation, precipitation cycles, heat waves, drought, and average temperature increases. The closer the score is to 100, the higher the physical risk is considered to be. The score calculated for a company is its exposure (probability of occurrence of the climate hazard) multiplied by its vulnerability (estimated impact if the hazard occurs). Carbon4 Finance provides several physical risk indicators depending on the climate scenario and time horizon chosen. We have chosen to use and report the results of the Carbon4 Finance recommended scenario for all our portfolios and benchmarks. These results correspond to the weighted average scores of the various physical risks of the companies in the portfolio in a so-called "median" scenario (IPCC RCP 6.0), i.e. a scenario of substantial increase in median temperatures during the 21st century, up to 2050.
- Biodiversity footprint of portfolio companies, expressed in MSAppb*: This calculation method measures the impact on biodiversity of a company (or a portfolio). It is expressed in MSAppb* (Mean Species Average in part per billion = average number of species observed in a given environment on a standardised surface) per billion euros invested. The MSA is an indicator ranging from 0 to 100% provided by the GLOBIO model (Global Biodiversity Model For Policy Support) developed by the PBL Netherlands Environmental Assessment Agency in collaboration with numerous partners, notably universities. It measures the preservation of an ecosystem. An MSA of 100% corresponds to a primary forest, while an MSA of 0% corresponds to a car park. The MSAppb* presents the loss of biodiversity on a standardised surface, and makes it possible to aggregate the different impacts of a company or a portfolio, both terrestrial and aquatic, over different time horizons (present and future impacts).

For this financial product, the research on environmental and social criteria is carried out with the support of MSCI ESG Research, which has its own analysis framework. Their criteria are adapted to the sector and issues of each of the companies analysed. In the absence of MSCI ESG research available on certain companies, the analysis of environmental and social characteristics is then internalised in its entirety. The main sustainability indicators used to measure the achievement of each of the environmental or social characteristics promoted by the financial product are the following:

Environment :

Policy and actions: existence of an environmental roadmap (precise and dated objectives allowing evolution trends to be identified), choice of indicators for this roadmap, level of ambition of the company with regard to its environmental objectives, environmental actions implemented to achieve the objectives fixed, existence of an environmental management system and a policy to protect biodiversity.

Results: communication by the company on the results of its action plan (results presented over a long period and evolution trends), evolution of the main environmental ratios (water consumption, CO2 emissions, energy consumption, production and treatment of waste including plastic waste, use of chemical products, etc.) and investments made to reduce its environmental impact.

Suppliers: exposure of suppliers to environmental risks, degree of complexity of the supply chain, dependence on suppliers, monitoring of suppliers and support of suppliers towards better practices.

Environmental impact of products: positive or negative impact of products on the environment, eco-design approach, existence of product life cycle analyses, circular economy, green share of company turnover and end-of-life management of products.

Social :

Loyalty and progression: attractiveness of the employer brand, ability to recruit, employee satisfaction, employee loyalty policy, career management, training policy and employee retention potential.

Protection: anti-discrimination, diversity, health and safety protection for employees, respect for trade union rights, promotion and quality of social dialogue and support for employees in the event of restructuring.

Suppliers: exposure of suppliers to social risks, degree of complexity of the supply chain, dependence on suppliers, support of suppliers to improve practices and monitoring of suppliers.

Social impact of products: social impact of products for the customer and for society (e.g. avoided costs) and accessibility of products.

Relations with civil society: the company's philanthropic approach (including skills sponsorship), relations with local communities, customer satisfaction and participation in local sustainability initiatives

Also, as part of this financial product, we monitor several performance indicators:

Induced emissions intensity: This indicator measures the all-scope induced emissions intensity of the financial product (compared to its benchmark) using Carbon4 Finance's Weighted Average Carbon Intensity (WACI) methodology. The calculation method used is detailed in the question "What investment strategy does this financial product follow?"

ESG Controversy Score: This indicator measures the level of severity of a company's controversies. This score, ranging from 0 to 10 (0 being the worst score), is provided to us by MSCI ESG Research. The calculation method used is detailed in the question "What investment strategy does this financial product follow?"

Carbon Impact Ratio (CIR): This indicator corresponds to the ratio between the GHG emissions avoided and the GHG emissions induced by a company (in tonnes of CO2 equivalent). This indicator makes it possible to assess the relevance of a company's activity in relation to the challenges of combating climate change. The calculation method used is available in the Transparency Code available on the management company's website.

United Nations Global Compact: This indicator analyses the share of issuers within the financial product that are signatories to the United Nations Global Compact. Signatory companies are committed to adopting a socially responsible attitude by respecting and promoting principles relating to human rights, international labour standards and the fight against corruption. In addition, they are committed to a process of continuous improvement of their CSR policies and undertake to communicate publicly on their progress on an annual basis. The calculation method used is available in the Transparency Code available on the management company's website.

Employee turnover: This indicator analyses the employee turnover rate of the companies in the financial product. The employee turnover rate is a leading indicator of the social policy of companies. Its result can reflect the level of employee satisfaction, and more broadly the social climate of the company. We report the employee turnover rate provided to us by MSCI ESG Research. The calculation method used is available in the Transparency Code available on the management company's website.

Principal adverse impacts

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

○ **How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective ?**

To ensure that the sustainable investments of the financial product will not significantly harm an environmental or social objective (DNSH), La Financière de l'Echiquier has defined a "DNSH" procedure for products with a sustainable investment objective, including :

- Sectoral and normative exclusions complementary to the extra-financial approach of the product (recalled below) and which make it possible to reduce its exposure to social and environmental prejudices: Tobacco, all types of armaments, non-conventional and non-controversial fossil fuels, gambling, pornography, alcohol, GMOs, palm oil and biocides,
- A consideration of the principal adverse impacts (PAI) of these investments on sustainability factors.

- **How have the indicators for adverse impacts on sustainability factors been taken into account ?**

Regarding adverse impacts, this financial product takes 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 2 additional indicators: investments in companies without carbon reduction initiatives and investments in issuers without a policy to prevent accidents at work. Their consideration is carried out within 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, the measurement and monitoring of ESG performance indicators (carbon intensity, ESG controversy score) as below:

CLIMATE & ENVIRONNEMENT

- 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 invested companies (in teqCO_2) calculated according to the intensity of induced emissions (WACI),
- The exposure of invested companies to fossil fuels taken into account in the ESG analysis,
- The share of non-renewable energy consumption and production taken into account in the ESG analysis,
- The intensity of energy consumption taken into account in the ESG analysis,
- Impact on biodiversity through ESG analysis and measurement of the biodiversity footprint
- Tons of priority substances discharged to water considered in the ESG analysis,
- Tonnes of dangerous waste taken into account in the ESG analysis,
- Investments in companies without carbon reduction initiatives in the ESG analysis (additional indicator).

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- The proportion of issuers implicated in violating 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 UN Global Compact principles 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 % of women according to the different legislations 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 an occupational accident prevention policy taken into account in the ESG analysis (additional indicator).

- **How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights ?**

Through the consideration of PAIs, and in particular the use of the following social PAIs, the investments of this financial product are in line with the principles mentioned:

- Violation of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises,
- Lack of processes and mechanisms for monitoring compliance with the UN Principles and the OECD Guidelines for Multinational Enterprises

Compliance with these PAIs is monitored through MSCI ESG Research's normative exclusion policy and controversy monitoring.

The investment strategy

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

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 EU criteria. The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Any other sustainable investments must also not significantly harm any environmental or social objectives.



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

☒ Yes

☐ No

Regarding adverse impacts, this financial product takes 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 2 additional indicators: investments in companies without carbon reduction initiatives and investments in issuers without a policy to prevent accidents at work. Their consideration is carried out within 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, the measurement and monitoring of ESG performance indicators (carbon intensity, ESG controversy score) as below:

CLIMATE & ENVIRONNEMENT

- 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 invested companies (in teqCO_2) calculated according to the intensity of induced emissions (WACI),
- The exposure of invested companies to fossil fuels taken into account in the ESG analysis,
- The share of non-renewable energy consumption and production taken into account in the ESG analysis,
- L'intensité de la consommation d'énergie prise en compte dans l'analyse ESG,
- Impact on biodiversity through ESG analysis and measurement of the biodiversity footprint
- Tons of priority substances discharged to water considered in the ESG analysis,
- Tonnes of dangerous waste taken into account in the ESG analysis,
- Investments in companies without carbon reduction initiatives in the ESG analysis (additional indicator).

SOCIAL, HUMAN RESOURCES, RESPECT FOR RIGHTS INCLUDING HUMAN RIGHTS

- The proportion of issuers implicated in violating 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 UN Global Compact principles 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 % of women according to the different legislations 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 an occupational accident prevention policy taken into account in the ESG analysis (additional indicator).



What investment strategy does this financial product follow ?

The financial product is a sub-fund seeking a long-term performance net of management fees through exposure to the international equity markets and through companies whose activities provide solutions to the challenges of access to healthcare, and which are distinguished by the quality of their governance and their environmental and social policies. This has an impact on the selection of securities in the portfolio.

The extra-financial approach integrated into the investment strategy of this financial product is as follows:

- Sectoral and normative exclusions filter
- Recreational cannabis, Tobacco production, Controversial weapons as defined by the Ottawa and Oslo Conventions, Thermal coal, Tobacco, Armaments (in the broadest sense, including nuclear weapons with no minimum turnover threshold), Gambling, Pornography, Non-conventional and controversial hydrocarbons, Alcohol, GMOs, Palm oil, Biocides, Companies guilty of severe and very severe controversies according to MSCI ESG Research on biodiversity sensitive issues (palm oil, wood, soy, livestock and overfishing), companies with controversies deemed very severe by MSCI ESG Research (including companies guilty of violating one or more of the ten principles of the United Nations Global Compact) and companies affected by the US Executive Order 13959 sanctions.
- The ESG rating coverage rate of the securities in the portfolio must be 100% at all times. ESG analysis of issuers is systematic and prior to investment.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- The minimum ESG rating for each portfolio company must be greater than or equal to 6.0/10. To assess the minimum ESG rating, a number of ESG indicators are used as described in the question "What sustainability indicators are used to measure the achievement of each of the environmental or social characteristics promoted by the financial product? If an issuer's ESG rating is below this threshold, it is automatically excluded from the investable universe.
- Controversies are monitored on the basis of MSCI ESG Research, which will result in a maximum of 2 points (granularity of the malus of 0.5) and sanctions ESG controversies on the three pillars. If necessary, this malus may exclude the stock if the ESG score falls below the minimum score (6.0/10). Also, if requested by La Financière de l'Echiquier's teams, the Ethics Committee has the power to decide to exclude a stock from the portfolios if a serious controversy appears within a company held in one or more portfolios.
- Impact filter through the Climate and Biodiversity Maturity Score: This score establishes the level of maturity of companies in taking into account the climate and biodiversity issues they are and will be facing. The MCB score is composed of 3 or 4 pillars (Governance, Climate, Biodiversity, Just Transition) depending on the impact on biodiversity of the company, to which is added a malus linked to environmental controversies. Companies must achieve a minimum MCB score of 40% to ensure that they are taking climate change and biodiversity decline seriously in their strategy and therefore making a positive environmental contribution.
- The induced emissions intensity of all scopes must be better than its benchmark. The portfolio coverage rate must be greater than or equal to 90% for this financial product. The calculation method used is described in the LFDE Transparency Code.
- The ESG Controversy Score must be better than its benchmark: This score measures the level of severity of a company's controversies. This score, ranging from 0 to 10 (0 being the worst score), is provided to us by MSCI ESG Research. The portfolio coverage rate must be greater than or equal to 70% for this financial product. The calculation method used is described in the LFDE Transparency Code.
- A minimum of 90% of investments (in net assets) in sustainable investments. To assess this positive contribution to society and the environment, the financial product uses the three impact scores developed internally by La Financière de l'Échiquier:

SDG score : This score defines the net contribution of companies to the SDGs. In our methodology, we measure this contribution according to two scores. First, the Solutions Score, which is based on the analysis of products and services. Among the 17 SDGs, 9 business-oriented SDGs were selected (3, 4, 6, 7, 8, 9, 11, 12, 16). For each of them, we have mapped the activities that contribute positively and those that contribute negatively. The distribution of the company's turnover in these activities gives a Net Score out of 100. Secondly, the Initiatives Score which is based on the analysis of the company's social and environmental practices. The objective of this score is to value the advanced social and environmental practices of companies contributing to the SDGs and to penalise practices that contribute negatively to one or more SDGs. LFDE has mapped these practices for each of the 17 SDGs. From these two scores, the contribution of companies to the SDGs is assigned to the targets of each SDG. The average of the Solutions score and the Initiatives score gives an SDG score out of 100. Companies need to achieve an SDO score of 25/100 and a Solutions score of 20/100 to ensure that they are making a positive environmental and/or social contribution.

Climate & Biodiversity Maturity Score (MCB) : This score is detailed earlier in the question.

AAAA score : This score defines a company's contribution through its products and services to at least one of the four dimensions of access to health (Availability, Geographical Accessibility, Financial Accessibility, Acceptability) inspired by the work of the World Health Organisation (WHO) on the subject. Companies must contribute at least 20% of their revenue to at least one of the four dimensions without significantly harming these issues (Do No Significant Harm). Companies must obtain an AAAA score of 20% and pass the DNSH filter to ensure their positive social contribution

A score constructed internally from MSCI ESG Research data:

MSCI SDG score : This score identifies companies that contribute positively through their products and services and/or their operations to the achievement of at least one of the 17 SDGs. This contribution is measured using three scores ("PRODUCT", "OPERATIONAL", "NET") provided by MSCI ESG Research. Each of these scores ranges from -10 to +10. To determine the positive contribution to at least one of the 17 SDGs, the company must validate two steps. Firstly, it must have between 10% and 25% of its turnover contributing to an SDG ("PRODUCT" score greater than or equal to +5, considered as aligned or very aligned according to MSCI) and/or have its operations considered as aligned or very aligned with the achievement of this same SDG ("OPERATIONAL" score greater than or equal to +5 according to MSCI) On the other hand, the average of these two scores (NET Score according to MSCI) must be greater than or equal to +2.5 in order to ensure their positive environmental and/or social contribution

In the event that none of the four impact scores listed above are available for a company, we have developed the following impact score internally:

SI SDG Score This score defines the net contribution of companies to the SDGs. It is constructed in the same way as the SDG Score presented above, except that the Solutions Score covers all 17 SDGs (instead of 9). Companies must obtain an SDG score of 25/100 and a Solutions score of 20/100 to ensure that they are making a positive environmental and/or social contribution.

More information on our impact methodologies can be found in the Transparency Code available on the management company's website (www.lfde.com / Responsible Investment section).

- **What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?**

As detailed above, the sector and normative exclusions filter, the minimum ESG rating of each portfolio company (6.0/10), the induced emissions intensity and the ESG controversy score, are binding elements of the investment strategy used to select investments as they narrow the investment universe. Companies are required to achieve a minimum MCB score of 40%, to ensure that climate change and biodiversity decline are seriously considered in their strategy and therefore make a positive environmental contribution.

- **What is the policy to assess good governance practices of the investee companies?**

The policy for assessing the good governance practices of the companies benefiting from the investments is as follows: the Governance rating represents approximately 60% of the global ESG rating. This is a historical bias of La Financière de l'Echiquier, which has attached particular importance to this aspect since its creation. This conviction is reinforced by the fact that all ESG analyses produced by La Financière de l'Echiquier benefit from a governance rating carried out entirely in-house. The governance criteria assessed are

- **Competences of the management team :**
 - **For the CEO :** legitimacy in the business, track record, managerial capacity, leadership and structure of the remuneration scheme
 - **For the executive committee :** composition, diversity, relevance of the functions represented and commitment on CSR issues
- **Checks and balances :** sources of checks and balances within the Board, anticipation of the succession of the CEO, matching the profiles of directors with the needs of the company, male/female diversity of the Board, geographical diversity, availability and involvement of directors.
- **Respect for minority shareholders :** interest for the company to be listed, anti-takeover mechanisms and transparency of financial information.

Evaluation of ESG risks : identification and management of extra-financial risks, the fight against corruption and responsible taxation, the quality of the company's CSR reporting and discourse, and the positive dynamics of progress on ESG aspects.

Controversies are monitored on the basis of MSCI ESG Research, which will result in a maximum of 2 points (granularity of the malus of 0.5) and sanctions ESG controversies on the three pillars. If necessary, this malus may exclude the stock if the ESG score falls below the minimum score (6.0/10). Also, if requested by La Financière de l'Echiquier's teams, the Ethics Committee has the power to decide to exclude a stock from the portfolios if a serious controversy appears within a company held in one or more portfolios.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

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

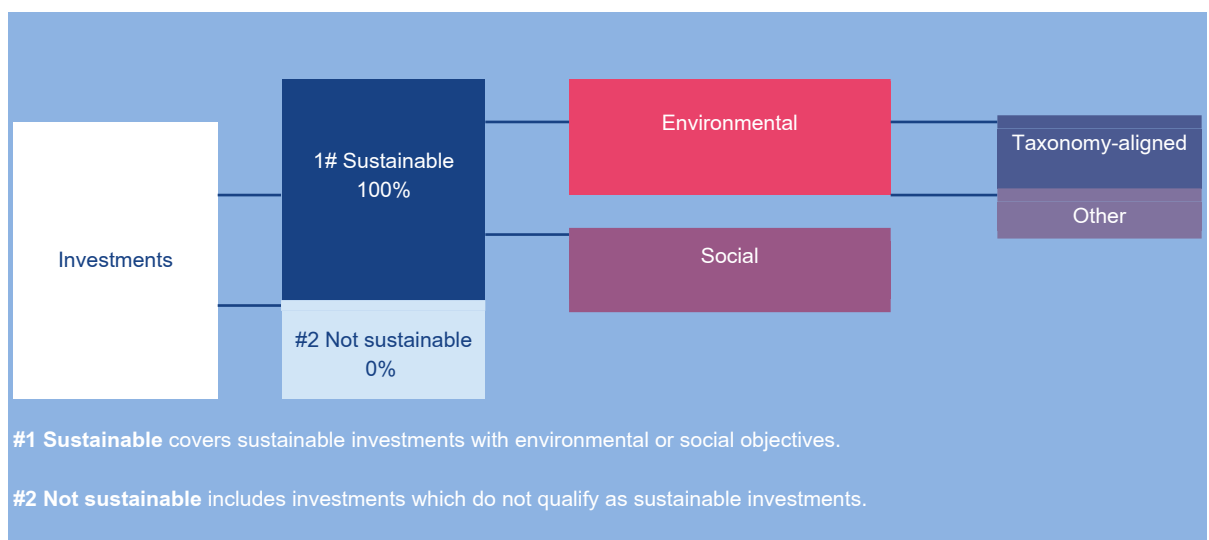
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

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.



What is the asset allocation and the minimum share of sustainable investments?

The financial product invests 100% of its assets in assets that have been deemed to be sustainable investments (#1A Sustainable).



- **How does the use of derivatives attain the sustainable investment objective?**

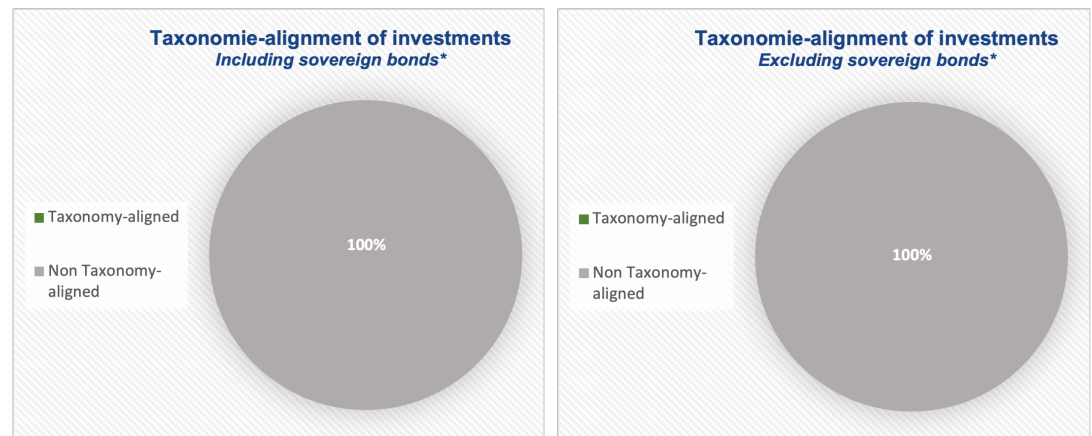
Non applicable



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

The financial product may invest in environmentally sustainable economic activities, however the investments of this financial product do not take into account the EU criteria for environmentally sustainable economic activities. The financial product commits to a 0% alignment with the European Taxonomy

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



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

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

Not applicable

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



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

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy is 100%.



- What is the minimum share of sustainable investments with a social objective?**

Not applicable



- What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?**

There are no investments included in “#2 Other” as 100% of the securities are covered by an ESG rating, ESG analysis and binding elements such as the SDG score, sector and normative exclusions.



- Is a specific index designated as a reference benchmark to meet the sustainable investment objective?**

Not applicable

- **How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?**

Not applicable

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

Not applicable

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

Not applicable

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

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

Not applicable



Where can I find more product specific information online ?

More product-specific information can be found on the website :

More information on the management company's extra-financial approach can be found in the Transparency Code (I) and the SFDR Policy - Article 4 available on the management company's website (www.lfde.com / Responsible Investment section). In addition, further information on the fund and in particular its regulatory documentation is available on the management company's website (www.lfde.com / Funds section)