

**SOLYS**

*Société d'investissement à capital variable*

**R.C.S. Luxembourg B 165471**

**Annual report, including audited financial statements  
as at December 31, 2022**

No subscription can be received on the basis of these financial statements. Subscriptions may only be accepted on the basis of the current prospectus and of the key investor information document (“KIID”) accompanied by an application form, the latest available annual report including audited financial statements of the Company and the latest unaudited semi-annual report if published thereafter.



# SOLYS

## Société d'investissement à capital variable

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# **SOLYS**

## **Société d'investissement à capital variable**

### **Management and Administration**

#### **Registered Office**

4, rue Peternelchen,  
L-2370 Howald  
Grand Duchy of Luxembourg\*

#### **Board of Directors of the Company**

##### **Chairman**

Mr Lucien CAYTAN,  
Independent Director,  
1, rue des Foyers,  
L-1537 Luxembourg  
Grand Duchy of Luxembourg

##### **Directors**

Mr Alexandre CEGARRA  
SGPWM  
16-18, Boulevard Royal,  
L-2449 Luxembourg  
Grand Duchy of Luxembourg

Mr Guillaume DE MARTEL  
SG 29 Haussmann  
29, Boulevard Haussmann,  
75009 Paris  
France

##### **Management Company**

SG 29 Haussmann  
29, Boulevard Haussmann,  
75009 Paris  
France

##### **Depositary and Paying Agent**

Société Générale Luxembourg S.A.  
11, avenue Emile Reuter,  
L-2420 Luxembourg  
Grand Duchy of Luxembourg

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\*Until May 25, 2022: 28-32, Place de la gare, L-1616 Luxembourg, Grand Duchy of Luxembourg

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## **Société d'investissement à capital variable**

### **Management and Administration (cont.)**

#### **Administrative and Registrar Agent**

Société Générale Luxembourg S.A.  
(Operational center)  
28-32, Place de la gare,  
L-1616 Luxembourg  
Grand Duchy of Luxembourg

#### **Investment Managers**

For the Sub-Funds SOLYS - LFDE INTERNATIONAL SELECTION (since its launch as of January 22, 2022, refer to note 1) and SOLYS - LFDE TRANSATLANTIC (since its launch as of November 18, 2022, refer to note 1):

La Financière de l'Echiquier  
53, Avenue d'Iena,  
F-75116 Paris  
France

#### **Corporate and Domiciliary Agent\***

ONE Corporate  
4, rue Peternelchen,  
L-2370 Howald  
Grand Duchy of Luxembourg

#### ***Cabinet de Révision Agréé***

Deloitte Audit  
*Société à responsabilité limitée*  
20, Boulevard de Kockelscheuer,  
L-1821 Luxembourg  
Grand Duchy of Luxembourg

#### **Legal Advisor**

Elvinger Hoss Prussen  
2, Place Winston Churchill,  
L-1340 Luxembourg  
Grand Duchy of Luxembourg

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\*Until May 25, 2022: Société Générale Luxembourg, 28-32, Place de la gare, L-1616 Luxembourg, Grand Duchy of Luxembourg

# SOLYS

## Société d'investissement à capital variable

### General Information on the Company

SOLYS (the “Company”) has been incorporated on December 9, 2011 under Luxembourg law as a “*Société d’Investissement à Capital Variable*” for an unlimited period of time with an initial capital of EUR 31,000. The Company is subject to Part I of the amended Luxembourg Law of December 17, 2010 relating to undertakings for collective investment in transferable securities (the “Law”).

Its registered office is established in Luxembourg. The Articles of Incorporation have been deposited with the “*Registre du commerce et des sociétés de Luxembourg*” and were published in the “*Mémorial C, Recueil des Sociétés et Associations*” (the “RESA”) on December 30, 2011. The Company is registered with the Register of Commerce and Companies of Luxembourg under number B 165471.

The Articles of Incorporation may be amended from time to time by a general meeting of Shareholders, subject to the quorum and majority requirements provided by the laws of Luxembourg.

The Articles of Incorporation have been amended on November 27, 2020, have been deposited with the Register of Commerce and Companies of Luxembourg and were published in the RESA on December 15, 2020.

The Company is established as an umbrella fund and will issue Shares in different Classes in the different Sub-Funds, if applicable. The Board of Directors of the Company shall maintain for a Sub-Fund a separate portfolio.

The Company shall constitute one single legal entity, but in accordance with the Law, the assets of a particular Sub-Fund are only applicable to the debts, engagements and obligations of that Sub-Fund.

The assets, commitments, charges and expenses which cannot be allocated to one specific Sub-Fund will be charged to the different Sub-Funds, if applicable, proportionally to their respective net assets, and pro rata temporis, if appropriate due to the amounts considered.

In relation between Shareholders, a Sub-Fund is treated as a separate legal entity.

For consolidation purposes, the reference currency of the Company is the EUR.

The Board of Directors of the Company has originally designated Lyxor Asset Management Luxembourg S.A. to act as Management Company under the Law. Lyxor Asset Management Luxembourg S.A. has been appointed pursuant to a main delegation agreement concluded between the Lyxor Asset Management Luxembourg S.A. and the Company (the “Main Delegation Agreement”). Lyxor Asset Management Luxembourg S.A. assigned to Lyxor Asset Management S.A.S. its rights and obligations under the Main Delegation Agreement as from January 1, 2014 and the Board of Directors of the Company approved the appointment of Lyxor Asset Management S.A.S. as Management Company as from such date and until February 1, 2016.

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## **Société d'investissement à capital variable**

### **General Information on the Company (cont.)**

Pursuant to a novation agreement entered into between the Company, Lyxor Asset Management S.A.S. and Lyxor International Asset Management S.A.S., Lyxor Asset Management S.A.S. has assigned to Lyxor International Asset Management S.A.S. its rights and obligations under the Main Delegation Agreement as from February 1, 2016 and the Board of Directors of the Company has approved the appointment of Lyxor International Asset Management S.A.S. as Management Company as from such date and until October 31, 2021.

Pursuant to a novation agreement dated September 17, 2021 entered into between the Company, Lyxor International Asset Management S.A.S. and SG 29 Haussmann, Lyxor International Asset Management S.A.S. has assigned to SG 29 Haussmann its rights and obligations under the Main Delegation Agreement as from October 31, 2021 and the Board of Directors has approved the appointment of SG 29 Haussmann as Management Company as from such date.

SG 29 Haussmann was incorporated on November 27, 2003 for ninety-nine years as from this date. Its registered office is established in France.

For any Sub-Fund, the Management Company may delegate its asset management functions to an Investment Manager.

The investment objective of **SOLYS - EURO EVOLUTION** is to outperform the Benchmark Index over a long term horizon by exploiting investment opportunities on the equity markets, while providing a fixed stream of distributions. The benchmark index is the Euro Stoxx Index (SXXT) (the “Benchmark Index”). The Benchmark Index is an equity index calculated and published by international index provider Stoxx Limited. The Benchmark Index constituents are weighting according to Free-Float Market Capitalization methodology. The Euro Stoxx Index is a broad liquid index with a variable number of components (around approximately 300 stocks), representing large, mid and small capitalisation companies of 11 Eurozone countries: Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain. The Benchmark Index is calculated as a net total return index in EUR which means that the dividends are reinvested within the Benchmark Index.

The investment objective of **SOLYS - EUROPE EVOLUTION** is to outperform the Benchmark Index over a long term horizon by exploiting investment opportunities on the equity markets, while providing a fixed stream of distributions. The benchmark index is the Stoxx Europe 600 Index (SXXR) (the “Benchmark Index”). The Benchmark Index is an equity index calculated and published by international index provider Stoxx Limited. The Benchmark Index constituents are weighting according to Free-Float Market Capitalization methodology. The Stoxx Europe 600 Index is a broad liquid index with a fixed number of 600 components (600 stocks), representing large, mid and small capitalisation companies across 17 countries of the European region: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland and the United Kingdom (the “European Region”). The Benchmark Index is calculated as a net total return index in EUR which means that the dividends are reinvested within the Benchmark Index.

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### **Société d'investissement à capital variable**

#### **General Information on the Company (cont.)**

The investment objective of **SOLYS - GLOBAL EVOLUTION** is to outperform the Benchmark Index over a long-term horizon by exploiting investment opportunities on the equity markets, while providing a fixed stream of distributions. The benchmark index is the Solactive GBS CW DM International Large & Mid Cap EUR Index PR (SCWEUJEP Index) (the "Benchmark Index"). The Benchmark Index is an equity index calculated and published by international index provider Solactive AG. The Benchmark Index constituents are weighting according to Free-Float Market Capitalization methodology. The Solactive GBS CW DM International Large & Mid Cap EUR Index PR (Price Return) is part of the Solactive Global Benchmark Series which includes benchmark indices for developed and emerging market countries. The index includes the large and mid-cap segments covering approximately the largest 85% of the free-float market capitalization in the US, EU and JP and combines the three subregions based on a custom weighting (50% EU, 40% US and 10% JP). In the meaning of the Benchmark Index, 'JP' means Japan, US means United States of America and 'EU' refers to 16 countries in the European region: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland and, the United Kingdom. The Benchmark Index is calculated as a price return index in EUR which means that the dividends are not reinvested within the Benchmark Index.

The investment objective of **SOLYS - QUADRANT EUROPE** is to outperform the Benchmark Index (as defined hereafter) over a long-term horizon by exploiting investment opportunities on the equity markets, while providing a fixed stream of distributions. The benchmark index is the Stoxx Europe 600 Index (SXXR) (the "Benchmark Index"). The Benchmark Index is an equity index calculated and published by international index provider Stoxx Limited. The Benchmark Index constituents are weighting according to Free-Float Market Capitalization methodology. The Stoxx Europe 600 Index is a broad liquid index with a fixed number of 600 components (600 stocks), representing large, mid and small capitalisation companies across 17 countries of the European region: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland and the United Kingdom (the "European Region"). The Benchmark Index is calculated as a net total return index in EUR which means that the dividends are reinvested within the Benchmark Index.

The investment objective of **SOLYS - LFDE INTERNATIONAL SELECTION** (launch as of January 28, 2022, refer to note 1) is to outperform the Benchmark Index (as defined hereafter) over a long-term horizon by exploiting investment opportunities on the equity markets, while providing a fixed stream of distributions. The benchmark index is the Solactive GBS Global Markets Investable Universe Index (the "Benchmark Index"). The Benchmark Index is an equity index calculated and published by international index provider Solactive AG. The Benchmark Index constituents are weighting according to Free-Float Market Capitalization methodology. The Solactive GBS Global Markets Investable Universe Index is part of the Solactive Series which includes benchmark indices for developed and emerging market countries. The index intends to track the performance of the large and mid-cap segments covering approximately the largest 85% of the free-float market capitalization in the global listed equity Markets (approximately 10,628 equities across 69 countries). The Benchmark Index is calculated as a net total return index in EUR which means that the dividends are reinvested within the Benchmark Index.

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## Société d'investissement à capital variable

### General Information on the Company (cont.)

The investment objective of **SOLYS - GLOBAL HORIZON** (launch as of June 30, 2022, refer to note 1) is to outperform the Benchmark Index (as defined hereafter) over a long-term horizon by exploiting investment opportunities on the equity markets, while providing a fixed stream of distributions. The benchmark index is the Solactive GBS CW DM International Large & Mid Cap EUR Index NTR (SCWEUJEN Index) (the "Benchmark Index"). The Benchmark Index is an equity index calculated and published by international index provider Solactive AG. The Benchmark Index constituents are weighting according to Free-Float Market Capitalization methodology. The Solactive GBS CW DM International Large & Mid Cap EUR Index NTR (Net Total Return) is part of the Solactive Global Benchmark Series which includes benchmark indices for developed and emerging market countries. The index includes the large and mid-cap segments covering approximately the largest 85% of the free-float market capitalization in the US, EU and JP and combines the three sub regions based on a custom weighting (50% EU, 40% US and 10% JP). In the meaning of the Benchmark Index, 'JP' means Japan, US means United States of America and 'EU' refers to 16 countries in the European region: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland and, the United Kingdom. The Benchmark Index is calculated as a net total return index in EUR which means that the dividends are reinvested within the Benchmark Index.

The investment objective of **SOLYS - EUROPE HORIZON** (launch as of September 6, 2022, refer to note 1) is to outperform the Benchmark Index (as defined hereafter) over a long-term horizon by exploiting investment opportunities on the equity markets, while providing a fixed stream of distributions. The benchmark index is the Stoxx Europe 600 Index (SXXR) (the "Benchmark Index"). The Benchmark Index is an equity index calculated and published by international index provider Stoxx Limited. The Benchmark Index constituents are weighting according to Free-Float Market Capitalization methodology. The Stoxx Europe 600 Index is a broad liquid index with a fixed number of 600 components (600 stocks), representing large, mid and small capitalisation companies across 17 countries of the European region: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland and the United Kingdom (the "European Region"). The Benchmark Index is calculated as a net total return index in EUR which means that the dividends are reinvested within the Benchmark Index.

# **SOLYS**

## **Société d'investissement à capital variable**

### **General Information on the Company (cont.)**

The investment objective of **SOLYS - LFDE TRANSATLANTIC** (launch as of November 18, 2022, refer to note 1) is to outperform the Benchmark Index (as defined hereafter) over a long-term horizon by exploiting investment opportunities on the equity markets, while providing a fixed stream of distributions. The benchmark index is the Solactive GBS CW DM US & Europe EUR Index NTR (SCWUEEN) (the "Benchmark Index"). The Benchmark Index is an equity index calculated and published by international index provider Solactive AG. The Benchmark Index constituents are weighting according to Free-Float Market Capitalization methodology. The Benchmark Index is part of the Solactive Global Benchmark Series which includes benchmark indices for developed and emerging market countries. The index intends to track the performance of the large and mid-cap segments covering approximately the largest 85% of the free-float market capitalization in the US and Europe and combines the two sub regions based on a custom weighting (50% US and 50% Europe). In the meaning of the Benchmark Index, 'US' means the United States of America and 'Europe' refers to 17 countries of the European region: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland and the United Kingdom. The Benchmark Index is a broad liquid index with a variable number of components (approximately 1 600 equity stocks). The Benchmark Index is calculated as a net total return index in EUR which means that the dividends are reinvested within the Benchmark Index.

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## **Société d'investissement à capital variable**

### **Information to the Shareholders**

The annual general meeting of Shareholders will be held at the registered office of the Company or such other place, as specified in the convening notice at any date and time decided by the Board but no later than within six months from the end of the Company's previous financial year.

Notices of all general meetings are sent by mail to all registered Shareholders at their registered address at least 8 days prior to such meeting. According to the requirements of the Luxembourg Law, if bearer shares are issued, the notices are published in the "*Recueil électronique des sociétés et associations*" and in a Luxembourg newspaper, in addition notices can be published in such other newspaper that the Board of Directors of the Company shall determine.

The annual reports, including the audited financial statements and unaudited semi-annual reports are sent upon request to the Shareholders and are made available for public inspection at each of the registered offices of the Company and the Administrative Agent within four, and two months respectively following the relevant accounting period.

The list of changes in the portfolio for the year ended December 31, 2022 is available, free of charge, at the registered office of the Company.

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## **Société d'investissement à capital variable**

### **Report of the Board of Directors of the Company**

In 2022, the stock market has been subject to exceptional external shocks. The Russian invasion of Ukraine in February disrupted the global economy, breaking the recovery observed in the second half of 2021 after the COVID-19 pandemic.

At end of 2021, the post COVID-19 recovery has disrupted supply chains, leading to higher prices for many commodities. But Russia's invasion of Ukraine has sent energy and food prices soaring as Russia is the second world's largest exporter of crude oil. The price of natural gas and oil products surged to a record high since 2008. In Europe, the impacts were considerable: manufacturing plants operating with gas reduced their production, European Union agreed to ration its natural gas by 15% between August and March 2023. European Union have imposed sanctions on Russia and announced plans to completely stop relying on Russian gas, accounting for around 45% of EU gas imports. The increase in energy products has accentuated inflation level in US & Europe, reducing production for European industrials and slowed economic growth.

Inflation reached record highs in the US and Europe with a level of 9.1% and 10.6% year over year respectively well above central banks' inflation target of 2%. Pressured by inflation, the Federal Reserve has accelerated the pace of monetary tightening with seven raises, bringing them to a decade high, from 0.25% to 4.50%. The European Central Bank raised four times and has already indicated that it was premature to ease monetary policy in 2023. The brutal monetary tightening had significant negative impacts on bond performance, where bond yields reached historic levels, the highest since 2013.

High and persistent inflation, coupled with geopolitical tensions with Russia, have been progressively deteriorating economic conditions in 2022. In the markets, S&P 500 fell by 18.1%, worst yearly performance since the Global Financial Crisis. Despite the energy crisis, European equities have been more resilient, Stoxx 600 fell by 9.9% and the Euro Stoxx 50 by 11.74%. Tech companies have been the most affected by the central bank policy, while value and high dividends stocks outperformed the market. In China, Beijing exits its controversial zero-Covid policy after protests, policy is now focused on stimulating growth. Shanghai composite Index fell by 15.13% this year. For the first time in nearly 20 years, the dollar has increased by over 10% compared to all other major currencies, underlying the currency's role as a safe haven.

A broad consensus expectation on a high risk of recession as early as winter 2023. According to the latest IMF estimates, there is a higher chance of global growth falling below 2%, compared to 2.7% for previous estimates. In the United States, the FED drastically reduced its growth forecast for 2023, now counting on 0.5%. The ECB changed its initial forecast of 0.9% to a weak growth of 0.5% in 2023. However, China's re-opening and the resilience of advanced economies gives the world hope of surviving in 2023.

# SOLYS

## Société d'investissement à capital variable

### Report of the Board of Directors of the Company (cont.)

<b>Sub-fund</b>	<b>2022 Total Return*</b>	<b>2022 Price Return*</b>
<b>SOLYS - EURO EVOLUTION</b>	-19.15%	-23.44%
Euro Stoxx Index	-10.06%	-13.05%
<b>SOLYS - EUROPE EVOLUTION</b>	-13.33%	-17.14%
Stoxx Europe 600 Index	-8.75%	-11.81%
<b>SOLYS - GLOBAL EVOLUTION</b>	-11.49%	-15.22
Solactiv GBS DM International	-11.55%	-13.23
<b>SOLYS - QUADRANT EUROPE</b>	-19.71%	-24.33
Stoxx Europe 600 Index	-8.75%	-11.81%
<b>SOLYS - LFDE INTERNATIONAL SELECTION</b>	-10.72%	-15.08%
Solactive GBS Global Markets Investable Universe	-7.78%	-8.66%
<b>SOLYS - GLOBAL HORIZON</b>	4.10%	1.54%
Solactive GBS CW DM International	3.51%	2.81%
<b>SOLYS - EUROPE HORIZON</b>	0.65%	-0.88%
Stoxx Europe 600 Index	4.36%	3.85%
<b>SOLYS - LFDE TRANSATLANTIC</b>	-2.15%	-2.15%
Solactive GBS CW DM US & Europe	-3.01%	-4.22%

\*Performance since inception for fund launched in 2022:

SOLYS - LFDE INTERNATIONAL SELECTION was launched on January 28, 2022.

SOLYS - GLOBAL HORIZON was launched on June 30, 2022.

SOLYS - EUROPE HORIZON was launched on September 6, 2022.

SOLYS - LFDE TRANSATLANTIC was launched on November 18, 2022.

**Luxembourg, April 27, 2023**

**The Board of Directors of the Company**

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*The figures stated in the report are historical and not necessarily indicative of future performance.*

To the Shareholders of Solys  
4, rue Peternelchen,  
L-2370 Howald  
Grand Duchy of Luxembourg

## REPORT OF THE *RÉVISEUR D'ENTREPRISES AGRÉÉ*

### **Opinion**

We have audited the financial statements of Solys (the "Company") and of each of its sub-funds, which comprise the statement of net assets as at December 31, 2022 and the statement of operations and changes in net assets for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company and of each of its sub-funds as at December 31, 2022 and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### **Basis for Opinion**

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the Financial Statements" section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other information**

The Board of Directors of the Company is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report this fact. We have nothing to report in this regard.

## ***Responsibilities of the Board of Directors of the Company for the Financial Statements***

The Board of Directors of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## ***Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Company.
- Conclude on the appropriateness of the Board of Directors of the Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.
- In respect of Sub-Fund where a decision or a firm intention to close exists, conclude on the appropriateness of the Board of Directors of the Company use of going concern basis of accounting. When such use is inappropriate and the Board of Directors of the Company uses non-going concern basis of accounting for the Sub-Fund concerned, we conclude on the appropriateness of the Board of Directors of the Company use of the non-going concern basis of accounting for the Sub-Fund concerned. We also evaluate the adequacy of the disclosures describing the non-going concern basis of accounting and reasons for its use. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprise agréé".

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Deloitte Audit, Cabinet de révision agréé

Laurent Fedrigo, *Réviseur d'entreprises agréé*  
Partner  
Luxembourg, April 27, 2023

# SOLYS

## Société d'investissement à capital variable

### Statement of Net Assets as at December 31, 2022

(expressed in the Sub-Fund's currency)

Sub-Funds		SOLYS - EURO EVOLUTION	SOLYS - EUROPE EVOLUTION	SOLYS - GLOBAL EVOLUTION
	Notes	EUR	EUR	EUR
<b>ASSETS</b>				
Cash at bank		16	-	-
Swaps at market value	2.7, 8	51 030 095	56 117 859	54 610 685
Other assets		5 044	-	-
		<u>51 035 155</u>	<u>56 117 859</u>	<u>54 610 685</u>
<b>LIABILITIES</b>				
Global administration and investment management fees payable	3	25 110	28 894	28 488
"Taxe d'abonnement" payable	5	6 305	6 932	6 746
		<u>31 415</u>	<u>35 826</u>	<u>35 234</u>
<b>TOTAL NET ASSETS</b>		<u>51 003 740</u>	<u>56 082 033</u>	<u>54 575 451</u>

The accompanying notes are an integral part of these financial statements.

# SOLYS

## Société d'investissement à capital variable

### Statement of Net Assets as at December 31, 2022 (cont.)

(expressed in the Sub-Fund's currency)

Sub-Funds		SOLYS - QUADRANT EUROPE	SOLYS - LFDE INTERNATIONAL SELECTION*	SOLYS - GLOBAL HORIZON*
	Notes	EUR	EUR	EUR
<b>ASSETS</b>				
Cash at bank		3	1	-
Swaps at market value	2.7, 8	37 194 880	16 325 599	20 333 673
Other assets		-	-	-
		<u>37 194 883</u>	<u>16 325 600</u>	<u>20 333 673</u>
<b>LIABILITIES</b>				
Global administration and investment management fees payable	3	41 154	32 535	22 146
"Taxe d'abonnement" payable	5	4 592	2 014	2 510
		<u>45 746</u>	<u>34 549</u>	<u>24 656</u>
<b>TOTAL NET ASSETS</b>		<u>37 149 137</u>	<u>16 291 051</u>	<u>20 309 017</u>

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\*Please refer to Note 1

The accompanying notes are an integral part of these financial statements.

# SOLYS

## Société d'investissement à capital variable

### Statement of Net Assets as at December 31, 2022 (cont.)

(expressed in the Sub-Fund's currency)

Sub-Funds		SOLYS - EUROPE HORIZON*	SOLYS - LFDE TRANSATLANTIC*	COMBINED
	Notes	EUR	EUR	EUR
<b>ASSETS</b>				
Cash at bank		-	-	20
Swaps at market value	2.7, 8	19 848 469	19 593 473	275 054 733
Other assets		-	-	5 044
		<u>19 848 469</u>	<u>19 593 473</u>	<u>275 059 797</u>
<b>LIABILITIES</b>				
Global administration and investment management fees payable	3	21 910	20 716	220 953
"Taxe d'abonnement" payable	5	2 451	2 419	33 969
		<u>24 361</u>	<u>23 135</u>	<u>254 922</u>
<b>TOTAL NET ASSETS</b>		<u>19 824 108</u>	<u>19 570 338</u>	<u>274 804 875</u>

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*\*Please refer to Note 1*

The accompanying notes are an integral part of these financial statements.

# SOLYS

## Société d'investissement à capital variable

### Statement of Operations and Changes in Net Assets for the year/period ended December 31, 2022

(expressed in the Sub-Fund's currency)

Sub-Funds		SOLYS - EURO EVOLUTION	SOLYS - EUROPE EVOLUTION	SOLYS - GLOBAL EVOLUTION
	Notes	EUR	EUR	EUR
<b>Net assets at the beginning of the year/period</b>		<b>66 617 819</b>	<b>67 686 190</b>	<b>64 375 361</b>
<b>INCOME</b>				
Bond interest, net	2.10	-	-	10 273
Other income	4	20 825	-	-
		<b>20 825</b>	<b>-</b>	<b>10 273</b>
<b>EXPENSES</b>				
Global administration and investment management fees	3	108 534	123 396	119 882
"Taxe d'abonnement"	5	26 124	28 373	27 636
Other expenses		5	-	-
		<b>134 663</b>	<b>151 769</b>	<b>147 518</b>
<b>Net investment gain/(loss)</b>		<b>(113 838)</b>	<b>(151 769)</b>	<b>(137 245)</b>
<b>Net realised gain/(loss)</b>				
- on sales of investments	2.4	-	-	(10 273)
- on Swaps	2.7	3 113 531	2 816 652	2 626 641
		<b>3 113 531</b>	<b>2 816 652</b>	<b>2 616 368</b>
<b>Net realised gain/(loss)</b>				
<b>Net change in unrealised appreciation/(depreciation)</b>				
- on Swaps	2.7	(15 636 517)	(11 609 891)	(9 804 179)
		<b>(15 636 517)</b>	<b>(11 609 891)</b>	<b>(9 804 179)</b>
<b>Movements in capital</b>				
Subscriptions		-	-	-
Redemptions		-	-	-
		<b>-</b>	<b>-</b>	<b>-</b>
Dividends paid	7	(2 977 255)	(2 659 149)	(2 474 854)
<b>Net assets at the end of the year/period</b>		<b>51 003 740</b>	<b>56 082 033</b>	<b>54 575 451</b>

The accompanying notes are an integral part of these financial statements.

# SOLYS

## Société d'investissement à capital variable

### Statement of Operations and Changes in Net Assets for the year/period ended December 31, 2022 (cont.)

(expressed in the Sub-Fund's currency)

Sub-Funds		SOLYS - QUADRANT EUROPE	SOLYS - LFDE INTERNATIONAL SELECTION*	SOLYS - GLOBAL HORIZON*
	Notes	EUR	EUR	EUR
<b>Net assets at the beginning of the year/period</b>		<b>49 092 595</b>	-	-
<b>INCOME</b>				
Bond interest, net	2.10	-	-	-
Other income	4	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENSES</b>				
Global administration and investment management fees	3	183 701	128 677	45 050
"Taxe d'abonnement"	5	19 379	8 357	4 860
Other expenses		-	-	-
		<u>203 080</u>	<u>137 034</u>	<u>49 910</u>
<b>Net investment gain/(loss)</b>		<b>(203 080)</b>	<b>(137 034)</b>	<b>(49 910)</b>
<b>Net realised gain/(loss)</b>				
- on sales of investments	2.4	-	-	-
- on Swaps	2.7	2 643 249	(18 147 349)	(19 379 665)
		<u>2 643 249</u>	<u>(18 147 349)</u>	<u>(19 379 665)</u>
<b>Net realised gain/(loss)</b>		<b>2 643 249</b>	<b>(18 147 349)</b>	<b>(19 379 665)</b>
<b>Net change in unrealised appreciation/(depreciation)</b>				
- on Swaps	2.7	(11 956 830)	16 325 599	20 333 673
		<u>(11 956 830)</u>	<u>16 325 599</u>	<u>20 333 673</u>
<b>Net change in unrealised appreciation/(depreciation)</b>		<b>(11 956 830)</b>	<b>16 325 599</b>	<b>20 333 673</b>
<b>Movements in capital</b>				
Subscriptions		-	19 212 279	20 000 064
Redemptions		-	(27 217)	-
		<u>-</u>	<u>19 185 062</u>	<u>20 000 064</u>
Dividends paid	7	(2 426 797)	(935 227)	(595 145)
<b>Net assets at the end of the year/period</b>		<b><u>37 149 137</u></b>	<b><u>16 291 051</u></b>	<b><u>20 309 017</u></b>

\*Please refer to Note 1

The accompanying notes are an integral part of these financial statements.

# SOLYS

## Société d'investissement à capital variable

### Statement of Operations and Changes in Net Assets for the year/period ended December 31, 2022 (cont.)

(expressed in the Sub-Fund's currency)

Sub-Funds		SOLYS - EUROPE HORIZON*	SOLYS - LFDE TRANSATLANTIC*	COMBINED
	Notes	EUR	EUR	EUR
<b>Net assets at the beginning of the year/period</b>		-	-	247 771 965
<b>INCOME</b>				
Bond interest, net	2.10	-	-	10 273
Other income	4	-	-	20 825
		-	-	<b>31 098</b>
<b>EXPENSES</b>				
Global administration and investment management fees	3	27 698	20 716	757 654
"Taxe d'abonnement"	5	4 809	2 419	121 957
Other expenses		-	-	5
		<b>32 507</b>	<b>23 135</b>	<b>879 616</b>
<b>Net investment gain/(loss)</b>		<b>(32 507)</b>	<b>(23 135)</b>	<b>(848 518)</b>
<b>Net realised gain/(loss)</b>				
- on sales of investments	2.4	-	-	(10 273)
- on Swaps	2.7	(19 690 709)	(19 898 436)	(65 916 086)
<b>Net realised gain/(loss)</b>		<b>(19 690 709)</b>	<b>(19 898 436)</b>	<b>(65 926 359)</b>
<b>Net change in unrealised appreciation/(depreciation)</b>				
- on Swaps	2.7	19 848 469	19 593 473	27 093 797
<b>Net change in unrealised appreciation/(depreciation)</b>		<b>19 848 469</b>	<b>19 593 473</b>	<b>27 093 797</b>
<b>Movements in capital</b>				
Subscriptions		20 000 012	20 000 046	79 212 401
Redemptions		-	-	(27 217)
		<b>20 000 012</b>	<b>20 000 046</b>	<b>79 185 184</b>
Dividends paid	7	(301 157)	(101 610)	(12 471 194)
<b>Net assets at the end of the year/period</b>		<b>19 824 108</b>	<b>19 570 338</b>	<b>274 804 875</b>

\*Please refer to Note 1

The accompanying notes are an integral part of these financial statements.

# SOLYS

## Société d'investissement à capital variable

### Statistical information

(expressed in the Sub-Fund's currency)

#### SOLYS - EURO EVOLUTION

	Currency	31/12/2022	31/12/2021	30/12/2020
Total Net Assets	EUR	51 003 740	66 617 819	52 979 828
<b>Class I-EUR</b>				
Number of shares outstanding		595 546.3830	595 546.3830	595 546.3830
Net asset value per share	EUR	85.64	111.86	88.96

#### SOLYS - EUROPE EVOLUTION

	Currency	31/12/2022	31/12/2021	30/12/2020
Total Net Assets	EUR	56 082 033	67 686 190	51 702 138
<b>Class I</b>				
Number of shares outstanding		531 915.0000	531 915.0000	531 915.0000
Net asset value per share	EUR	105.43	127.25	97.20

#### SOLYS - GLOBAL EVOLUTION

	Currency	31/12/2022	31/12/2021	30/12/2020
Total Net Assets	EUR	54 575 451	64 375 361	-
<b>Class I-EUR</b>				
Number of shares outstanding		495 050.0000	495 050.0000	-
Net asset value per share	EUR	110.24	130.04	-

#### SOLYS - QUADRANT EUROPE

	Currency	31/12/2022	31/12/2021	30/12/2020
Total Net Assets	EUR	37 149 137	49 092 595	-
<b>Class I-EUR</b>				
Number of shares outstanding		485 437.0000	485 437.0000	-
Net asset value per share	EUR	76.53	101.13	-

#### SOLYS - LFDE INTERNATIONAL SELECTION\*

	Currency	31/12/2022	31/12/2021	30/12/2020
Total Net Assets	EUR	16 291 051	-	-
<b>Class I-EUR</b>				
Number of shares outstanding		204 082.0000	-	-
Net asset value per share	EUR	79.83	-	-

\*Please refer to Note 1

# SOLYS

## Société d'investissement à capital variable

### Statistical information (cont.)

(expressed in the Sub-Fund's currency)

#### SOLYS - GLOBAL HORIZON\*

	Currency	31/12/2022	31/12/2021	30/12/2020
Total Net Assets	EUR	20 309 017	-	-
<b>Class I-EUR</b>				
Number of shares outstanding		238 096.0000	-	-
Net asset value per share	EUR	85.30	-	-

#### SOLYS - EUROPE HORIZON\*

	Currency	31/12/2022	31/12/2021	30/12/2020
Total Net Assets	EUR	19 824 108	-	-
<b>Class I-EUR</b>				
Number of shares outstanding		240 964.0000	-	-
Net asset value per share	EUR	82.27	-	-

#### SOLYS - LFDE TRANSATLANTIC\*

	Currency	31/12/2022	31/12/2021	30/12/2020
Total Net Assets	EUR	19 570 338	-	-
<b>Class I-EUR</b>				
Number of shares outstanding		243 903.0000	-	-
Net asset value per share	EUR	80.24	-	-

\*Please refer to Note 1

# **SOLYS**

## **Société d'investissement à capital variable**

### **Notes to the Financial Statements as at December 31, 2022**

#### **Note 1 - General**

SOLYS (the “Company”) was incorporated on December 9, 2011 under Luxembourg Law as a “Société d’investissement à capital variable” (“SICAV”) for an unlimited year. The Company is governed by the provisions of Part I of the amended Luxembourg Law of December 17, 2010 relating to undertakings for collective investment in transferable securities.

At December 31, 2022, eight Sub-Funds are available to investors:

#### **SOLYS - EURO EVOLUTION**

- Class I-EUR

#### **SOLYS - EUROPE EVOLUTION**

- Class I

#### **SOLYS - GLOBAL EVOLUTION**

- Class I-EUR

#### **SOLYS - QUADRANT EUROPE**

- Class I-EUR

#### **SOLYS - LFDE INTERNATIONAL SELECTION**

- Class I-EUR (launched January 28, 2022)

#### **SOLYS - GLOBAL HORIZON**

- Class I-EUR (launched June 30, 2022)

#### **SOLYS - EUROPE HORIZON**

- Class I-EUR (launched September 6, 2022)

#### **SOLYS - LFDE TRANSATLANTIC**

- Class I-EUR (launched November 18, 2022)

Within a Sub-Fund, the Company may create different classes of shares which are Distribution Shares or Capitalisation Shares, or which differ also by the targeted investors, by the management fees or the subscription/redemption fees or any other characteristic as disclosed in the latest Prospectus.

The Board of Directors of the Company decided to create the Sub-Fund SOLYS - LFDE INTERNATIONAL SELECTION.

The Board of Directors of the Company decided to create the Sub-Fund SOLYS - GLOBAL HORIZON.

The Board of Directors of the Company decided to create the Sub-Fund SOLYS - EUROPE HORIZON.

The Board of Directors of the Company decided to create the Sub-Fund SOLYS - LFDE TRANSATLANTIC.

# **SOLYS**

## **Société d'investissement à capital variable**

### **Notes to the Financial Statements as at December 31, 2022 (cont.)**

#### **Note 2 - Principal accounting policies**

##### **2.1 Net Asset Value**

This annual report is prepared on the basis of the last net asset value as at December 31, 2022.

##### **2.2 Presentation of financial statements**

The financial statements are prepared in accordance with Luxembourg laws and regulations relating to undertakings for collective investment in transferable securities. They are prepared in accordance with generally accepted accounting policies in Luxembourg.

##### **2.3 Valuation of investments**

2.3.1 Securities listed on a recognised stock exchange or dealt on any other regulated market that operates regularly, is recognised and is open to the public, are valued at their last available closing prices, or, in the event that there should be several such markets, on the basis of their last available closing prices on the main market for the relevant security,

2.3.2 In the event that the last available closing price does not, in the opinion of the Board of Directors of the Company, truly reflect the fair market value of such securities, the value is determined by the Board of Directors of the Company based on the reasonably foreseeable sales proceeds determined prudently and in good faith,

2.3.3 Securities not listed or traded on a stock exchange or not dealt on another regulated market are valued on the basis of the probable sales proceeds determined prudently and in good faith by the Board of Directors of the Company,

2.3.4 In case of short term instruments which have a maturity of less than 90 days, the value of the instrument based on the net acquisition cost, is gradually adjusted to the repurchase price thereof. In the event of material changes in market conditions, the valuation basis of the investment is adjusted to the new market yields,

2.3.5 Investments in open-ended UCIs are valued on the basis of the last available Net Asset Value of the units or shares of such UCIs,

2.3.6 All other transferable securities and other permitted assets are valued at fair market value as determined in good faith pursuant to procedures established by the Board of Directors of the Company,

2.3.7 The financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market are valued in a reliable and verifiable manner on a daily basis and verified by a competent professional appointed by the Company,

2.3.8 In the event that the above mentioned calculation methods are inappropriate or misleading, the Company may adjust the value of any investment or permit some other method of valuation to be used for the assets of the Company if it considers that the circumstances justify that such adjustment or other method of valuation should be adopted to reflect more fairly the value of such investments.

# **SOLYS**

## **Société d'investissement à capital variable**

### **Notes to the Financial Statements as at December 31, 2022 (cont.)**

#### **Note 2 - Principal accounting policies (cont.)**

##### **2.4 Net realised gain or loss on sales of investments**

The net realised gain or loss on sales of investments are determined on the basis of the average cost of investments sold.

##### **2.5 Foreign exchange translation**

The accounts of each Sub-Fund are maintained in the reference currency of the Sub-Fund and the financial statements are expressed in that currency.

The acquisition cost of securities expressed in a currency other than the reference currency is translated into the reference currency at the exchange rates prevailing on the date of purchase.

Income and expenses expressed in other currencies than the reference currency are converted at exchange rates ruling at the transaction date.

Assets and liabilities expressed in other currencies than the reference currency are converted at exchange rates ruling at year-end.

The net realised gain or loss or net change in unrealised appreciation or depreciation on foreign exchange are recognised in the Statement of Operations and Changes in Net Assets in determining the increase or decrease in Net Assets.

##### **2.6 Combined financial statements**

The combined Statement of Net Assets and combined Statement of Operations and Changes in Net Assets represent the total of the Statements of Net Assets and the Statement of Operations and Changes in Net Assets of the individual Sub-Funds.

##### **2.7 Swaps**

Interest rate Swaps are valued at their market value established by reference to the applicable interest rates curve.

Swaps pegged to indexes or financial instruments are valued at their market value, based on the applicable index or financial instrument. The valuation of the Swaps tied to such indexes or financial instruments is based upon the market value of said Swaps, in accordance with the procedures laid down by the Board of Directors of the Company.

Swaps are disclosed in the Statement of Net Assets under caption "Swaps at market value".

Net change in unrealised appreciation/depreciation and net realised gain/loss are recorded in the Statement of Operations and Changes in Net Assets.

##### **2.8 Formation expenses**

The fees and expenses in connection with the incorporation and registration of the Company were borne by the Management Company.

# SOLYS

## Société d'investissement à capital variable

### Notes to the Financial Statements as at December 31, 2022 (cont.)

#### Note 2 - Principal accounting policies (cont.)

##### 2.9 Transaction fees

The transaction fees include broker fees and fees charged by the depositary for securities and derivatives transactions. The broker fees are excluded from the cost of securities and derivatives purchased and sold.

##### 2.10 Income

Dividends are credited to income on the “ex-dividend date” net of withholding taxes. Interest income is accrued on a daily basis.

##### 2.11 Swing Pricing

For any Sub-Fund of the Company, the Management Company may need to undertake transactions in order to maintain the desired asset allocation as a result of subscriptions or redemptions in any Class of such Sub-Fund, which may generate additional costs for such Sub-Fund and its Shareholders. In order to protect the existing Shareholders' interest and to prevent the dilution of the existing Shareholders that would result from these capital movements, an adjustment (the “Swing Factor”) might be applied when calculating the NAV per share of such Sub-Funds using swing pricing.

This adjustment reflects the estimated tax and dealing costs that may be incurred by the Sub-Fund as a result of these transactions, and the estimated bid-offer spread of the assets in which the Sub-Fund invests.

When there are net inflows in a given Sub-Fund, the Swing Factor will increase the NAV per Share of each Class and when there are net outflows in a given Sub-Fund, the Swing Factor will reduce the NAV per Share of each Class. The Management Company might determine that such Swing Factor will only apply if net inflows and/or net outflows exceed 0.40% of the last NAV of the Sub-Fund.

If the swing pricing apply to a given Sub-Fund, this will be indicated in the prospectus of the Fund, together with the maximum level of the Swing Factor (both for net inflows and net outflows).

As a consequence of the application of the swing pricing, the volatility of the NAV per share of the Sub-Funds applying such mechanism might not reflect the true portfolio performance (and therefore might deviate from the fund's benchmark).

During the year ended December 31, 2022, no sub-funds have applied the Swing Pricing.

# SOLYS

## Société d'investissement à capital variable

### Notes to the Financial Statements as at December 31, 2022 (cont.)

#### Note 3 - Global administration and management fees

A Global Management and management fee was payable in arrears by the Company to the Management Company, as indicated in the table below.

Sub-fund	Share Class	Payment frequency	Maximum global administration and management fees
SOLYS - EURO EVOLUTION	Class I Shares	Quarterly	0.20%
SOLYS - EUROPE EVOLUTION	Class I Shares	Monthly	0.16%
SOLYS - GLOBAL EVOLUTION	Class I Shares	Monthly	0.16%
SOLYS - QUADRANT EUROPE	Class I Shares	Monthly	0.40%
SOLYS - LFDE INTERNATIONAL SELECTION	Class I Shares	Monthly	0.80%
SOLYS - GLOBAL HORIZON	Class I Shares	Monthly	0.40%
SOLYS - EUROPE HORIZON	Class I Shares	Monthly	0.40%
SOLYS - LFDE TRANSATLANTIC	Class I Shares	Monthly	1.08%

#### Note 4 - Other income

As at December 31, 2022, other income mainly include paid back management fees.

#### Note 5 - Taxation

The Company is not subject to taxation in Luxembourg on its income, profits or gains.

The Company is not subject to net wealth tax in Luxembourg.

No stamp duty, capital duty or other tax will be payable in Luxembourg upon the issue of the Shares of the Company.

The Sub-Funds are, nevertheless, in principle, subject to a subscription tax (“*taxe d’abonnement*”) levied at the rate of 0.05% per annum based on their Net Asset Value at the end of the relevant quarter, calculated and paid quarterly. A reduced subscription tax rule of 0.01% per annum is however applicable to:

- any Sub-Fund whose exclusive object is the collective investment in money market instruments, the placing of deposits with credit institutions, or both;
- any Sub-Fund or Classes provided that their shares are only held by one or more Institutional Investor(s).

A subscription tax exemption applies to:

- The portion of any Sub-Fund's assets (prorata) invested in a Luxembourg investment fund or any of its sub-fund to the extent it is subject to the subscription tax;

# SOLYS

## Société d'investissement à capital variable

### Notes to the Financial Statements as at December 31, 2022 (cont.)

#### Note 5 - Taxation (cont.)

- Any Sub-Fund (i) whose securities are only held by Institutional Investor(s), and (ii) whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions, and (iii) whose weighted residual portfolio maturity does not exceed 90 days, and (iv) that have obtained the highest possible rating from a recognised rating agency. If several Classes are in issue in the relevant Sub-Fund meeting (ii) to (iv) above, only those Classes meeting (i) above will benefit from this exemption;
- Any Sub-Fund, whose main objective is the investment in microfinance institutions; and
- Any Sub-Fund, (i) whose securities are listed or traded on a stock exchange and (ii) whose exclusive object is to replicate the performance of one or more indices. If several Classes are in issue in the relevant Sub-Fund meeting (ii) above, only those Classes meeting (i) above will benefit from this exemption.

To the extent that the Company would only be held by pension funds and assimilated vehicles, the Company as a whole would benefit from the subscription tax exemption.

#### *Withholding tax*

Interest and dividend income received by the Company may be subject to non-recoverable withholding tax in the source countries. The Company may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin. The Company may benefit from double tax treaties entered into by Luxembourg, which may provide for exemption from withholding tax or reduction of withholding tax rate.

Distributions made by the Company as well as liquidation proceeds and capital gains derived therefrom are not subject to withholding tax in Luxembourg.

#### Note 6 - Exchange rates

As at December 31, 2022, all the share classes are expressed in EUR. No exchange rates have been used for the presentation.

# SOLYS

## Société d'investissement à capital variable

### Notes to the Financial Statements as at December 31, 2022 (cont.)

#### Note 7 - Dividend distribution

For the “Class I-EUR” of the Sub-Fund SOLYS - EURO EVOLUTION which pay monthly dividends, the following dividends were paid:

<b>Month</b>	<b>Record date</b>	<b>Ex-date</b>	<b>Payment date</b>
January	29-Dec-21	3-Jan-22	6-Jan-22
February	31-Jan-22	1-Feb-22	4-Feb-22
March	28-Feb-22	1-Mar-22	4-Mar-22
April	31-Mar-22	1-Apr-22	6-Apr-22
May	29-Apr-22	2-May-22	5-May-22
June	31-May-22	1-Jun-22	9-Jun-22
July	30-June-22	1-Jul-22	6-Jul-22
August	29-Jul-22	1-Aug-22	4-Aug-22
September	31-Aug-22	1-Sept-22	6-Sept-22
October	30-Sept-22	3-Oct-22	6-Oct-22
November	31-Oct-22	2-Nov-22	7-Nov-22
December	30-Nov-22	1-Dec-22	6-Dec-22

For the “Class I-EUR” of the Sub-Fund SOLYS - GLOBAL EVOLUTION which pay monthly dividends, the following dividends were paid:

<b>Month</b>	<b>Record date</b>	<b>Ex-date</b>	<b>Payment date</b>
January	29-Dec-21	4-Jan-22	7-Jan-22
February	31-Jan-22	1-Feb-22	4-Feb-22
March	28-Feb-22	1-Mar-22	4-Mar-22
April	31-Mar-22	1-Apr-22	6-Apr-22
May	28-Apr-22	6-May-22	12-May-22
June	31-May-22	1-Jun-22	9-Jun-22
July	30-June-22	1-Jul-22	7-Jul-22
August	29-Jul-22	2-Aug-22	5-Aug-22
September	30-Aug-22	31-Aug-22	6-Sept-22
October	30-Sept-22	3-Oct-22	6-Oct-22
November	31-Oct-22	2-Nov-22	8-Nov-22
December	30-Nov-22	1-Dec-22	6-Dec-22

# SOLYS

## Société d'investissement à capital variable

### Notes to the Financial Statements as at December 31, 2022 (cont.)

#### Note 7 - Dividend distribution (cont.)

For the “Class I-EUR” of the Sub-Fund SOLYS - QUADRANT EUROPE which pay monthly dividends, the following dividends were paid:

Month	Record date	Ex-date	Payment date
January	30-Dec-21	4-Jan-22	7-Jan-22
February	31-Jan-22	1-Feb-22	4-Feb-22
March	28-Feb-22	1-Mar-22	4-Mar-22
April	31-Mar-22	1-Apr-22	6-Apr-22
May	29-Apr-22	3-May-22	6-May-22
June	31-May-22	1-Jun-22	7-Jun-22
July	30-June-22	1-Jul-22	6-Jul-22
August	29-Jul-22	2-Aug-22	5-Aug-22
September	31-Aug-22	1-Sept-22	6-Sept-22
October	30-Sept-22	3-Oct-22	6-Oct-22
November	31-Oct-22	2-Nov-22	7-Nov-22
December	30-Nov-22	1-Dec-22	6-Dec-22

For the “Class I-EUR” of the Sub-Fund SOLYS - LFDE INTERNATIONAL SELECTION which pay monthly dividends, the following dividends were paid:

Month	Record date	Ex-date	Payment date
February	31-Jan-22	1-Feb-22	4-Feb-22
March	28-Feb-22	1-Mar-22	4-Mar-22
April	31-Mar-22	1-Apr-22	6-Apr-22
May	28-Apr-22	6-May-22	12-May-22
June	31-May-22	1-Jun-22	9-Jun-22
July	30-June-22	1-Jul-22	7-Jul-22
August	29-Jul-22	2-Aug-22	5-Aug-22
September	31-Aug-22	1-Sept-22	7-Sept-22
October	30-Sept-22	3-Oct-22	6-Oct-22
November	31-Oct-22	2-Nov-22	8-Nov-22
December	30-Nov-22	1-Dec-22	6-Dec-22

For the “Class I-EUR” of the Sub-Fund SOLYS - GLOBAL HORIZON which pay monthly dividends, the following dividends were paid:

Month	Record date	Ex-date	Payment date
October	30-Sept-22	3-Oct-22	6-Oct-22
November	31-Oct-22	2-Nov-22	8-Nov-22
December	30-Nov-22	1-Dec-22	6-Dec-22

# SOLYS

## Société d'investissement à capital variable

### Notes to the Financial Statements as at December 31, 2022 (cont.)

#### Note 7 - Dividend distribution (cont.)

For the “Class I-EUR” of the Sub-Fund SOLYS - EUROPE HORIZON which pay monthly dividends, the following dividends were paid:

Month	Record date	Ex-date	Payment date
October	30-Sept-22	3-Oct-22	6-Oct-22
November	31-Oct-22	2-Nov-22	7-Nov-22
December	30-Nov-22	1-Dec-22	6-Dec-22

For the “Class I-EUR” of the Sub-Fund SOLYS - LFDE TRANSATLANTIC which pay monthly dividends, the following dividends were paid:

Month	Record date	Ex-date	Payment date
December	30-Nov-22	1-Dec-22	6-Dec-22

For the “Class I” of the Sub-Fund SOLYS - EUROPE EVOLUTION which pay monthly dividends, the following dividends were paid:

Month	Record date	Ex-date	Payment date
January	30-Dec-21	4-Jan-22	7-Jan-22
February	31-Jan-22	1-Feb-22	4-Feb-22
March	28-Feb-22	1-Mar-22	4-Mar-22
April	31-Mar-22	1-Apr-22	6-Apr-22
May	29-Apr-22	3-May-22	6-May-22
June	31-May-22	1-Jun-22	7-Jun-22
July	30-June-22	1-Jul-22	6-Jul-22
August	29-Jul-22	2-Aug-22	5-Aug-22
September	31-Aug-22	1-Sept-22	6-Sept-22
October	30-Sept-22	3-Oct-22	6-Oct-22
November	30-Oct-22	2-Nov-22	7-Nov-22
December	30-Nov-22	1-Dec-22	6-Dec-22

- Monthly amount:

Sub-fund	Share Class	Currency	Amount of the interim dividend per Share
SOLYS - EURO EVOLUTION	Class I-EUR	EUR	0.4166
SOLYS - EUROPE EVOLUTION	Class I	EUR	0.4166
SOLYS - GLOBAL EVOLUTION	Class I-EUR	EUR	0.4166
SOLYS - QUADRANT EUROPE	Class I-EUR	EUR	0.4166
SOLYS - LFDE INTERNATIONAL SELECTION <sup>(a)</sup>	Class I-EUR	EUR	0.4166
SOLYS - GLOBAL HORIZON <sup>(b)</sup>	Class I-EUR	EUR	0.4166
SOLYS - EUROPE HORIZON <sup>(c)</sup>	Class I-EUR	EUR	0.4166
SOLYS - LFDE TRANSATLANTIC <sup>(d)</sup>	Class I-EUR	EUR	0.4166

(a) Since February 2022

(b) Since July 2022

(c) Since October 2022

(d) Since December 2022

# SOLYS

## Société d'investissement à capital variable

### Notes to the Financial Statements as at December 31, 2022 (cont.)

#### Note 8 - Swaps

The Company had the following Swap contracts outstanding as at December 31, 2022:

#### SOLYS - EURO EVOLUTION

Notional	Underlying	Currency	Maturity	Market Value (expressed in EUR)
64 140 345	Sustainable Equity Europe Lyxor Strategy (SGMDTVOL)	EUR	8-Aug-34	51 030 095
	Basket of securities	EUR	8-Aug-34	-
				<hr/> <b>51 030 095</b>

The counterparty of the Swap contracts is Société Générale Investment Bank (FR).

#### SOLYS - EUROPE EVOLUTION

Notional	Underlying	Currency	Maturity	Market Value (expressed in EUR)
50 000 010	Europe Evolution Strategy (SGMDTEOL)	EUR	6-Jul-34	56 117 859
	Basket of securities	EUR	6-Jul-34	-
				<hr/> <b>56 117 859</b>

The counterparty of the Swap contracts is Société Générale Investment Bank (FR).

#### SOLYS - GLOBAL EVOLUTION

Notional	Underlying	Currency	Maturity	Market Value (expressed in EUR)
50 000 050	Global Evolution Strategy (SGMDTGOL)	EUR	10-Feb-35	54 610 685
	Basket of securities	EUR	10-Feb-35	-
				<hr/> <b>54 610 685</b>

The counterparty of the Swap contracts is Société Générale Paris (FR).

#### SOLYS - QUADRANT EUROPE

Notional	Underlying	Currency	Maturity	Market Value (expressed in EUR)
50 000 011	Quadrant Europe Strategy (SGMDTQAD)	EUR	27-Aug-35	37 194 880
	Basket of securities	EUR	27-Aug-35	-
				<hr/> <b>37 194 880</b>

The counterparty of the Swap contracts is Société Générale Investment Bank (FR).

## SOLYS

### Société d'investissement à capital variable

#### Notes to the Financial Statements as at December 31, 2022 (cont.)

##### Note 8 - Swaps (cont.)

##### SOLYS - LFDE INTERNATIONAL SELECTION

Notional	Underlying	Currency	Maturity	Market Value (expressed in EUR)
19 183 708	International Selection Strategy (SGMDTLIS)	EUR	28-Jan-37	16 325 599
	Basket of securities	EUR	28-Jan-37	-
				<b>16 325 599</b>

The counterparty of the Swap contracts is Société Générale Investment Bank (FR).

##### SOLYS - GLOBAL HORIZON

Notional	Underlying	Currency	Maturity	Market Value (expressed in EUR)
20 000 064	Global Horizon Strategy (SGMDTORZ)	EUR	30-Jun-37	20 333 673
	Basket of securities	EUR	30-Jun-37	-
				<b>20 333 673</b>

The counterparty of the Swap contracts is Société Générale Investment Bank (FR).

##### SOLYS - EUROPE HORIZON

Notional	Underlying	Currency	Maturity	Market Value (expressed in EUR)
20 000 012	Europe Horizon Strategy (SGMDTORE)	EUR	07-Sept-37	19 848 469
	Basket of securities	EUR	07-Sept-37	-
				<b>19 848 469</b>

The counterparty of the Swap contracts is Société Générale Investment Bank (FR).

##### SOLYS - LFDE TRANSATLANTIC

Notional	Underlying	Currency	Maturity	Market Value (expressed in EUR)
20 000 046	Transatlantic Selection Strategy (SGMDTLI2)	EUR	18-Nov-37	19 593 473
	Basket of securities	EUR	18-Nov-37	-
				<b>19 593 473</b>

The counterparty of the Swap contracts is Société Générale Paris (FR).

# SOLYS

## Société d'investissement à capital variable

### Notes to the Financial Statements as at December 31, 2022 (cont.)

#### Note 9 - Collateral

The counterparties of the collateral are Société Générale Investment Bank and Société Générale (FR).

As at December 31, 2022, the collateral securities received for the purpose of transacting Swaps are as follows:

#### SOLYS - EURO EVOLUTION

Instrument Type	Issuer Name	Security Name	Rating*	Currency	Collateral Amount Received (in Sub-Fund Currency)
Bond	French Republic	OAT 0.00% 25/02/2026	AAu	EUR	1 628 696
Bond	French Republic	OAT 0.00% 25/11/2029	AAu	EUR	3 160 678
Bond	French Republic	OAT 0.10% 01/03/2025	AAu	EUR	3 120 609
Bond	French Republic	OAT 0.50% 25/05/2025	AAu	EUR	4 451 854
Bond	French Republic	OAT 0.50% 25/05/2029	AAu	EUR	3 454 271
Bond	French Republic	OAT 1.25% 25/05/2034	AAu	EUR	696 749
Bond	French Republic	OAT 1.50% 25/05/2050	AAu	EUR	3 670 679
Bond	French Republic	OAT 1.75% 25/06/2039	AAu	EUR	3 755 447
Bond	French Republic	OAT 2.50% 25/05/2030	AAu	EUR	3 781 100
Bond	French Republic	OAT 4.25% 25/10/2023	AAu	EUR	6 968 122
Bond	French Republic	OAT 4.75% 25/04/2035	AAu	EUR	2 098 055
Bond	French Republic	OAT 6.00% 25/10/2025	AAu	EUR	3 947 249
Bond	French Republic	OAT 3.15% 25/05/2032	AAu	EUR	645 391
Bond	French Republic	OAT 1.75% 25/05/2023	AAu	EUR	686 879
Bond	French Republic	OAT 0.00% 25/03/2023	AAu	EUR	2 772 527
Bond	French Republic	OAT 0.00% 25/03/2024	AAu	EUR	888 452
Bond	French Republic	OAT 0.10% 01/03/2029	AAu	EUR	1 285 798
Bond	French Republic	OAT 0.10% 01/03/2026	AAu	EUR	1 539 287
					<b>48 551 843</b>

\*Source: Standard & Poor's

# SOLYS

## Société d'investissement à capital variable

### Notes to the Financial Statements as at December 31, 2022 (cont.)

#### Note 9 - Collateral (cont.)

##### SOLYS - EUROPE EVOLUTION

Instrument Type	Issuer Name	Security Name	Rating*	Currency	Collateral Amount Received (in Sub-Fund Currency)
Bond	French Republic	OAT 0.00% 25/02/2024	AAu	EUR	853 758
Bond	French Republic	OAT 0.00% 25/11/2029	AAu	EUR	5 566 803
Bond	French Republic	OAT 0.50% 25/05/2025	AAu	EUR	2 287 322
Bond	French Republic	OAT 0.50% 25/05/2026	AAu	EUR	1 268 862
Bond	French Republic	OAT 1.50% 25/05/2031	AAu	EUR	8 785 495
Bond	French Republic	OAT 1.75% 25/06/2039	AAu	EUR	5 295 972
Bond	French Republic	OAT 1.75% 25/11/2024	AAu	EUR	735 480
Bond	French Republic	OAT 2.00% 25/05/2048	AAu	EUR	4 848 439
Bond	French Republic	OAT 4.00% 25/10/2038	AAu	EUR	365 782
Bond	French Republic	OAT 4.25% 25/10/2023	AAu	EUR	2 701 779
Bond	French Republic	OAT 5.50% 25/04/2029	AAu	EUR	4 683 915
Bond	French Republic	OAT 6.00% 25/10/2025	AAu	EUR	5 529 660
Bond	French Republic	OAT 1.75% 25/05/2023	AAu	EUR	4 880 667
Bond	French Republic	OAT 0.00% 25/03/2023	AAu	EUR	2 143 040
Bond	French Republic	OAT 0.00% 25/03/2024	AAu	EUR	2 530 978
					<hr/> <b>52 477 952</b>

\*Source: Standard & Poor's

# SOLYS

## Société d'investissement à capital variable

### Notes to the Financial Statements as at December 31, 2022 (cont.)

#### Note 9 - Collateral (cont.)

##### SOLYS - GLOBAL EVOLUTION

Instrument Type	Issuer Name	Security Name	Rating*	Currency	Collateral Amount Received (in Sub-Fund Currency)
Bond	French Republic	OAT 0.50% 25/05/2025	AAu	EUR	7 258 893
Bond	French Republic	OAT 0.50% 25/05/2029	AAu	EUR	2 319 396
Bond	French Republic	OAT 1.50% 25/05/2031	AAu	EUR	7 687 080
Bond	French Republic	OAT 1.50% 25/05/2050	AAu	EUR	4 925 323
Bond	French Republic	OAT 1.75% 25/06/2039	AAu	EUR	5 550 226
Bond	French Republic	OAT 1.75% 25/11/2024	AAu	EUR	577 175
Bond	French Republic	OAT 2.50% 25/05/2030	AAu	EUR	8 019 880
Bond	French Republic	OAT 4.25% 25/10/2023	AAu	EUR	10 508 280
Bond	French Republic	OAT 4.75% 25/04/2035	AAu	EUR	4 087 570
Bond	French Republic	OAT 5.75% 25/10/2032	AAu	EUR	715 015
Bond	French Republic	OAT 6.00% 25/10/2025	AAu	EUR	1 895 162
Bond	French Republic	OAT 0.00% 25/03/2023	AAu	EUR	1 295 768
Bond	French Republic	OAT 0.00% 25/03/2024	AAu	EUR	1 514 913
					<b>56 354 681</b>

##### SOLYS - QUADRANT EUROPE

Instrument Type	Issuer Name	Security Name	Rating*	Currency	Collateral Amount Received (in Sub-Fund Currency)
Bond	French Republic	OAT 0.50% 25/05/2025	AAu	EUR	2 355 856
Bond	French Republic	OAT 1.25% 25/05/2034	AAu	EUR	710 884
Bond	French Republic	OAT 1.50% 25/05/2031	AAu	EUR	1 086 545
Bond	French Republic	OAT 1.75% 25/06/2039	AAu	EUR	1 172 066
Bond	French Republic	OAT 1.75% 25/11/2024	AAu	EUR	2 068 783
Bond	French Republic	OAT 2.50% 25/05/2030	AAu	EUR	5 182 061
Bond	French Republic	OAT 4.25% 25/10/2023	AAu	EUR	5 536 149
Bond	French Republic	OAT 4.75% 25/04/2035	AAu	EUR	2 630 024
Bond	French Republic	OAT 6.00% 25/10/2025	AAu	EUR	4 873 431
Bond	French Republic	OAT 0.00% 25/03/2023	AAu	EUR	6 230 229
Bond	French Republic	OAT 0.75% 25/05/2052	AAu	EUR	544 318
					<b>32 390 346</b>

\*Source: Standard & Poor's

# SOLYS

## Société d'investissement à capital variable

### Notes to the Financial Statements as at December 31, 2022 (cont.)

#### Note 9 - Collateral (cont.)

##### SOLYS - LFDE INTERNATIONAL SELECTION

<b>Instrument Type</b>	<b>Issuer Name</b>	<b>Security Name</b>	<b>Rating*</b>	<b>Currency</b>	<b>Collateral Amount Received (in Sub-Fund Currency)</b>
Bond	French Republic	OAT 0.50% 25/05/2025	AAu	EUR	2 217 836
Bond	French Republic	OAT 0.50% 25/05/2029	AAu	EUR	3 351 497
Bond	French Republic	OAT 1.25% 25/05/2034	AAu	EUR	2 287 299
Bond	French Republic	OAT 1.75% 25/06/2039	AAu	EUR	2 394 150
Bond	French Republic	OAT 4.25% 25/10/2023	AAu	EUR	2 538 591
Bond	French Republic	OAT 5.75% 25/10/2032	AAu	EUR	1 910 858
					<b>14 700 231</b>

##### SOLYS - GLOBAL HORIZON

<b>Instrument Type</b>	<b>Issuer Name</b>	<b>Security Name</b>	<b>Rating*</b>	<b>Currency</b>	<b>Collateral Amount Received (in Sub-Fund Currency)</b>
Bond	French Republic	OAT 0.50% 25/05/2025	AAu	EUR	3 181 120
Bond	French Republic	OAT 1.50% 25/05/2031	AAu	EUR	3 191 156
Bond	French Republic	OAT 2.50% 25/05/2030	AAu	EUR	3 420 140
Bond	French Republic	OAT 4.25% 25/10/2023	AAu	EUR	3 180 124
Bond	French Republic	OAT 0.00% 25/03/2023	AAu	EUR	3 731 176
Bond	French Republic	OAT 1.25% 25/05/2036	AAu	EUR	4 189 668
					<b>20 893 384</b>

##### SOLYS - EUROPE HORIZON

<b>Instrument Type</b>	<b>Issuer Name</b>	<b>Security Name</b>	<b>Rating*</b>	<b>Currency</b>	<b>Collateral Amount Received (in Sub-Fund Currency)</b>
Bond	French Republic	OAT 0.00% 25/02/2024	AAu	EUR	3 415 033
Bond	French Republic	OAT 0.50% 25/05/2029	AAu	EUR	2 706 978
Bond	French Republic	OAT 2.50% 25/05/2030	AAu	EUR	2 790 954
Bond	French Republic	OAT 3.50% 25/04/2026	AAu	EUR	705 260
Bond	French Republic	OAT 1.75% 25/05/2023	AAu	EUR	3 402 166
Bond	French Republic	OAT 0.00% 25/03/2024	AAu	EUR	1 063 436
Bond	French Republic	OAT 0.75% 25/05/2052	AAu	EUR	2 703 872
					<b>16 787 699</b>

\*Source: Standard & Poor's

# SOLYS

## Société d'investissement à capital variable

### Notes to the Financial Statements as at December 31, 2022 (cont.)

#### Note 9 - Collateral (cont.)

##### SOLYS - LFDE TRANSATLANTIC

Instrument Type	Issuer Name	Security Name	Rating*	Currency	Collateral Amount Received (in Sub-Fund Currency)
Bond	French Republic	OAT 0.00% 25/02/2024	AAu	EUR	4 056 804
Bond	French Republic	OAT 2.00% 25/05/2048	AAu	EUR	3 866 813
Bond	French Republic	OAT 2.50% 25/05/2030	AAu	EUR	554 402
Bond	French Republic	OAT 5.50% 25/04/2029	AAu	EUR	1 017 256
Bond	French Republic	OAT 0.00% 25/03/2023	AAu	EUR	4 018 572
Bond	French Republic	OAT 0.75% 25/05/2052	AAu	EUR	3 270 893
Bond	French Republic	OAT 1.25% 25/05/2036	AAu	EUR	3 763 911
					<b>20 548 651</b>

#### Note 10 - Operating and management expenses (TER)

These expenses cover all the fees charged directly to the Company.

The effective expenses rates for the year as from January 1, 2022 to December 31, 2022 are the following:

Sub-Funds	Share Class	Currency	Total Rate	Global administration and management fees	Other fees <sup>(a)</sup>
SOLYS - EURO EVOLUTION	Class I-EUR	EUR	0.21%	0.20%	0.01% <sup>(b)</sup>
SOLYS - EUROPE EVOLUTION	Class I	EUR	0.26%	0.21%	0.05%
SOLYS - GLOBAL EVOLUTION	Class I-EUR	EUR	0.26%	0.21%	0.05%
SOLYS - QUADRANT EUROPE	Class I-EUR	EUR	0.50%	0.45%	0.05%
SOLYS - LFDE INTERNATIONAL SELECTION	Class I-EUR	EUR	0.87% <sup>(c)</sup>	0.85% <sup>(c)</sup>	0.05% <sup>(c)</sup>
SOLYS - GLOBAL HORIZON	Class I-EUR	EUR	0.50% <sup>(c)</sup>	0.45% <sup>(c)</sup>	0.05% <sup>(c)</sup>
SOLYS - EUROPE HORIZON	Class I-EUR	EUR	0.52% <sup>(c)</sup>	0.45% <sup>(c)</sup>	0.05% <sup>(c)</sup>
SOLYS - LFDE TRANSATLANTIC	Class I-EUR	EUR	1.01% <sup>(c)</sup>	0.93% <sup>(c)</sup>	0.05% <sup>(c)</sup>

<sup>(a)</sup> Other fees include transaction fees and Taxe d'abonnement

<sup>(b)</sup> The 0.04% increase on the subscription tax corresponds to a retrocession (Rebates) on the management fees. This increase was sponsored by the management company which generates a remainder of 0.01%.

<sup>(c)</sup> Annualised TER

\*Source: Standard & Poor's

# **SOLYS**

## **Société d'investissement à capital variable**

### **Notes to the Financial Statements as at December 31, 2022 (cont.)**

#### **Note 11 - Related parties**

From January 1, 2022 to December 31, 2022, the Sub-Funds invested part of their assets in the shares/units of other UCIs promoted by SG 29 Haussmann. No subscription nor redemption fees have been charged to the Company. However the Company is subject to duplication of management fees and other fees.

When a Sub-Fund invests in the units/shares of other UCITS and/or other UCIs that are managed, directly or by delegation, by the Management Company or by any other company with which the Management Company is linked by common management or control, or by a substantial direct or indirect holding which exceeds 10% of the capital or management rights, the Management Company or other company may not charge subscription or redemption fees on account of such Sub-Fund's investment in the units/shares of such other UCITS and/or UCIs.

The total management fee charged to such Sub-Fund and each of the UCITS or other UCIs concerned shall not exceed 4% of the relevant Net Assets under management. The Company indicates in its annual report, including audited financial statements, the total management fees charged both to the relevant Sub-Fund and to the UCITS and other UCIs in which such Sub-Fund has invested during the relevant year.

#### **Note 12 - Significant event**

In February 2022, a number of countries (including the US, UK and EU) imposed sanctions against certain entities and individuals in Russia as a result of the official recognition of the Donetsk People Republic and Lugansk People Republic by the Russian Federation. Announcements of potential additional sanctions have been made following military operations initiated by Russia against the Ukraine on February 24, 2022. The situation, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates, and the potential to adversely impact global economies, has driven a sharp increase in volatility across markets. The Board of Directors of the Company regards these events for the Company as non-adjusting events after the reporting period. Although neither the Company's performance and going concern nor operations, at the date of this report, have been significantly impacted by the above, the Board of Directors of the Company continues to monitor the evolving situation and its impact on the financial position of the Company.

#### **Note 13 - Subsequent events**

The Sub-Funds SOLYS - ZEPHIR EUROPE and SOLYS - CARMIGNAC EQUITY SELECTION will be launched in January 2023.

The Sub-Fund SOLYS - TOCQUEVILLE ACTION EVOLUTION will be launched in February 2023.

The Sub-Fund SOLYS - COMPASS TRANSATLANTIC will be launched in March 2023.

# SOLYS

## Société d'investissement à capital variable

### Other Unaudited Information

#### 1 Remuneration of the members of the Management Company

##### Compensation policy and practices

The remuneration paid by SG 29 Haussmann consists of fixed remuneration and may, if economic conditions permit, include a variable component in the form of a discretionary bonus. These bonuses are not linked to the performance of the vehicles managed (no profit-sharing on capital gains).

SG 29 Haussmann applies the remuneration policy of the Societe Generale Group. This Group policy incorporates many of the principles set out in Annex II of the UCITS Directive, which are common to the prudential rules already applicable at consolidated Group level (see Report on Remuneration Policies and Practices of the Societe Generale Group). In addition, in 2014, SG 29 Haussmann made adjustments to this policy in order to comply with the rules specific to the UCITS Directive specific to the sector of alternative management fund managers, notably by setting up an indexing mechanism (basket of 4 funds representing the activity of SG29 Haussmann) for all employees who receive deferred remuneration in order to ensure alignment of the interests of employees with those of investors.

Thus, the variable remuneration of SG 29 Haussmann employees covered by the UCITS Directive is subject to the following provisions and conditions:

- A deferred acquisition up to 40% minimum, with a deferred payment spread over 3 years prorata temporis,
- A payment of 50% of the total variable remuneration (acquired and unearned) in the form of financial instruments or equivalent,
- An acquisition of the unit not acquired subject to compliance with conditions of presence and performance adjusted for the entity's risks.

SG 29 Haussmann's remuneration policy does not affect the risk profile of the UCITS and covers all conflicts of interest related to the financial management of vehicles.

SG 29 Haussmann	Amount of fixed remuneration (EUR)	Amount of variable remuneration (EUR)	Aggregate Remuneration (Fixed and Variable) (EUR)
Employees impacting the risk profile	6 073 053	2 590 000	8 663 053

This information is available on our website at: <https://sg29haussmann.societegenerale.fr>.

#### 2 Global Risk Management

In terms of risk management, the commitment approach is used in order to determine the global risk for all Sub-Funds of the Company.

# SOLYS

## Société d'investissement à capital variable

### Other Unaudited Information (cont.)

#### 3 SFT Regulation

During the year ending December 31, 2022, the Company entered into Total Return Swaps contracts as type of instrument under the scope of the Regulation (EU) 2015/2365 of the European Parliament and of the Council of November 2015 on transparency of SFTR and amending Regulation (EU) No 648/2012.

	SOLYS - EURO EVOLUTION	SOLYS - EUROPE EVOLUTION	SOLYS - GLOBAL EVOLUTION	SOLYS - QUADRANT EUROPE
<b>Amount of Total Return Swaps expressed in absolute amount (in the currency of the Sub-Fund)</b>	51 030 095	56 117 859	54 610 685	37 194 880
Proportion of the AUM	100.05%	100.06%	100.06%	100.12%
<b>Maturity tenor of the Total Return Swaps broken down in the following maturity buckets (in the currency of the Sub-Fund)</b>				
Less than one year	51 030 095	-	-	-
Above one year	-	56 117 859	54 610 685	37 194 880
Open maturity	-	-	-	-
<b>Total</b>	<b>51 030 095</b>	<b>56 117 859</b>	<b>54 610 685</b>	<b>37 194 880</b>
<b>Counterparty</b>				
Name of counterparty, Country of domicile of the counterparty and Gross volume of outstanding transactions	see note 8	see note 8	see note 8	see note 8
<b>Data of collateral (in the currency of the Sub-Fund)</b>				
<i>Type of collateral:</i>				
Cash	-	-	-	-
Securities	see note 9	see note 9	see note 9	see note 9
<i>Quality of collateral (rating):</i>				
	-	-	-	-
	SOLYS - LFDE INTERNATIONAL SELECTION	SOLYS - GLOBAL HORIZON	SOLYS - EUROPE HORIZON	SOLYS - LFDE TRANSATLANTIC
<b>Amount of Total Return Swaps expressed in absolute amount (in the currency of the Sub-Fund)</b>	16 325 599	20 333 673	19 848 469	19 593 473
Proportion of the AUM	100.21%	100.12%	100.12%	100.12%
<b>Maturity tenor of the Total Return Swaps broken down in the following maturity buckets (in the currency of the Sub-Fund)</b>				
Less than one year	-	-	-	-
Above one year	16 325 599	20 333 673	19 848 469	19 593 473
Open maturity	-	-	-	-
<b>Total</b>	<b>16 325 599</b>	<b>20 333 673</b>	<b>19 848 469</b>	<b>19 593 473</b>
<b>Counterparty</b>				
Name of counterparty, Country of domicile of the counterparty and Gross volume of outstanding transactions	see note 8	see note 8	see note 8	see note 8
<b>Data of collateral (in the currency of the Sub-Fund)</b>				
<i>Type of collateral:</i>				
Cash	-	-	-	-
Securities	see note 9	see note 9	see note 9	see note 9
<i>Quality of collateral (rating):</i>				
	-	-	-	-

# SOLYS

## Société d'investissement à capital variable

### Other Unaudited Information (cont.)

	SOLYS - EURO EVOLUTION	SOLYS - EUROPE EVOLUTION	SOLYS - GLOBAL EVOLUTION	SOLYS - QUADRANT EUROPE
<b>Safekeeping of collateral received by the Fund as part of total return swaps</b>				
Less than one year	see note 9	-	-	-
Above one year	-	see note 9	see note 9	see note 9
Open maturity	-	-	-	-
Total	see note 9	see note 9	see note 9	see note 9

<b>Safekeeping of collateral received by the Fund as part of total return swaps</b>				
Name of custodian	Société Générale Investment Bank	Société Générale Investment Bank	Société Générale Paris	Société Générale Investment Bank
Cash	-	-	-	-
Securities	see note 9	see note 9	see note 9	see note 9
Proportion of collateral granted	-	-	-	-

	SOLYS - LFDE INTERNATIONAL SELECTION	SOLYS - GLOBAL HORIZON	SOLYS - EUROPE HORIZON	SOLYS - LFDE TRANSATLANTIC
<b>Safekeeping of collateral received by the Fund as part of total return swaps</b>				
Less than one year	see note 9	-	-	-
Above one year	-	see note 9	see note 9	see note 9
Open maturity	-	-	-	-
Total	see note 9	see note 9	see note 9	see note 9

<b>Safekeeping of collateral received by the Fund as part of total return swaps</b>				
Name of custodian	Société Générale Investment Bank	Société Générale Investment Bank	Société Générale Investment Bank	Société Générale Paris
Cash	-	-	-	-
Securities	see note 9	see note 9	see note 9	see note 9
Proportion of collateral granted	-	-	-	-

Returns and costs incurred from Total Return Swaps transactions during the year ended December 31, 2022, are included in the valuation of the Swaps. All transactions are bilateral transactions. The collateral on Total Return Swaps is not reused.

# SOLYS

## Société d'investissement à capital variable

### Other Unaudited Information (cont.)

#### 10 largest collateral issuers across all SFTs and Total Return Swaps

Sub-Fund	Currency	Issuer Name	Security Name	Volumes of the collateral securities and commodities received
SOLYS - EURO EVOLUTION	EUR	French Republic	OAT 4.25% 25/10/2023	6 968 122
		French Republic	OAT 0.50% 25/05/2025	4 451 854
		French Republic	OAT 6.00% 25/10/2025	3 947 249
		French Republic	OAT 2.50% 25/05/2030	3 781 100
		French Republic	OAT 1.75% 25/06/2039	3 755 447
		French Republic	OAT 1.50% 25/05/2050	3 670 679
		French Republic	OAT 0.50% 25/05/2029	3 454 271
		French Republic	OAT 0.00% 25/11/2029	3 160 678
		French Republic	OAT 0.10% 01/03/2025	3 120 609
		French Republic	OAT 0.00% 25/03/2023	2 772 527
SOLYS - EUROPE EVOLUTION	EUR	French Republic	OAT 1.50% 25/05/2031	8 785 495
		French Republic	OAT 0.00% 25/11/2029	5 566 803
		French Republic	OAT 6.00% 25/10/2025	5 529 660
		French Republic	OAT 1.75% 25/06/2039	5 295 972
		French Republic	OAT 1.75% 25/05/2023	4 880 667
		French Republic	OAT 2.00% 25/05/2048	4 848 439
		French Republic	OAT 5.50% 25/04/2029	4 683 915
		French Republic	OAT 4.25% 25/10/2023	2 701 779
		French Republic	OAT 0.00% 25/03/2024	2 530 978
		French Republic	OAT 0.50% 25/05/2025	2 287 322
SOLYS - GLOBAL EVOLUTION	EUR	French Republic	OAT 4.25% 25/10/2023	10 508 280
		French Republic	OAT 2.50% 25/05/2030	8 019 880
		French Republic	OAT 1.50% 25/05/2031	7 687 080
		French Republic	OAT 0.50% 25/05/2025	7 258 893
		French Republic	OAT 1.75% 25/06/2039	5 550 226
		French Republic	OAT 1.50% 25/05/2050	4 925 323
		French Republic	OAT 4.75% 25/04/2035	4 087 570
		French Republic	OAT 0.50% 25/05/2029	2 319 396
		French Republic	OAT 6.00% 25/10/2025	1 895 162
		French Republic	OAT 0.00% 25/03/2024	1 514 913
SOLYS - QUADRANT EUROPE	EUR	French Republic	OAT 0.00% 25/03/2023	6 230 229
		French Republic	OAT 4.25% 25/10/2023	5 536 149
		French Republic	OAT 2.50% 25/05/2030	5 182 061
		French Republic	OAT 6.00% 25/10/2025	4 873 431
		French Republic	OAT 4.75% 25/04/2035	2 630 024
		French Republic	OAT 0.50% 25/05/2025	2 355 856
		French Republic	OAT 1.75% 25/11/2024	2 068 783
		French Republic	OAT 1.75% 25/06/2039	1 172 066
		French Republic	OAT 1.50% 25/05/2031	1 086 545

# SOLYS

## Société d'investissement à capital variable

### Other Unaudited Information (cont.)

Sub-Fund	Currency	Issuer Name	Security Name	Volumes of the collateral securities and commodities received
		French Republic	OAT 1.25% 25/05/2034	710 884
SOLYS - LFDE INTERNATIONAL SELECTION	EUR	French Republic	OAT 0.50% 25/05/2029	3 351 497
		French Republic	OAT 4.25% 25/10/2023	2 538 591
		French Republic	OAT 1.75% 25/06/2039	2 394 150
		French Republic	OAT 1.25% 25/05/2034	2 287 299
		French Republic	OAT 0.50% 25/05/2025	2 217 836
		French Republic	OAT 5.75% 25/10/2032	1 910 858
SOLYS - GLOBAL HORIZON	EUR	French Republic	OAT 1.25% 25/05/2036	4 189 668
		French Republic	OAT 0.00% 25/03/2023	3 731 176
		French Republic	OAT 2.50% 25/05/2030	3 420 140
		French Republic	OAT 1.50% 25/05/2031	3 191 156
		French Republic	OAT 0.50% 25/05/2025	3 181 120
		French Republic	OAT 4.25% 25/10/2023	3 180 124
SOLYS - EUROPE HORIZON	EUR	French Republic	OAT 0.00% 25/02/2024	3 415 033
		French Republic	OAT 1.75% 25/05/2023	3 402 166
		French Republic	OAT 2.50% 25/05/2030	2 790 954
		French Republic	OAT 0.50% 25/05/2029	2 706 978
		French Republic	OAT 0.75% 25/05/2052	2 703 872
		French Republic	OAT 0.00% 25/03/2024	1 063 436
		French Republic	OAT 3.50% 25/04/2026	705 260
SOLYS - LFDE TRANSATLANTIC	EUR	French Republic	OAT 0.00% 25/02/2024	4 056 804
		French Republic	OAT 0.00% 25/03/2023	4 018 572
		French Republic	OAT 2.00% 25/05/2048	3 866 813
		French Republic	OAT 1.25% 25/05/2036	3 763 911
		French Republic	OAT 0.75% 25/05/2052	3 270 893
		French Republic	OAT 5.50% 25/04/2029	1 017 256
		French Republic	OAT 2.50% 25/05/2030	554 402



Brussels, 6.4.2022  
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ANNEX 4

**ANNEX**

*to the*

**Commission Delegated Regulation (EU) .../...**

**supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports**

ANNEX IV

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

Product name: SOLYS – EURO EVOLUTION

Legal entity identifier: 549300VGM7Y5Z1ISO015

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of <u>67</u> % of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul>
<input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ___%	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund promoted environmental and social characteristics through its integration of extra-financial criteria in the investment process and by exclusions of certain sectors or activities, that do not respect certain norms or values.

Over the year 2022 the sub-fund's average exposure to its ESG-scored equity portfolio was of 82.78%. Investment decisions are based on the approach combining fundamental financial analysis and extra-financial analysis through the integration of ESG criteria (Environment, Social, Governance).

Depending on the sector of activity and geographical presence, every issuer is exposed to different material extra-financial risks. Our key ESG analysis looks at the capacity of management of the issuer to manage its principal material risks and opportunities arising from environmental issues (such as carbon emissions, water stress), social aspects (such as work safety, staff rotation), or governance

**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 lay down 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.

practices (board and accounting). For the purpose of evaluation of ESG risk management of issuers, the Sub-Fund uses data provider MSCI and its ESG ratings. The Sub-Fund did not invest in the issuers evaluated as laggards, with the ratings CCC. And in addition the issuers that were part of the 20% worst ESG-scores were excluded.

Through its integration of ESG criteria, the Sub-Fund promotes environmental characteristics such as development of sustainable impact revenues, engagement towards Paris agreement, targeted reduction of CO2 emissions.

The Sub-Fund is promoting the alignment with the 17 Sustainable Development goals through the sustainable investments.

Through its normative exclusions, the Sub-Fund promotes the respect of certain norms and values, by excluding companies with very severe level of social or environmental controversies or involved in controversial weapons. For some other controversial activities, such as tobacco, coal or defense, the Sub-Fund applies maximum revenue percentage thresholds.

During the calendar year 2022, the sub-fund promoted environmental and social characteristics as described above.

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

- Score ESG: 8,43
- % selectivity consistently applied: 20%
- % exposure to red controversy issuers: 0%

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

N/A

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

To identify the positive contribution to an environmental and/or social objective, the Investment Manager implements the framework of the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 with a target date for delivery of 2030 and the European Taxonomy.

The 17 SDGs aim to foster collaboration within private and public entities to address the global challenges such as poverty, climate change, inequality, or peace and justice. In order to identify the contribution, positive or negative, to an SDG, the issuer is assessed in terms of his operational and product alignment towards each of the 17 SDGs. Every company may contribute to the goals in a variety of ways (positively and negatively) and across several goals. The operational alignment assesses the extent to which an issuer addresses a specific SDG via its internal policies and practices, targets, performance metrics. The product alignment assesses the net impact of issuer's products or services to achieve a specific SDG. The data provider MSCI has been selected to measure this companies' alignment with the SDGs.

Every investment can be considered as sustainable or not sustainable. In order that investment would be considered as sustainable, it must be aligned to at least one SDG without being misaligned to any other SDG, while respecting all the principles of our ESG policy.

In addition, the Investment Manager takes into account the alignment of companies with the first 2 environmental objectives of the European Taxonomy (Mitigation of climate change and adaptation to climate change).

As of 30/12/2022, the Sub-fund had 67% of sustainable investments.

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

The Sub-Fund integrates environmental, social and good governance criteria into its investment policy and decisions through sectoral and normative exclusions as well as ESG inclusion described in the first part. Through this, the Sub-Fund ensures that the investments made do not cause significant harm to any of the environmental or social sustainable investment objectives and that the companies benefiting from these investments apply good governance.

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

- Exclusion policy

In accordance with the Management Company's investment policy, the Sub-Fund excludes from the investment universe companies that have significantly and repeatedly transgressed one of the 10 United Nations Global Compact principles, or have controversial activities such as thermal coal, controversial weapons etc. or are involved in one or more recent very severe controversies under the MSCI nomenclature (red flag).

- ESG Integration policy

The MSCI rating takes into account the set of PAI (Environmental and Social) indicators. For each company, the ESG rating methodology aims to assess the main key factors in each of the three ESG pillars, taking into account both universal issues and specific issues that may have a financial impact on the company's performance. Each issue is considered from two main angles: the risks they represent for the company's activity but also the development opportunities that taking them into account can bring.

The Sub-Fund follows a Best-in-Universe approach by investing in issuers whose ESG rating is greater than or equal to B (leading and average rating) on a scale of AAA to CCC (CCC being the worst).

During the year 2022, all investments respected exclusion and ESG integration policy.

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

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In accordance with the Société Générale Group's "Defense" sector policy, which meets the obligations of the Ottawa (1999) and Oslo (2008) conventions applicable to all French management companies, companies involved in activities related to prohibited or controversial weapons (anti-personnel mines, cluster bombs, depleted uranium weapons) are excluded from the Sub-Fund's investment universe.

**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.

In addition, and in accordance with the Management Company's investment policy, companies with a very severe controversy rating (red) according to the MSCI nomenclature are excluded from the investment universe. These exclusions guarantee full compliance with the OECD guidelines for multinational enterprises and the United Nations guidelines on business and human rights.

The Controversy Rating is notably a warning measure of the reputational and operational risks to which companies are exposed. A very serious controversy can potentially result in heavy financial penalties. All of these indicators are monitored periodically.

During the year 2022, no investments were rated having very severe controversies or breaching Global Compact principles

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

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

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



## How did this financial product consider principal adverse impacts on sustainability factors?

The Sub-Fund considered the following PAI in its management:

	Adverse sustainability indicator	Metric	Engagement	Exclusion	Comments
1	GHG emissions	Scope 1 GHG emissions	x	x	- Coal exclusion policy - Unconventional oil and gas" sector policy - Signature Net Zero Asset Managers
		Scope 2 GHG emissions	x	x	
		Scope 3 GHG emissions			
		Total GHG emissions	x	x	
2	Carbon footprint	Carbon footprint	x	x	
3	GHG intensity of investee companies	GHG intensity of investee companies	x	x	

4	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	x	x	
5	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources			
6	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector			
7	Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	x		'- Policy of exclusions related to deforestation - Palm Oil
8	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average			
9	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average			
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD)	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises		x	- "Controversies" Exclusions Policy

	Guidelines for Multinational Enterprises				
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises			
12	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies			
13	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members			
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investment in companies involved in the manufacture or sale of controversial weapons		x	- Controversial Defense Exclusions Policy

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 30/12/2022



### What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
ORANGE	Telecommunications	3,399%	France
Koninklijke KPN NV	Telecommunications	3,356%	Netherlands
GET SA	Transportation	3,200%	France
BOUYGUES	Engineering&Construction	3,046%	France



Henkel AG & Co KGaA	Household Products/Wares	2,960%	Germany
DANONE	Food	2,878%	France
Iberdrola SA	Electric	2,869%	Spain
EDENRED	Commercial Services	2,821%	France
Wolters Kluwer NV	Media	2,726%	Netherlands
QIAGEN NV	Healthcare-Products	2,673%	Netherlands
Kerry Group PLC/	Food	2,621%	Ireland
HEINEKEN	Beverages	2,515%	Netherlands
Red Electrica Corporacion SA	Electric	2,477%	Spain
UPM-Kymmene Oyj	Forest Products&Paper	2,390%	Finland
Aena SME SA	Engineering&Construction	2,239%	Spain

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

The proportion of investments related to sustainability was 67%.

#### ● What was the asset allocation?

The sub-fund had a variable economic exposure (via derivatives) to an equity portfolio and, 82,78% of the equities composing the portfolio were ESG scored (#1 Aligned with E/S characteristics"). As the sub-fund was synthetic, in case of swap counterparty default, the sub-fund was exposed to government bonds as collateral.

Consequently, as a result of such variable exposure, at least 50% of the Fund's net assets were subject to an ESG analysis or rating by the Management company, under normal market circumstances.

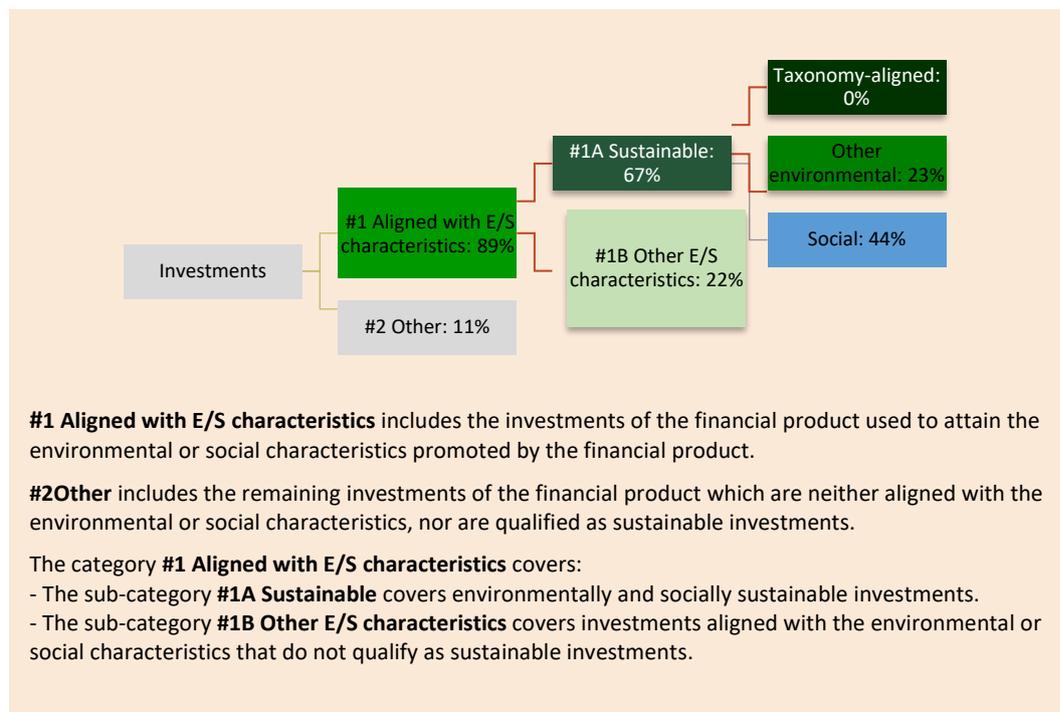
The Management Company considered as sustainable any investment in a company that had a net positive contribution to the SDGs adopted by the United Nations and/or which contributed to the following environmental objectives as set out in Article 9 of the Taxonomy Regulation, for as long as this investment did not cause material prejudice to any of these objectives (according to the approach described in question 1 above) and that the companies receiving the investments applied good governance practices.

The Management Company relied on MSCI data and methodology to measure companies' alignment with the SDGs.

The sub-fund was not authorized to invest in non-ESG rated companies, outside of securities issued by public or quasi-public issuers, cash, and cash equivalents.

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

The “#2 other” assets could consist of investments in liquidity, capital instruments, or debt, derivatives, and collective investment undertakings that did not promote environmental or social characteristics and that were used to achieve the financial objective of the sub-fund and/or for diversification and/or hedging purposes.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

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

The economic sectors of the investments made are the following (data coming directly from the swap basket):

Sector	Weight
Industrial Goods and Services	15%
Food, Beverage and Tobacco	13%
Health Care	12%
Chemicals	11%
Technology	10%
Consumer Products and Services	8%
Telecommunications	6%
Utilities	6%
Construction and Materials	4%
Energy <sup>1</sup>	4%
Personal Care, Drug and Grocery Stores	4%
Media	3%
Basic Resources	2%
Retail	2%

<sup>1</sup> The energy sector includes fossil fuel. ‘Fossil fuel’ means non-renewable carbon-based energy sources such as solid fuels, natural gas and oil



## To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

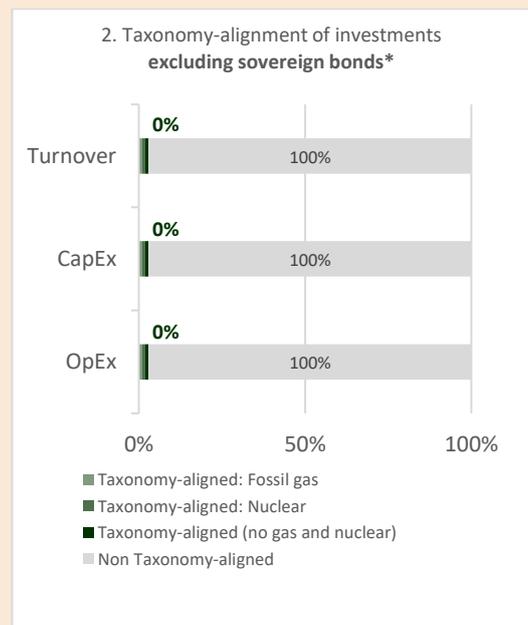
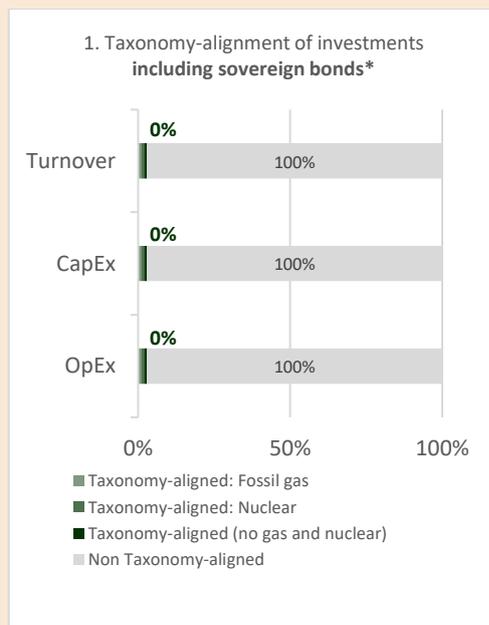
The Fund takes into account the alignment of companies with the first two environmental objectives of the European Taxonomy: mitigating climate change and adapting to climate change. As the currently available data is only approximate, the Management Company will provide investors with updated information on the degree of alignment of the Fund with sustainable environmental activities in a future version of the prospectus, following its data collection and analysis work. Therefore, for the time being, the Fund's alignment rate with the EU taxonomy corresponds to 0% of its sustainable investments.

## Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

- Yes:
- In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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



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

**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 was the share of investments made in transitional and enabling activities?***

N/A

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

N/A



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

The proportion of investments related to sustainability with an environment objectif was 23 %.



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

The proportion of investments related to sustainability with a social objectif was 44 %.



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

The "Other" assets consisted of investments in liquidity, capital instruments or debt, derivatives and collective investment undertakings that did not promote environmental or social characteristics and that were used to achieve the financial objective of the sub-fund and/or for diversification and/or hedging purposes. No minimum environmental or social safeguards were in place in relation to such assets.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The measures that had been taken to respect the environmental and/or social characteristics were as follows:

- Group Exclusion (Defence, Coal, Palm Oil, Oil & Gas, CCC rating, Red Controversy, Tobacco)
- Sectoral Exclusion (Company whose exposure exceeded 15% of turnover in the following activities: Tobacco, Gambling, Adult content, GMOs, Weapons)
- Compliance with the minimum MSCI coverage of 90% of the portfolio
- Compliance with the ESG approach:
  - o Rating improvement: the ESG rating of the portfolio > to the ESG rating of the investment universe reduced by 20% of the lowest ESG ratings"

Moreover we did not have any shareholder engagement actions.



## How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the sub-fund.

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

N/A

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

N/A

- ***How did this financial product perform compared with the reference benchmark?***

N/A

- ***How did this financial product perform compared with the broad market index?***

N/A

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



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ANNEX 4

**ANNEX**

*to the*

**Commission Delegated Regulation (EU) .../...**

**supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports**

ANNEX IV

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

Product name: SOLYS – EUROPE EVOLUTION

Legal entity identifier: 549300YEFHBUWMJ73G02

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes

It made **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 made **sustainable investments with a social objective**: \_\_\_%

No

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 57% 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 promoted E/S characteristics, but **did not make any sustainable investments**

**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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund promoted environmental and social characteristics through its integration of extra-financial criteria in the investment process and by exclusions of certain sectors or activities, that do not respect certain norms or values.

Over the year 2022 the sub-fund's average exposure to its ESG-scored equity portfolio was of 87.77%. Investment decisions are based on the approach combining fundamental financial analysis and extra-financial analysis through the integration of ESG criteria (Environment, Social, Governance).

Depending on the sector of activity and geographical presence, every issuer is exposed to different material extra-financial risks. Our key ESG analysis looks at the capacity of management of the issuer to manage its principal material risks and opportunities arising from environmental issues (such as carbon emissions, water stress), social aspects (such as work safety, staff rotation), or governance

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

practices (board and accounting). For the purpose of evaluation of ESG risk management of issuers, the Sub-Fund uses data provider MSCI and its ESG ratings. The Sub-Fund did not invest in the issuers evaluated as laggards, with the ratings CCC. And in addition the issuers that were part of the 20% worst ESG-scores were excluded.

Through its integration of ESG criteria, the Sub-Fund promotes environmental characteristics such as development of sustainable impact revenues engagement towards Paris agreement, targeted reduction of CO2 emissions.

The Sub-Fund is promoting the alignment with the 17 Sustainable Development goals through the sustainable investments.

Through its normative exclusions, the Sub-Fund promotes the respect of certain norms and values, by excluding companies with very severe level of social or environmental controversies or involved in controversial weapons. For some other controversial activities, such as tobacco, coal or defense, the Sub-Fund applies maximum revenue percentage thresholds.

During the calendar year 2022, the sub-fund promoted environmental and social characteristics as described above.

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

- Score ESG: 8,58
- % selectivity consistently applied: 20%
- % exposure to red controversy issuers: 0%

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

N/A

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

To identify the positive contribution to an environmental and/or social objective, the Investment Manager implements the framework of the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 with a target date for delivery of 2030 and the European Taxonomy.

The 17 SDGs aim to foster collaboration within private and public entities to address the global challenges such as poverty, climate change, inequality, or peace and justice. In order to identify the contribution, positive or negative, to an SDG, the issuer is assessed in terms of his operational and product alignment towards each of the 17 SDGs. Every company may contribute to the goals in a variety of ways (positively and negatively) and across several goals. The operational alignment assesses the extent to which an issuer addresses a specific SDG via its internal policies and practices, targets, performance metrics. The product alignment assesses the net impact of issuer's products or services to achieve a specific SDG. The data provider MSCI has been selected to measure this companies' alignment with the SDGs.

Every investment can be considered as sustainable or not sustainable. In order that investment would be considered as sustainable, it must be aligned to at least one SDG without being misaligned to any other SDG, while respecting all the principles of our ESG policy.

In addition, the Investment Manager takes into account the alignment of companies with the first 2 environmental objectives of the European Taxonomy (Mitigation of climate change and adaptation to climate change).

As of 30/12/2022, the Sub-fund had 57% of sustainable investments.

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

The Sub-Fund integrates environmental, social and good governance criteria into its investment policy and decisions through sectoral and normative exclusions as well as ESG inclusion described in the first part. Through this, the Sub-Fund ensures that the investments made do not cause significant harm to any of the environmental or social sustainable investment objectives and that the companies benefiting from these investments apply good governance.

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

**- Exclusion policy**

In accordance with the Management Company's investment policy, the Sub-Fund excludes from the investment universe companies that have significantly and repeatedly transgressed one of the 10 United Nations Global Compact principles, or have controversial activities such as thermal coal, controversial weapons etc. or are involved in one or more recent very severe controversies under the MSCI nomenclature (red flag).

**- ESG Integration policy**

The MSCI rating takes into account the set of PAI (Environmental and Social) indicators. For each company, the ESG rating methodology aims to assess the main key factors in each of the three ESG pillars, taking into account both universal issues and specific issues that may have a financial impact on the company's performance. Each issue is considered from two main angles: the risks they represent for the company's activity but also the development opportunities that taking them into account can bring.

The Sub-Fund follows a Best-in-Universe approach by investing in issuers whose ESG rating is greater than or equal to B (leading and average rating) on a scale of AAA to CCC (CCC being the worst).

During the year 2022, all investments respected exclusion and ESG integration policy.

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

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In accordance with the Société Générale Group's "Defense" sector policy, which meets the obligations of the Ottawa (1999) and Oslo (2008) conventions applicable to all French management companies, companies involved in activities related to prohibited or controversial weapons (anti-personnel mines, cluster bombs, depleted uranium weapons) are excluded from the Sub-Fund's investment universe.

In addition, and in accordance with the Management Company's investment policy, companies with a very severe controversy rating (red) according to the MSCI nomenclature are excluded from the investment universe. These exclusions guarantee full compliance with the OECD guidelines for multinational enterprises and the United Nations guidelines on business and human rights.

**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.

The Controversy Rating is notably a warning measure of the reputational and operational risks to which companies are exposed. A very serious controversy can potentially result in heavy financial penalties. All of these indicators are monitored periodically.

During the year 2022, no investments were rated having very severe controversies or breaching Global Compact principles.

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

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

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

### How did this financial product consider principal adverse impacts on sustainability factors?



The Sub-Fund considered the following PAI in its management:

	Adverse sustainability indicator	Metric	Engagement	Exclusion	Comments
1	GHG emissions	Scope 1 GHG emissions	x	x	<ul style="list-style-type: none"> <li>- Coal exclusion policy</li> <li>- Unconventional oil and gas" sector policy</li> <li>- Signature Net Zero Asset Managers</li> </ul>
		Scope 2 GHG emissions	x	x	
		Scope 3 GHG emissions			
		Total GHG emissions	x	x	
2	Carbon footprint	Carbon footprint	x	x	
3	GHG intensity of investee companies	GHG intensity of investee companies			
4	Exposure to companies active in the	Share of investments in companies active in the fossil fuel sector	x	x	

	fossil fuel sector				
5	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources			
6	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector			
7	Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	x		- Policy of exclusions related to deforestation: Palm Oil
8	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average			
9	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average			
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises		x	- "Controversies" Exclusions Policy

	Multinational Enterprises				
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises			
12	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies			
13	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members			
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investment in companies involved in the manufacture or sale of controversial weapons		x	- Controversial Defense Exclusions Policy

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 30/12/2022



### What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
BA.L	Aerospace/Defense	3,474%	United Kingdom
FTE_X	Telecommunications	3,399%	France
SWISSCOM	Telecommunications	3,353%	Swiss
STL.OL	Oil&Gas	3,351%	Norway



ULVR1.L	Cosmetics/Personal Care	2,626%	United Kingdom
NOVAEX	Pharmaceuticals	2,574%	Swiss
AHOLD_X	Food	2,357%	Netherlands
VOD.L	Telecommunications	2,053%	United Kingdom
EDPP.IN_X	Electric	2,033%	Portugal
RB.L	Household Products/Wares	2,029%	United Kingdom
NESTLE	Food	2,017%	Swiss
NGG.L	Electric	1,817%	United Kingdom
ESSITYB.ST	Cosmetics/Personal Care	1,735%	Sweden
TSCO.L	Food	1,721%	United Kingdom
HENKEL-VZ_X	Household Products/Wares	1,711%	Germany

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

The proportion of investments related to sustainability was 57%.

#### ● What was the *asset allocation*?

The sub-fund had a variable economic exposure (via derivatives) to an equity portfolio and, 87,77% of the equities composing the portfolio were ESG scored (#1 Aligned with E/S characteristics"). As the sub-fund was synthetic, in case of swap counterparty default, the sub-fund was exposed to government bonds as collateral.

Consequently, as a result of such variable exposure, at least 50% of the Fund's net assets were subject to an ESG analysis or rating by the Management company, under normal market circumstances.

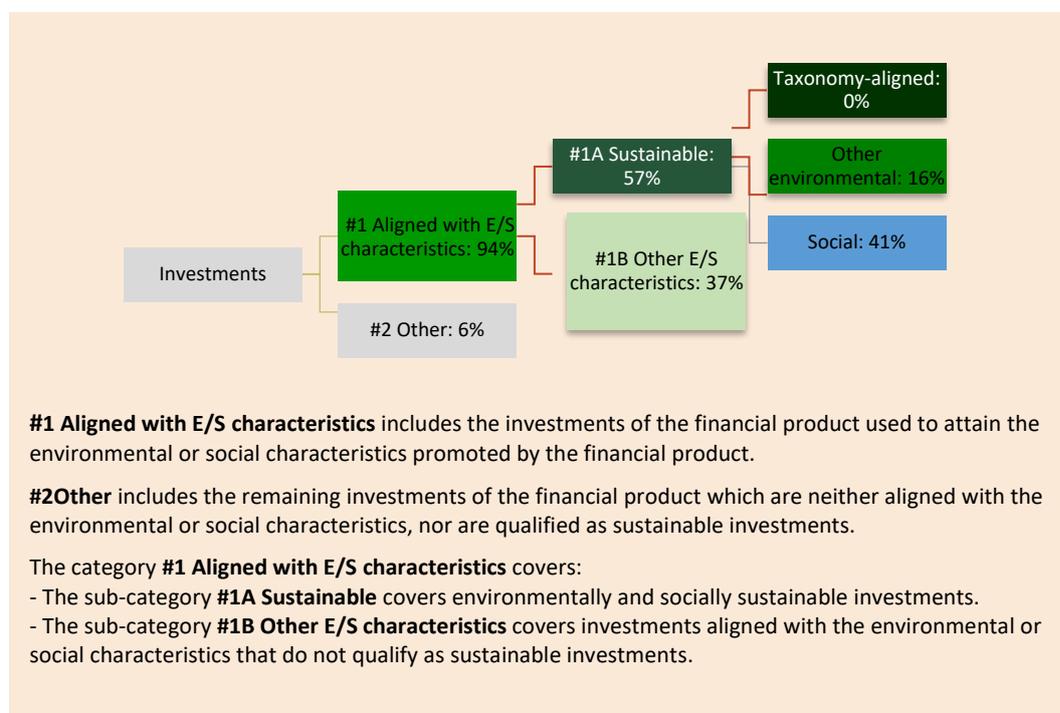
The Management Company considered as sustainable any investment in a company that had a net positive contribution to the SDGs adopted by the United Nations and/or which contributed to the following environmental objectives as set out in Article 9 of the Taxonomy Regulation, for as long as this investment did not cause material prejudice to any of these objectives (according to the approach described in question 1 above) and that the companies receiving the investments applied good governance practices.

The Management Company relied on MSCI data and methodology to measure companies' alignment with the SDGs.

The sub-fund was not authorized to invest in non-ESG rated companies, outside of securities issued by public or quasi-public issuers, cash, and cash equivalents.

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

The “#2 other” assets could consist of investments in liquidity, capital instruments, or debt, derivatives, and collective investment undertakings that did not promote environmental or social characteristics and that were used to achieve the financial objective of the sub-fund and/or for diversification and/or hedging purposes.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

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

The economic sectors of the investments made are the following (data coming directly from the swap basket):

Sector	Weight
Consumer, Non-cyclical	40.96%
Industrial	15.89%
Communications	9.14%
Basic Materials	8.64%
Utilities	8.29%
Consumer, Cyclical	7.41%
Technology	6.20%
Energy <sup>1</sup>	3.48%

<sup>1</sup> The energy sector includes fossil fuel. ‘Fossil fuel’ means non-renewable carbon-based energy sources such as solid fuels, natural gas and oil



## To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund takes into account the alignment of companies with the first two environmental objectives of the European Taxonomy: mitigating climate change and adapting to climate change. As the currently available data is only approximate, the Management Company will provide investors with updated information on the degree of alignment of the Fund with sustainable environmental activities in a future version of the prospectus, following its data collection and analysis work. Therefore, for the time being, the Fund's alignment rate with the EU taxonomy corresponds to 0% of its sustainable investments.

## Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

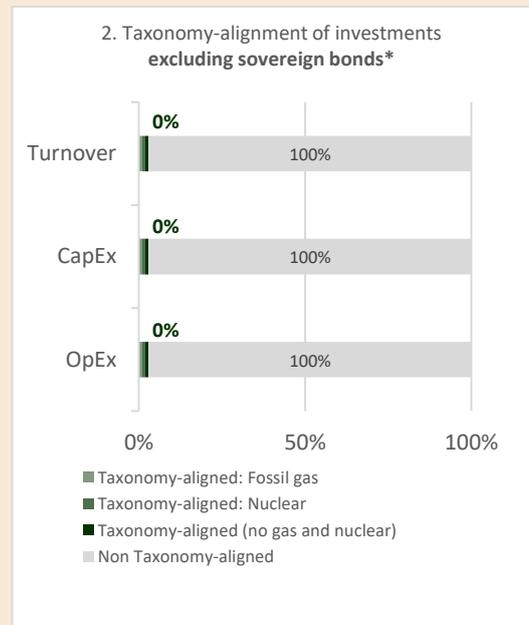
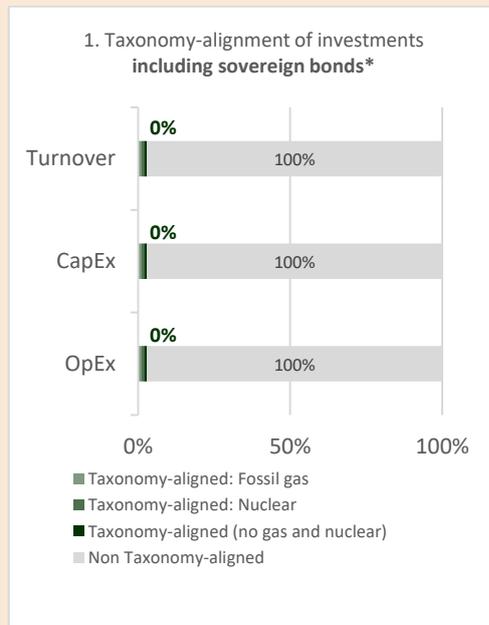
Yes:

In fossil gas     In nuclear energy

No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid

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



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

down in Commission Delegated Regulation (EU) 2022/1214.

- **What was the share of investments made in transitional and enabling activities?**

N/A

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



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

The proportion of investments related to sustainability with an environment objectif was 16%.



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

The proportion of investments related to sustainability with a social objectif was 41%.



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

The "Other" assets consisted of investments in liquidity, capital instruments or debt, derivatives and collective investment undertakings that did not promote environmental or social characteristics and that were used to achieve the financial objective of the sub-fund and/or for diversification and/or hedging purposes. No minimum environmental or social safeguards were in place in relation to such assets.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The measures that had been taken to respect the environmental and/or social characteristics were as follows:

- Group Exclusion (Defence, Coal, Palm Oil, Oil & Gas, CCC rating, Red Controversy, Tobacco)
- Sectoral Exclusion (Company whose exposure exceeded 15% of turnover in the following activities: Tobacco, Gambling, Adult content, GMOs, Weapons)
- Compliance with the minimum MSCI coverage of 90% of the portfolio
- Compliance with the ESG approach:

**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.

- o Rating improvement: the ESG rating of the portfolio > to the ESG rating of the investment universe reduced by 20% of the lowest ESG ratings"

Moreover we did not have any shareholder engagement actions.



## How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the sub-fund.

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

N/A

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

N/A

- ***How did this financial product perform compared with the reference benchmark?***

N/A

- ***How did this financial product perform compared with the broad market index?***

N/A

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



Brussels, 6.4.2022  
C(2022) 1931 final

ANNEX 4

## ANNEX

*to the*

**Commission Delegated Regulation (EU) .../...**

**supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports**

ANNEX IV

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

Product name: SOLYS – GLOBAL EVOLUTION

Legal entity identifier: 549300W1LXPJJW4BC252

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes

No

It made **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 made **sustainable investments with a social objective:** \_\_\_%

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 62% 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 promoted E/S characteristics, but **did not make any sustainable investments**

**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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund promoted environmental and social characteristics through its integration of extra-financial criteria in the investment process and by exclusions of certain sectors or activities, that do not respect certain norms or values.

Over the year 2022 the sub-fund's average exposure to its ESG-scored equity portfolio was of 90.58%. Investment decisions are based on the approach combining fundamental financial analysis and extra-financial analysis through the integration of ESG criteria (Environment, Social, Governance).

Depending on the sector of activity and geographical presence, every issuer is exposed to different material extra-financial risks. Our key ESG analysis looks at the capacity of management of the issuer to manage its principal material risks and opportunities arising from environmental issues (such as carbon emissions, water stress), social aspects (such as work safety, staff rotation), or governance

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

practices (board and accounting). For the purpose of evaluation of ESG risk management of issuers, the Sub-Fund uses data provider MSCI and its ESG ratings. The Sub-Fund did not invest in the issuers evaluated as laggards, with the ratings CCC. And in addition the issuers that were part of the 20% worst ESG-scores were excluded.

Through its integration of ESG criteria, the Sub-Fund promotes environmental characteristics such as development of sustainable impact revenues [, engagement towards Paris agreement, targeted reduction of CO2 emissions].

The Sub-Fund is promoting the alignment with the 17 Sustainable Development goals through the sustainable investments.

Through its normative exclusions, the Sub-Fund promotes the respect of certain norms and values, by excluding companies with very severe level of social or environmental controversies or involved in controversial weapons. For some other controversial activities, such as tobacco, coal or defense, the Sub-Fund applies maximum revenue percentage thresholds.

During the calendar year 2022, the sub-fund promoted environmental and social characteristics as described above.

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

- Score ESG: 8,04
- % selectivity consistently applied: 20%
- % exposure to red controversy issuers: 0%

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

N/A

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

To identify the positive contribution to an environmental and/or social objective, the Investment Manager implements the framework of the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 with a target date for delivery of 2030 and the European Taxonomy.

The 17 SDGs aim to foster collaboration within private and public entities to address the global challenges such as poverty, climate change, inequality, or peace and justice. In order to identify the contribution, positive or negative, to an SDG, the issuer is assessed in terms of his operational and product alignment towards each of the 17 SDGs. Every company may contribute to the goals in a variety of ways (positively and negatively) and across several goals. The operational alignment assesses the extent to which an issuer addresses a specific SDG via its internal policies and practices, targets, performance metrics. The product alignment assesses the net impact of issuer's products or services to achieve a specific SDG. The data provider MSCI has been selected to measure this companies' alignment with the SDGs.

Every investment can be considered as sustainable or not sustainable. In order that investment would be considered as sustainable, it must be aligned to at least one SDG without being misaligned to any other SDG, while respecting all the principles of our ESG policy.

In addition, the Investment Manager takes into account the alignment of companies with the first 2 environmental objectives of the European Taxonomy (Mitigation of climate change and adaptation to climate change).

As of 30/12/2022, the Sub-fund had 62% of sustainable investments.

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

The Sub-Fund integrates environmental, social and good governance criteria into its investment policy and decisions through sectoral and normative exclusions as well as ESG inclusion described in the first part. Through this, the Sub-Fund ensures that the investments made do not cause significant harm to any of the environmental or social sustainable investment objectives and that the companies benefiting from these investments apply good governance.

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

- Exclusion policy

In accordance with the Management Company's investment policy, the Sub-Fund excludes from the investment universe companies that have significantly and repeatedly transgressed one of the 10 United Nations Global Compact principles, or have controversial activities such as thermal coal, controversial weapons etc. or are involved in one or more recent very severe controversies under the MSCI nomenclature (red flag).

- ESG Integration policy

The MSCI rating takes into account the set of PAI (Environmental and Social) indicators. For each company, the ESG rating methodology aims to assess the main key factors in each of the three ESG pillars, taking into account both universal issues and specific issues that may have a financial impact on the company's performance. Each issue is considered from two main angles: the risks they represent for the company's activity but also the development opportunities that taking them into account can bring.

The Sub-Fund follows a Best-in-Universe approach by investing in issuers whose ESG rating is greater than or equal to B (leading and average rating) on a scale of AAA to CCC (CCC being the worst).

During the year 2022, all investments respected exclusion and ESG integration policy.

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

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In accordance with the Société Générale Group's "Defense" sector policy, which meets the obligations of the Ottawa (1999) and Oslo (2008) conventions applicable to all French management companies, companies involved in activities related to prohibited or controversial weapons (anti-personnel mines, cluster bombs, depleted uranium weapons) are excluded from the Sub-Fund's investment universe.

**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.

In addition, and in accordance with the Management Company's investment policy, companies with a very severe controversy rating (red) according to the MSCI nomenclature are excluded from the investment universe. These exclusions guarantee full compliance with the OECD guidelines for multinational enterprises and the United Nations guidelines on business and human rights.

The Controversy Rating is notably a warning measure of the reputational and operational risks to which companies are exposed. A very serious controversy can potentially result in heavy financial penalties. All of these indicators are monitored periodically.

During the year 2022, no investments were rated having very severe controversies or breaching Global Compact principles.

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

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

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



## How did this financial product consider principal adverse impacts on sustainability factors?

The Sub-Fund considered the following PAI in its management:

	<b>Adverse sustainability indicator</b>	<b>Metric</b>	<b>Engagement</b>	<b>Exclusion</b>	<b>Comments</b>
1	GHG emissions	Scope 1 GHG emissions	x	x	<ul style="list-style-type: none"> <li>- Coal exclusion policy</li> <li>- Unconventional oil and gas" sector policy</li> <li>- Signature Net Zero Asset Managers</li> </ul>
		Scope 2 GHG emissions	x	x	
		Scope 3 GHG emissions			
		Total GHG emissions	x	x	
2	Carbon footprint	Carbon footprint	x	x	
3	GHG intensity of investee companies	GHG intensity of investee companies			

4	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	x	x	
5	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources			
6	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector			
7	Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	x		'- Policy of exclusions related to deforestation: Palm Oil
8	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average			
9	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average			
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD)	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises		x	- "Controversies" Exclusions Policy

	Guidelines for Multinational Enterprises				
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises			
12	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies			
13	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members			
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investment in companies involved in the manufacture or sale of controversial weapons		x	- Controversial Defense Exclusions Policy

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 30/12/2022



### What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
Chr Hansen Holding A/S	Chemicals	0,577%	Denmark
Novo Nordisk A/S	Pharmaceuticals	0,546%	Denmark
Merck KGaA	Pharmaceuticals	0,542%	Germany
Carlsberg AS	Beverages	0,534%	Denmark



Essity AB	Cosmetics/Personal Care	0,534%	Sweden
Eurofins Scientific SE	Healthcare-Services	0,532%	France
QIAGEN NV	Healthcare-Products	0,531%	Netherlands
EDP - Energias de Portugal SA	Electric	0,526%	Portugal
STRAUMANN HOLDINGS AG	Healthcare-Products	0,524%	Swiss
BAE Systems PLC	Aerospace/Defense	0,522%	United Kingdom
Industria de Diseno Textil SA	Retail	0,522%	Spain
SMITH & NEPHEW PLC	Healthcare-Products	0,522%	United Kingdom
Iberdrola SA	Electric	0,522%	Spain
MTU Aero Engines AG	Aerospace/Defense	0,521%	Germany
Alcon Inc	Healthcare-Products	0,519%	Swiss

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

The proportion of investments related to sustainability was 62%.

### ● What was the asset allocation?

The sub-fund had a variable economic exposure (via derivatives) to an equity portfolio and, 90,58% of the equities composing the portfolio were ESG scored (#1 Aligned with E/S characteristics"). As the sub-fund was synthetic, in case of swap counterparty default, the sub-fund was exposed to government bonds as collateral.

Consequently, as a result of such variable exposure, at least 50% of the Fund's net assets were subject to an ESG analysis or rating by the Management company, under normal market circumstances.

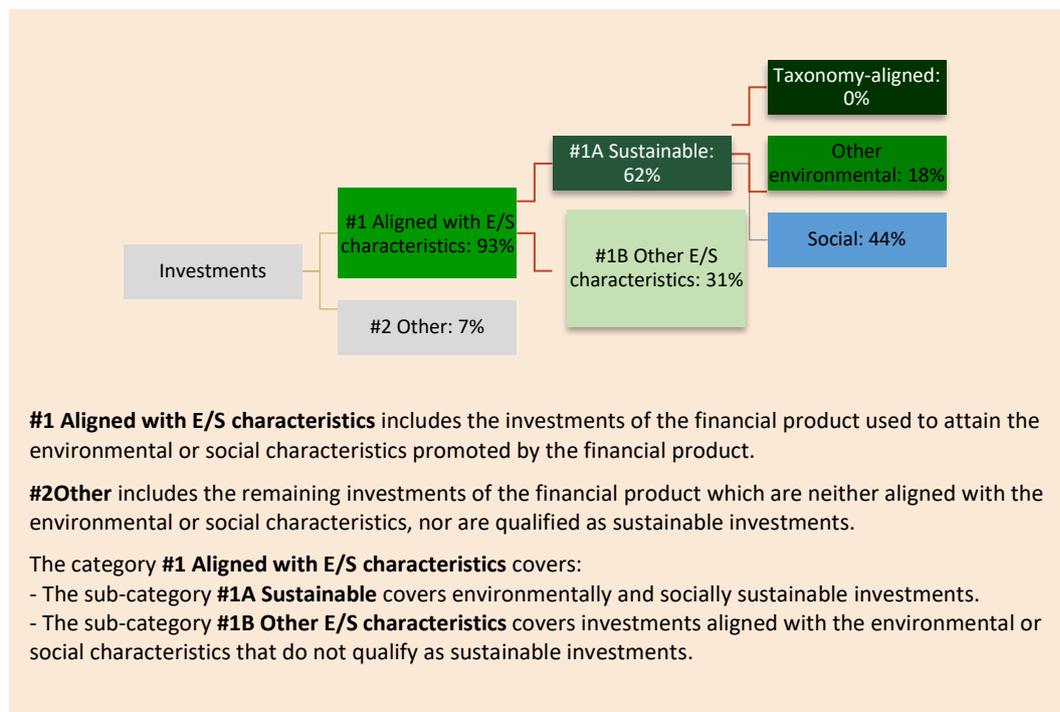
The Management Company considered as sustainable any investment in a company that had a net positive contribution to the SDGs adopted by the United Nations and/or which contributed to the following environmental objectives as set out in Article 9 of the Taxonomy Regulation, for as long as this investment did not cause material prejudice to any of these objectives (according to the approach described in question 1 above) and that the companies receiving the investments applied good governance practices.

The Management Company relied on MSCI data and methodology to measure companies' alignment with the SDGs.

The sub-fund was not authorized to invest in non-ESG rated companies, outside of securities issued by public or quasi-public issuers, cash, and cash equivalents.

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

The “#2 other” assets could consist of investments in liquidity, capital instruments, or debt, derivatives, and collective investment undertakings that did not promote environmental or social characteristics and that were used to achieve the financial objective of the sub-fund and/or for diversification and/or hedging purposes.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

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

The economic sectors of the investments made are the following (data coming directly from the swap basket):

Sector	Weight
Consumer, Non-cyclical	29.12%
Industrial	19.83%
Technology	12.14%
Consumer, Cyclical	11.21%
Utilities	8.48%
Basic Materials	7.37%
Communications	7.22%
Energy <sup>1</sup>	3.82%
Financial	0.83%

<sup>1</sup> The energy sector includes fossil fuel. ‘Fossil fuel’ means non-renewable carbon-based energy sources such as solid fuels, natural gas and oil



## To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

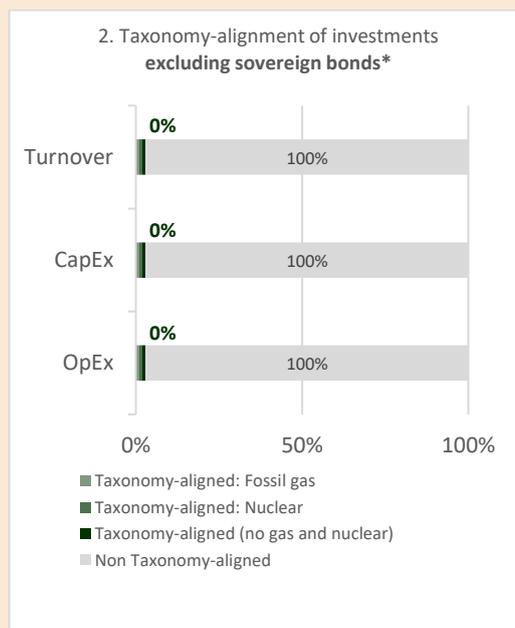
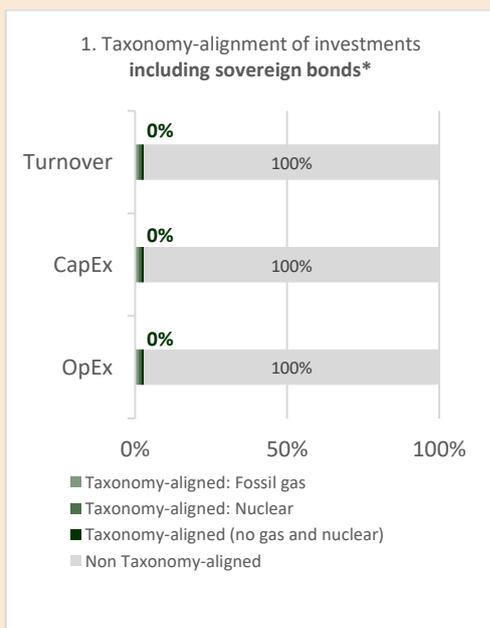
The Fund takes into account the alignment of companies with the first two environmental objectives of the European Taxonomy: mitigating climate change and adapting to climate change. As the currently available data is only approximate, the Management Company will provide investors with updated information on the degree of alignment of the Fund with sustainable environmental activities in a future version of the prospectus, following its data collection and analysis work. Therefore, for the time being, the Fund's alignment rate with the EU taxonomy corresponds to 0% of its sustainable investments.

## Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

- Yes:
- In fossil gas
  - In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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



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

● **What was the share of investments made in transitional and enabling activities?**

N/A

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



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

The proportion of investments related to sustainability with an environment objectif was 18 %.



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

The proportion of investments related to sustainability with a social objectif was 44 %.



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

The "Other" assets consisted of investments in liquidity, capital instruments or debt, derivatives and collective investment undertakings that did not promote environmental or social characteristics and that were used to achieve the financial objective of the sub-fund and/or for diversification and/or hedging purposes. No minimum environmental or social safeguards were in place in relation to such assets.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The measures that had been taken to respect the environmental and/or social characteristics were as follows:

- Group Exclusion (Defence, Coal, Palm Oil, Oil & Gas, CCC rating, Red Controversy, Tobacco)
- Sectoral Exclusion (Company whose exposure exceeded 15% of turnover in the following activities: Tobacco, Gambling, Adult content, GMOs, Weapons)
- Compliance with the minimum MSCI coverage of 90% of the portfolio
- Compliance with the ESG approach:

**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.

o Rating improvement: the ESG rating of the portfolio > to the ESG rating of the investment universe reduced by 20% of the lowest ESG ratings"

Moreover we did not have any shareholder engagement actions.

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



### How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the sub-fund.

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

N/A

● ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

N/A

● ***How did this financial product perform compared with the reference benchmark?***

N/A

● ***How did this financial product perform compared with the broad market index?***

N/A



Brussels, 6.4.2022  
C(2022) 1931 final

ANNEX 4

## ANNEX

*to the*

**Commission Delegated Regulation (EU) .../...**

**supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports**

ANNEX IV

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

Product name: SOLYS – QUADRANT EUROPE

Legal entity identifier: 54930021GAKXDC10OE97

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ___%	<input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of <b>__49__%</b> of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

**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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund promoted environmental and social characteristics through its integration of extra-financial criteria in the investment process and by exclusions of certain sectors or activities, that do not respect certain norms or values.

Over the year 2022 the sub-fund's average exposure to its ESG-scored equity portfolio was of 84.86%. Investment decisions are based on the approach combining fundamental financial analysis and extra-financial analysis through the integration of ESG criteria (Environment, Social, Governance).

Depending on the sector of activity and geographical presence, every issuer is exposed to different material extra-financial risks. Our key ESG analysis looks at the capacity of management of the issuer to manage its principal material risks and opportunities arising from environmental issues (such as carbon emissions, water stress), social aspects (such as work safety, staff rotation), or governance

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

practices (board and accounting). For the purpose of evaluation of ESG risk management of issuers, the Sub-Fund uses data provider MSCI and its ESG ratings. The Sub-Fund did not invest in the issuers evaluated as laggards, with the ratings CCC. And in addition the issuers that were part of the 20% worst ESG-scores were excluded.

Through its integration of ESG criteria, the Sub-Fund promotes environmental characteristics such as development of sustainable impact revenues, engagement towards Paris agreement, targeted reduction of CO2 emissions.

The Sub-Fund is promoting the alignment with the 17 Sustainable Development goals through the sustainable investments.

Through its normative exclusions, the Sub-Fund promotes the respect of certain norms and values, by excluding companies with very severe level of social or environmental controversies or involved in controversial weapons. For some other controversial activities, such as tobacco, coal or defense, the Sub-Fund applies maximum revenue percentage thresholds.

During the calendar year 2022, the sub-fund promoted environmental and social characteristics as described above.

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

- Score ESG: 8,54
- % selectivity consistently applied: 20%
- % exposure to red controversy issuers: 0%

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

N/A

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

To identify the positive contribution to an environmental and/or social objective, the Investment Manager implements the framework of the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 with a target date for delivery of 2030 and the European Taxonomy.

The 17 SDGs aim to foster collaboration within private and public entities to address the global challenges such as poverty, climate change, inequality, or peace and justice. In order to identify the contribution, positive or negative, to an SDG, the issuer is assessed in terms of his operational and product alignment towards each of the 17 SDGs. Every company may contribute to the goals in a variety of ways (positively and negatively) and across several goals. The operational alignment assesses the extent to which an issuer addresses a specific SDG via its internal policies and practices, targets, performance metrics. The product alignment assesses the net impact of issuer's products or services to achieve a specific SDG. The data provider MSCI has been selected to measure this companies' alignment with the SDGs.

Every investment can be considered as sustainable or not sustainable. In order that investment would be considered as sustainable, it must be aligned to at least one SDG without being misaligned to any other SDG, while respecting all the principles of our ESG policy.

In addition, the Investment Manager takes into account the alignment of companies with the first 2 environmental objectives of the European Taxonomy (Mitigation of climate change and adaptation to climate change).

As of 30/12/2022, the Sub-fund had 49% of sustainable investments.

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

The Sub-Fund integrates environmental, social and good governance criteria into its investment policy and decisions through sectoral and normative exclusions as well as ESG inclusion described in the first part. Through this, the Sub-Fund ensures that the investments made do not cause significant harm to any of the environmental or social sustainable investment objectives and that the companies benefiting from these investments apply good governance.

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

- Exclusion policy

In accordance with the Management Company's investment policy, the Sub-Fund excludes from the investment universe companies that have significantly and repeatedly transgressed one of the 10 United Nations Global Compact principles, or have controversial activities such as thermal coal, controversial weapons etc. or are involved in one or more recent very severe controversies under the MSCI nomenclature (red flag).

- ESG Integration policy

The MSCI rating takes into account the set of PAI (Environmental and Social) indicators. For each company, the ESG rating methodology aims to assess the main key factors in each of the three ESG pillars, taking into account both universal issues and specific issues that may have a financial impact on the company's performance. Each issue is considered from two main angles: the risks they represent for the company's activity but also the development opportunities that taking them into account can bring.

The Sub-Fund follows a Best-in-Universe approach by investing in issuers whose ESG rating is greater than or equal to B (leading and average rating) on a scale of AAA to CCC (CCC being the worst).

During the year 2022, all investments respected exclusion and ESG integration policy.

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

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In accordance with the Société Générale Group's "Defense" sector policy, which meets the obligations of the Ottawa (1999) and Oslo (2008) conventions applicable to all French management companies, companies involved in activities related to prohibited or controversial weapons (anti-personnel mines, cluster bombs, depleted uranium weapons) are excluded from the Sub-Fund's investment universe.

**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.

In addition, and in accordance with the Management Company's investment policy, companies with a very severe controversy rating (red) according to the MSCI nomenclature are excluded from the investment universe. These exclusions guarantee full compliance with the OECD guidelines for multinational enterprises and the United Nations guidelines on business and human rights.

The Controversy Rating is notably a warning measure of the reputational and operational risks to which companies are exposed. A very serious controversy can potentially result in heavy financial penalties. All of these indicators are monitored periodically.

During the year 2022, no investments were rated having very severe controversies or breaching Global Compact principles.

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

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

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



## How did this financial product consider principal adverse impacts on sustainability factors?

The Sub-Fund considered the following PAI in its management:

	<b>Adverse sustainability indicator</b>	<b>Metric</b>	<b>Engagement</b>	<b>Exclusion</b>	<b>Comments</b>
1	GHG emissions	Scope 1 GHG emissions	x	x	<ul style="list-style-type: none"> <li>- Coal exclusion policy</li> <li>- Unconventional oil and gas" sector policy</li> <li>- Signature Net Zero Asset Managers</li> </ul>
		Scope 2 GHG emissions	x	x	
		Scope 3 GHG emissions			
		Total GHG emissions	x	x	
2	Carbon footprint	Carbon footprint	x	x	

3	GHG intensity of investee companies	GHG intensity of investee companies	x	x	
4	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	x	x	
5	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources			
6	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector			
7	Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	x		'- Policy of exclusions related to deforestation: Palm Oil
8	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average			
9	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average			

10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises		x	- "Controversies" Exclusions Policy
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises			
12	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies			
13	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members			
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investment in companies involved in the manufacture or sale of controversial weapons		x	- Controversial Defense Exclusions Policy



## What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
Swisscom AG	Telecommunications	3,362%	Swiss
Unilever PLC	Cosmetics/Personal Care	3,146%	United Kingdom
NESTLE SA REGISTERED	Food	2,973%	Swiss
GSK PLC	Pharmaceuticals	2,810%	United Kingdom
Reckitt Benckiser Group PLC	Household Products/Wares	2,531%	United Kingdom
EDP - Energias de Portugal SA	Electric	2,243%	Portugal
National Grid PLC	Electric	2,232%	United Kingdom
Vodafone Group PLC	Telecommunications	2,050%	United Kingdom
AstraZeneca PLC/	Pharmaceuticals	1,945%	United Kingdom
Telia Co AB	Telecommunications	1,910%	Sweden
BOUYGUES	Engineering&Construction	1,830%	France
Essity AB	Cosmetics/Personal Care	1,829%	Sweden
Henkel AG & Co KGaA	Household Products/Wares	1,821%	Germany
Iberdrola SA	Electric	1,792%	Spain
Carlsberg AS	Beverages	1,613%	Denmark



The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 30/12/2022

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

The proportion of investments related to sustainability was 49%.

### ● *What was the asset allocation?*

The sub-fund had a variable economic exposure (via derivatives) to an equity portfolio and, 84,86% of the equities composing the portfolio were ESG scored (#1 Aligned with E/S characteristics"). As the sub-fund was synthetic, in case of swap counterparty default, the sub-fund was exposed to government bonds as collateral.

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

Consequently, as a result of such variable exposure, at least 50% of the Fund's net assets were subject to an ESG analysis or rating by the Management company, under normal market circumstances.

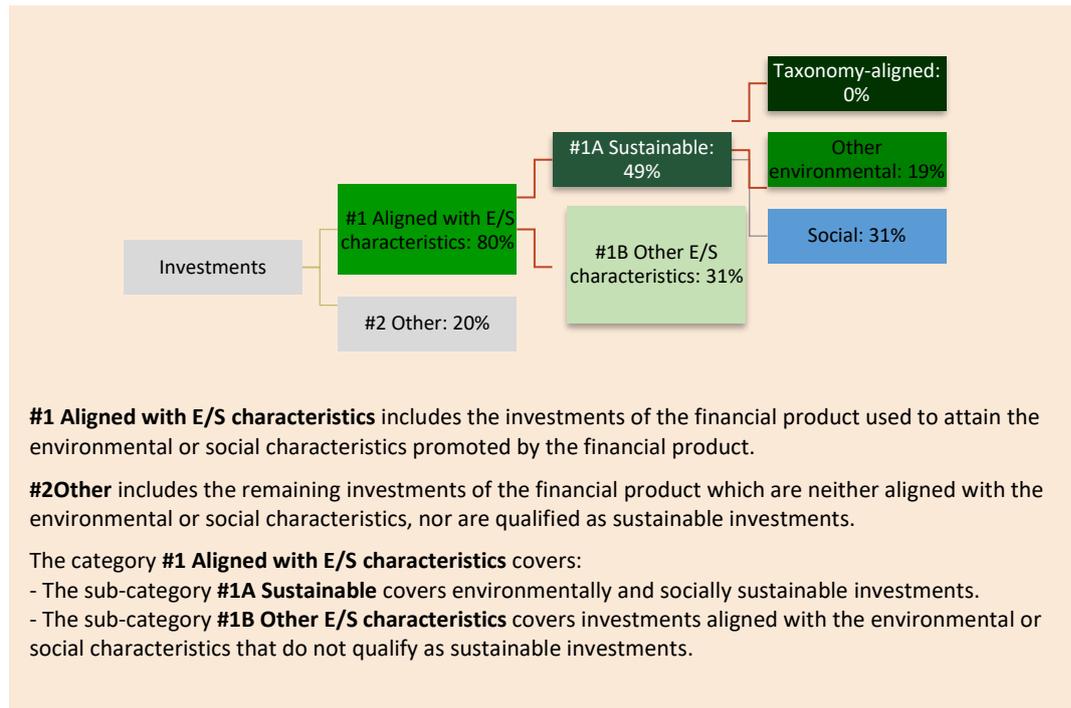
The Management Company considered as sustainable any investment in a company that had a net positive contribution to the SDGs adopted by the United Nations and/or which contributed to the following environmental objectives as set out in Article 9 of the Taxonomy Regulation, for as long as this investment did not cause material prejudice to any of these

objectives (according to the approach described in question 1 above) and that the companies receiving the investments applied good governance practices.

The Management Company relied on MSCI data and methodology to measure companies' alignment with the SDGs.

The sub-fund was not authorized to invest in non-ESG rated companies, outside of securities issued by public or quasi-public issuers, cash, and cash equivalents.

The “#2 other” assets could consist of investments in liquidity, capital instruments, or debt, derivatives, and collective investment undertakings that did not promote environmental or social characteristics and that were used to achieve the financial objective of the sub-fund and/or for diversification and/or hedging purposes.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

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

The economic sectors of the investments made are the following (data coming directly from the swap basket):

Sector	Weight
Consumer, Non-cyclical	25.76%
Industrial	18.04%
Communications	14.86%
Utilities	13.56%
Consumer, Cyclical	10.29%
Technology	7.56%
Basic Materials	7.41%
Financial	1.89%
Energy <sup>1</sup>	0.63%

<sup>1</sup> The energy sector includes fossil fuel.

'Fossil fuel' means non-renewable carbon-based energy sources such as solid fuels, natural gas and oil.



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

The Fund takes into account the alignment of companies with the first two environmental objectives of the European Taxonomy: mitigating climate change and adapting to climate change. As the currently available data is only approximate, the Management Company will provide investors with updated information on the degree of alignment of the Fund with sustainable environmental activities in a future version of the prospectus, following its data collection and analysis work. Therefore, for the time being, the Fund's alignment rate with the EU taxonomy corresponds to 0% of its sustainable investments.

### **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

Yes:

In fossil gas

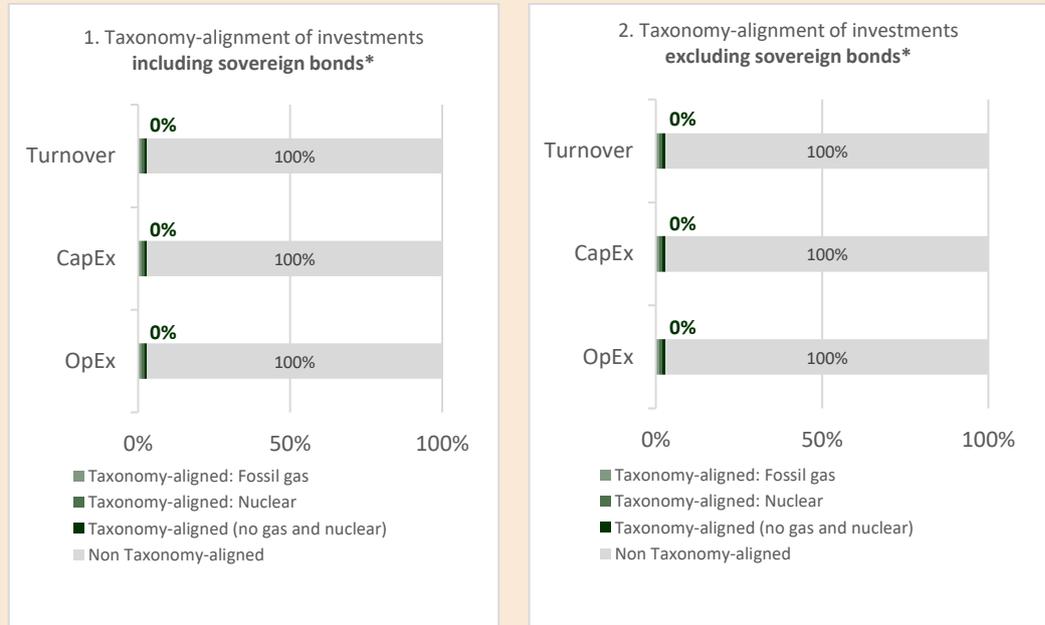
In nuclear energy



No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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



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

● **What was the share of investments made in transitional and enabling activities?**

N/A

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



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

The proportion of investments related to sustainability with an environment objectif was 19 %.



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

The proportion of investments related to sustainability with a social objectif was 31 %.

**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.

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



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

The "Other" assets consisted of investments in liquidity, capital instruments or debt, derivatives and collective investment undertakings that did not promote environmental or social characteristics and that were used to achieve the financial objective of the sub-fund and/or for diversification and/or hedging purposes. No minimum environmental or social safeguards were in place in relation to such assets.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The measures that had been taken to respect the environmental and/or social characteristics were as follows:

- Group Exclusion (Defence, Coal, Palm Oil, Oil & Gas, CCC rating, Red Controversy, Tobacco)
- Sectoral Exclusion (Company whose exposure exceeded 15% of turnover in the following activities: Tobacco, Gambling, Adult content, GMOs, Weapons)
- Compliance with the minimum MSCI coverage of 90% of the portfolio
- Compliance with the ESG approach:
  - o Rating improvement: the ESG rating of the portfolio > to the ESG rating of the investment universe reduced by 20% of the lowest ESG ratings"

Moreover we did not have any shareholder engagement actions.



**How did this financial product perform compared to the reference benchmark?**

No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the sub-fund.

- ***How does the reference benchmark differ from a broad market index?***  
N/A
- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***  
N/A
- ***How did this financial product perform compared with the reference benchmark?***  
N/A
- ***How did this financial product perform compared with the broad market index?***  
N/A



Brussels, 6.4.2022  
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ANNEX 4

**ANNEX**

*to the*

**Commission Delegated Regulation (EU) .../...**

**supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports**

ANNEX IV

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

Product name: SOLYS-LFDE INTERNATIONAL SELECTION

Legal entity identifier: 549300XYDXO6RLJ4L62

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes

It made **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 made **sustainable investments with a social objective: \_\_\_%**

No

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of **\_37\_ %** 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 promoted E/S characteristics, but **did not make any sustainable investments**

**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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund promoted environmental and social characteristics through its integration of extra-financial criteria in the investment process and by exclusions of certain sectors or activities, that do not respect certain norms or values.

Over the year 2022 the sub-fund's average exposure to its ESG-scored equity portfolio was of 75% .

Investment decisions are based on the approach combining fundamental financial analysis and extra-financial analysis through the integration of ESG criteria (Environment, Social, Governance).

Depending on the sector of activity and geographical presence, every issuer is exposed to different material extra-financial risks.

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

Both the Investment Manager's (La Financière de l'Echiquier) and Management Company's proprietary ESG methodologies and analyses were used for the stock selection process and investment decisions.

The key ESG analyses looks at the capacity of management of the issuer to manage its principal material risks and opportunities arising from environmental issues (such as carbon emissions, water stress), social aspects (such as work safety, staff rotation), or governance practices (board and accounting). For the purpose of evaluation of ESG risk management of issuers, the Sub-Fund uses data provider MSCI and its ESG ratings. The Sub-Fund did not invest in the issuers evaluated as laggards, with the ratings CCC. And in addition the issuers that were part of the 20% worst ESG-scores were excluded.

Through its integration of ESG criteria, the Sub-Fund promotes environmental characteristics such as development of sustainable impact revenues.

The Sub-Fund is promoting the alignment with the 17 Sustainable Development goals through the sustainable investments.

Through its normative exclusions, the Sub-Fund promotes the respect of certain norms and values, by excluding companies with very severe level of social or environmental controversies or involved in controversial weapons. For some other controversial activities, such as tobacco, coal or defense, the Sub-Fund applies maximum revenue percentage thresholds.

During the calendar year 2022, the sub-fund promoted environmental and social characteristics as described above.

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

- Score ESG: 7,84
- % selectivity consistently applied: 20%
- % exposure to red controversy issuers: 0%

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

N/A

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

To identify the positive contribution to an environmental and/or social objective, the Investment Manager implements the framework of the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 with a target date for delivery of 2030 and the European Taxonomy.

The 17 SDGs aim to foster collaboration within private and public entities to address the global challenges such as poverty, climate change, inequality, or peace and justice. In order to identify the contribution, positive or negative, to an SDG, the issuer is assessed in terms of his operational and product alignment towards each of the 17 SDGs. Every company may contribute to the goals in a variety of ways (positively and negatively) and across several goals. The operational alignment assesses the extent to which an issuer addresses a specific SDG via its internal policies and practices, targets, performance metrics. The product alignment assesses the net impact of issuer's products or services to achieve a specific SDG. The data provider MSCI has been selected to measure this companies' alignment with the SDGs.

Every investment can be considered as sustainable or not sustainable. In order that investment would be considered as sustainable, it must be aligned to at least one SDG without being misaligned to any other SDG, while respecting all the principles of our ESG policy.

In addition, the Investment Manager takes into account the alignment of companies with the first 2 environmental objectives of the European Taxonomy (Mitigation of climate change and adaptation to climate change).

As of 30/12/2022, the Sub-fund had 37% of sustainable investments.

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

The Sub-Fund integrates environmental, social and good governance criteria into its investment policy and decisions through sectoral and normative exclusions as well as ESG inclusion described in the first part. Through this, the Sub-Fund ensures that the investments made do not cause significant harm to any of the environmental or social sustainable investment objectives and that the companies benefiting from these investments apply good governance.

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

- Exclusion policy

In accordance with the Management Company's investment policy, the Sub-Fund excludes from the investment universe companies that have significantly and repeatedly transgressed one of the 10 United Nations Global Compact principles, or have controversial activities such as thermal coal, controversial weapons etc. or are involved in one or more recent very severe controversies under the MSCI nomenclature (red flag).

- ESG Integration policy

Both the Investment Manager's (La Financière de l'Echiquier) and Management Company's proprietary ESG methodologies and analyses were used for the stock selection process and investment decisions. The MSCI rating takes into account the set of PAI (Environmental and Social) indicators. For each company, the ESG rating methodology aims to assess the main key factors in each of the three ESG pillars, taking into account both universal issues and specific issues that may have a financial impact on the company's performance. Each issue is considered from two main angles: the risks they represent for the company's activity but also the development opportunities that taking them into account can bring.

The Sub-Fund follows a Best-in-Universe approach by investing in issuers whose ESG rating is greater than or equal to B (leading and average rating) on a scale of AAA to CCC (CCC being the worst).

During the year 2022, all investments respected exclusion and ESG integration policy.

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

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In

**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.

accordance with the Société Générale Group's "Defense" sector policy, which meets the obligations of the Ottawa (1999) and Oslo (2008) conventions applicable to all French management companies, companies involved in activities related to prohibited or controversial weapons (anti-personnel mines, cluster bombs, depleted uranium weapons) are excluded from the Sub-Fund's investment universe.

In addition, and in accordance with the Management Company's investment policy, companies with a very severe controversy rating (red) according to the MSCI nomenclature are excluded from the investment universe. These exclusions guarantee full compliance with the OECD guidelines for multinational enterprises and the United Nations guidelines on business and human rights.

The Controversy Rating is notably a warning measure of the reputational and operational risks to which companies are exposed. A very serious controversy can potentially result in heavy financial penalties. All of these indicators are monitored periodically.

During the year 2022, no investments were rated having very severe controversies or breaching Global Compact principles.

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

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

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



### How did this financial product consider principal adverse impacts on sustainability factors?

The Sub-Fund considered the following PAI in its management:

	Adverse sustainability indicator	Metric	Engagement	Exclusion	Comments
1	GHG emissions	Scope 1 GHG emissions	x	x	- Coal exclusion policy - Unconventional oil and gas" sector policy - Signature Net Zero Asset Managers
		Scope 2 GHG emissions	x	x	
		Scope 3 GHG emissions			
		Total GHG emissions	x	x	

2	Carbon footprint	Carbon footprint	x	x	
3	GHG intensity of investee companies	GHG intensity of investee companies	x	x	
4	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	x	x	
5	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources			
6	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector			
7	Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	x		'- Policy of exclusions related to deforestation - Palm Oil
8	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average			
9	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average			

10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises		x	- "Controversies" Exclusions Policy
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises			
12	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies			
13	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members			
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investment in companies involved in the manufacture or sale of controversial weapons		x	- Controversial Defense Exclusions Policy



## What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
HeidelbergCement AG	Building Materials	2,162%	Germany
TOTAL	Oil&Gas	2,133%	France
ORANGE	Telecommunications	2,116%	France
Banco Santander SA	Banks	2,109%	Spain
ESTEE LAUDER COMPANIES	Cosmetics/Personal Care	0,936%	United States
DSV A/S	Transportation	2,091%	Denmark
BNP PARIBAS	Banks	2,091%	France
BMW	Auto Manufacturers	2,090%	Germany
ING	Banks	2,089%	Netherland
TELEPERFORMANCE	Computers	2,085%	France
DANONE	Food	2,084%	France
UnitedHealth Group Inc	Healthcare-Services	2,067%	United States
ALLIANZ SE	Insurance	2,059%	Germany
CREDICORP LTD	Banks	2,056%	Peru
BASF SE	Chemicals	2,055%	Germany

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 30/12/2022



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

The proportion of investments related to sustainability was 37%.

### ● **What was the asset allocation?**

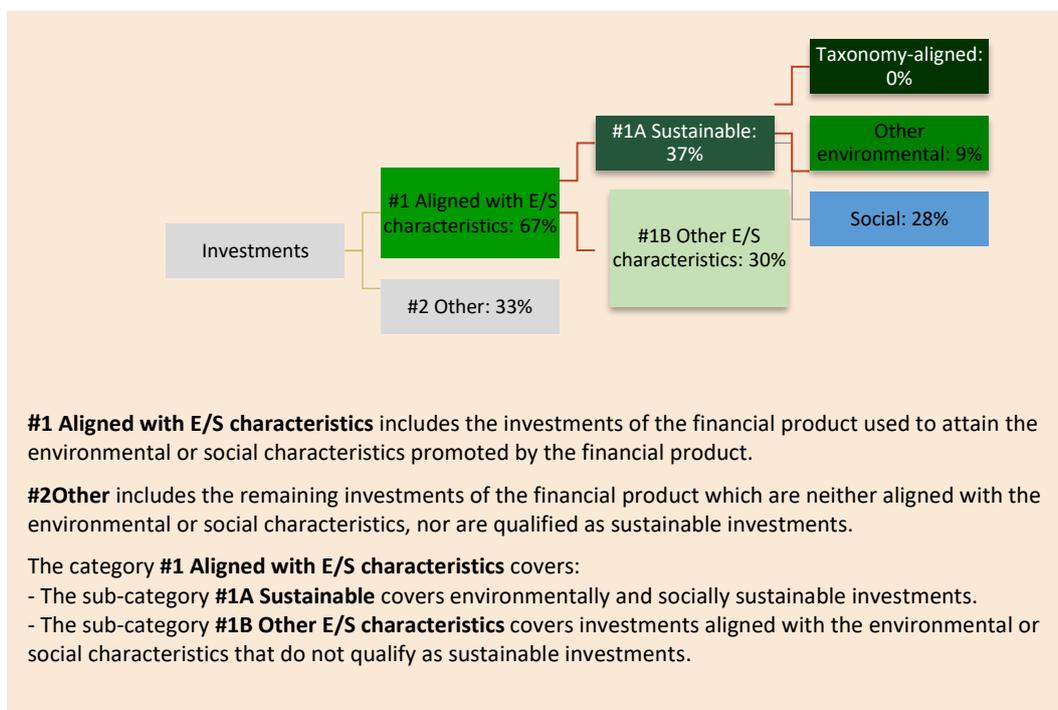
The sub-fund had a variable economic exposure (via derivatives) to an equity portfolio and 75% of the equities comprising the portfolio were ESG scored (#1 Aligned with E/S characteristics). In case of swap counterparty default, the sub-fund was exposed to government bonds as collateral due to its synthetic nature.

As a result of such variable exposure, at least 40% of the Fund's net assets were subject to an ESG analysis or rating by the Management company, under normal market circumstances.

The Sub-Fund was not authorized to invest in non-ESG rated companies, outside of securities issued by public or quasi-public issuers, cash and cash equivalents.

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

The “#2 other” assets could consist of investments in liquidity, capital instruments or debt, derivatives and collective investment undertakings that did not promote environmental or social characteristics and that were used to achieve the financial objective of the Sub-Fund and/or for diversification and/or hedging purposes.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

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

The economic sectors of the investments made are the following (data coming directly from the swap basket):

Sector	Weight
Consumer, Non-cyclical	22.49%
Industrial	15.59%
Financial	14.36%
Technology	12.68%
Communications	12.11%
Consumer, Cyclical	9.94%
Basic Materials	9.93%
Energy <sup>1</sup>	2.09%
Utilities	0.81%

<sup>1</sup> The energy sector includes fossil fuel. ‘Fossil fuel’ means non-renewable carbon-based energy sources such as solid fuels, natural gas and oil



## To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

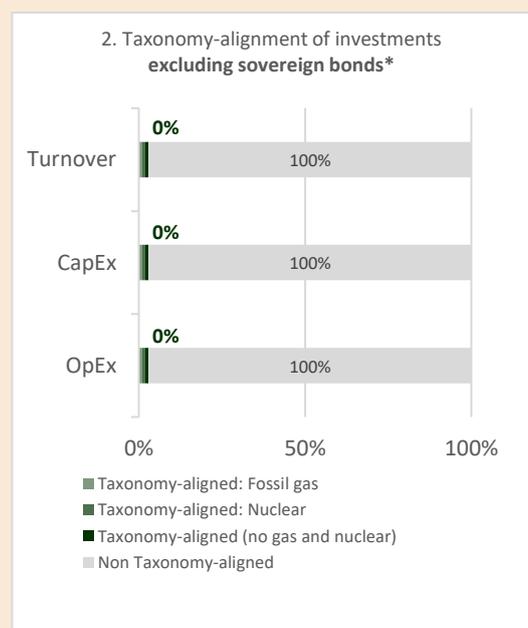
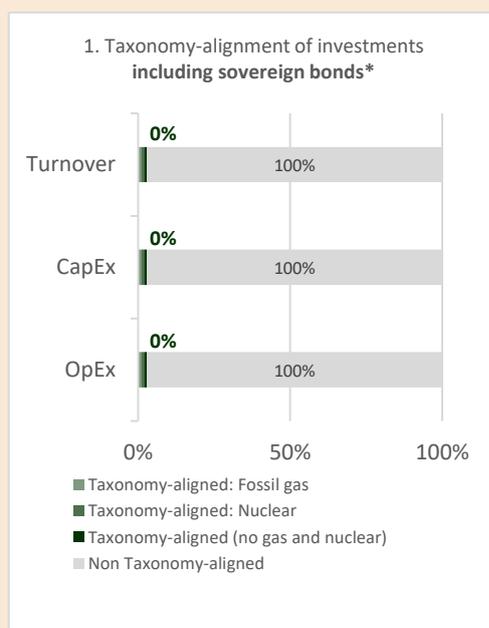
The Fund takes into account the alignment of companies with the first two environmental objectives of the European Taxonomy: mitigating climate change and adapting to climate change. As the currently available data is only approximate, the Management Company will provide investors with updated information on the degree of alignment of the Fund with sustainable environmental activities in a future version of the prospectus, following its data collection and analysis work. Therefore, for the time being, the Fund's alignment rate with the EU taxonomy corresponds to 0% of its sustainable investments.

## Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

- Yes:
- In fossil gas
  - In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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



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

● **What was the share of investments made in transitional and enabling activities?**

N/A

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



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

The proportion of investments related to sustainability with an environment objectif was 9%



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

The proportion of investments related to sustainability with a social objectif was 28 %.



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

The " #2 Other" assets could have consisted of investments in liquidity, capital instruments or debt, derivatives and collective investment undertakings that did not promote environmental or social characteristics and were used to achieve the financial objective of the Sub-Fund and/or for diversification and/or hedging purposes. No minimum environmental or social safeguards were in place in relation to such assets.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The measures that had been taken to respect the environmental and/or social characteristics were as follows:

- Group Exclusion (Defence, Coal, Palm Oil, Oil & Gas, CCC rating, Red Controversy, Tobacco)
- Sectoral Exclusion (Company whose exposure exceeded 15% of turnover in the following activities: Tobacco, Gambling, Adult content, GMOs, Weapons)
- Compliance with the minimum MSCI coverage of 90% of the portfolio
- Compliance with the ESG approach:

**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.

- o Rating improvement: the ESG rating of the portfolio > to the ESG rating of the investment universe reduced by 20% of the lowest ESG ratings"

Moreover we did not have any shareholder engagement actions.



## How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the sub-fund.

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

N/A

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

N/A

- ***How did this financial product perform compared with the reference benchmark?***

N/A

- ***How did this financial product perform compared with the broad market index?***

N/A

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



Brussels, 6.4.2022  
C(2022) 1931 final

ANNEX 4

## ANNEX

*to the*

**Commission Delegated Regulation (EU) .../...**

**supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports**

ANNEX IV

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

Product name: SOLYS – GLOBAL HORIZON

Legal entity identifier: 549300RMPSLNW9636785

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes

It made **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 made **sustainable investments with a social objective**: \_\_\_%

No

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 56% 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 promoted E/S characteristics, but **did not make any sustainable investments**

**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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund promoted environmental and social characteristics through its integration of extra-financial criteria in the investment process and by exclusions of certain sectors or activities, that do not respect certain norms or values.

Over the year 2022 the sub-fund's average exposure to its ESG-scored equity portfolio was of 92.32%. Investment decisions are based on the approach combining fundamental financial analysis and extra-financial analysis through the integration of ESG criteria (Environment, Social, Governance).

Depending on the sector of activity and geographical presence, every issuer is exposed to different material extra-financial risks. Our key ESG analysis looks at the capacity of management of the issuer to manage its principal material risks and opportunities arising from environmental issues (such as carbon emissions, water stress), social aspects (such as work safety, staff rotation), or governance

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

practices (board and accounting). For the purpose of evaluation of ESG risk management of issuers, the Sub-Fund uses data provider MSCI and its ESG ratings. The Sub-Fund did not invest in the issuers evaluated as laggards, with the ratings CCC. And in addition the issuers that were part of the 20% worst ESG-scores were excluded.

Through its integration of ESG criteria, the Sub-Fund promotes environmental characteristics such as development of sustainable impact revenues, engagement towards Paris agreement, targeted reduction of CO2 emissions.

The Sub-Fund is promoting the alignment with the 17 Sustainable Development goals through the sustainable investments.

Through its normative exclusions, the Sub-Fund promotes the respect of certain norms and values, by excluding companies with very severe level of social or environmental controversies or involved in controversial weapons. For some other controversial activities, such as tobacco, coal or defense, the Sub-Fund applies maximum revenue percentage thresholds.

During the calendar year 2022, the sub-fund promoted environmental and social characteristics as described above.

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

- Score ESG: 7,87
- Carbon Budget Reduction: 578 tCO2/invested million
- % selectivity consistently applied: 20%
- % exposure to red controversy issuers: 0%

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

N/A

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

To identify the positive contribution to an environmental and/or social objective, the Investment Manager implements the framework of the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 with a target date for delivery of 2030 and the European Taxonomy.

The 17 SDGs aim to foster collaboration within private and public entities to address the global challenges such as poverty, climate change, inequality, or peace and justice. In order to identify the contribution, positive or negative, to an SDG, the issuer is assessed in terms of his operational and product alignment towards each of the 17 SDGs. Every company may contribute to the goals in a variety of ways (positively and negatively) and across several goals. The operational alignment assesses the extent to which an issuer addresses a specific SDG via its internal policies and practices, targets, performance metrics. The product alignment assesses the net impact of issuer's products or services to achieve a specific SDG. The data provider MSCI has been selected to measure this companies' alignment with the SDGs.

Every investment can be considered as sustainable or not sustainable. In order that investment would be considered as sustainable, it must be aligned to at least one SDG without being misaligned to any other SDG, while respecting all the principles of our ESG policy.

In addition, the Investment Manager takes into account the alignment of companies with the first 2 environmental objectives of the European Taxonomy (Mitigation of climate change and adaptation to climate change).

As of 30/12/2022, the Sub-fund had 56% of sustainable investments

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

The Sub-Fund integrates environmental, social and good governance criteria into its investment policy and decisions through sectoral and normative exclusions as well as ESG inclusion described in the first part. Through this, the Sub-Fund ensures that the investments made do not cause significant harm to any of the environmental or social sustainable investment objectives and that the companies benefiting from these investments apply good governance.

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

- Exclusion policy

In accordance with the Management Company's investment policy, the Sub-Fund excludes from the investment universe companies that have significantly and repeatedly transgressed one of the 10 United Nations Global Compact principles, or have controversial activities such as thermal coal, controversial weapons etc. or are involved in one or more recent very severe controversies under the MSCI nomenclature (red flag).

- ESG Integration policy

The MSCI rating takes into account the set of PAI (Environmental and Social) indicators. For each company, the ESG rating methodology aims to assess the main key factors in each of the three ESG pillars, taking into account both universal issues and specific issues that may have a financial impact on the company's performance. Each issue is considered from two main angles: the risks they represent for the company's activity but also the development opportunities that taking them into account can bring.

The Sub-Fund follows a Best-in-Universe approach by investing in issuers whose ESG rating is greater than or equal to B (leading and average rating) on a scale of AAA to CCC (CCC being the worst).

During the year 2022, all investments respected exclusion and ESG integration policy.

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

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In accordance with the Société Générale Group's "Defense" sector policy, which meets the obligations of the Ottawa (1999) and Oslo (2008) conventions applicable to all French

**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.

management companies, companies involved in activities related to prohibited or controversial weapons (anti-personnel mines, cluster bombs, depleted uranium weapons) are excluded from the Sub-Fund's investment universe.

In addition, and in accordance with the Management Company's investment policy, companies with a very severe controversy rating (red) according to the MSCI nomenclature are excluded from the investment universe. These exclusions guarantee full compliance with the OECD guidelines for multinational enterprises and the United Nations guidelines on business and human rights.

The Controversy Rating is notably a warning measure of the reputational and operational risks to which companies are exposed. A very serious controversy can potentially result in heavy financial penalties. All of these indicators are monitored periodically.

During the year 2022, no investments were rated having very severe controversies or breaching Global Compact principles.

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

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

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



## How did this financial product consider principal adverse impacts on sustainability factors?

The Sub-Fund considered the following PAI in its management:

	<b>Adverse sustainability indicator</b>	<b>Metric</b>	<b>Engagement</b>	<b>Exclusion</b>	<b>Comments</b>
1	GHG emissions	Scope 1 GHG emissions	x	x	- Coal exclusion policy - Unconventional oil and gas" sector policy - Signature Net Zero Asset Managers
		Scope 2 GHG emissions	x	x	
		Scope 3 GHG emissions			

		Total GHG emissions	x	x	
2	Carbon footprint	Carbon footprint	x	x	
3	GHG intensity of investee companies	GHG intensity of investee companies	x	x	
4	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	x	x	
5	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources			
6	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector			
7	Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	x		'- Policy of exclusions related to deforestation: Palm Oil
8	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average			
9	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average			

10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises		x	- "Controversies" Exclusions Policy
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises			
12	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies			
13	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members			
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investment in companies involved in the manufacture or sale of controversial weapons		x	- Controversial Defense Exclusions Policy



## What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
CaixaBank SA	Banks	0,557%	Spain
Adidas	Apparel	0,549%	Germany
KBC Group NV	Banks	0,541%	Belgium
DEUTSCHE BANK	Banks	0,540%	Germany
Swedbank AB	Banks	0,537%	Sweden
Credit Agricole SA	Banks	0,535%	France
DNB Bank ASA	Banks	0,535%	Norway
Ferguson PLC	Distribution/Wholesa	0,530%	Jersey
SOCIETE GENERALE	Banks	0,530%	France
Carlsberg AS	Beverages	0,527%	Denmark
Essity AB	Cosmetics/Personal	0,527%	Sweden
Standard Chartered PLC	Banks	0,523%	United Kingdom
Swiss Re AG	Insurance	0,522%	Swiss
Banco Bilbao Vizcaya Argentaria SA	Banks	0,522%	Spain
E.ON SE	Electric	0,521%	Germany

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 30/12/2022



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

The proportion of investments related to sustainability was 56%.

### ● **What was the asset allocation?**

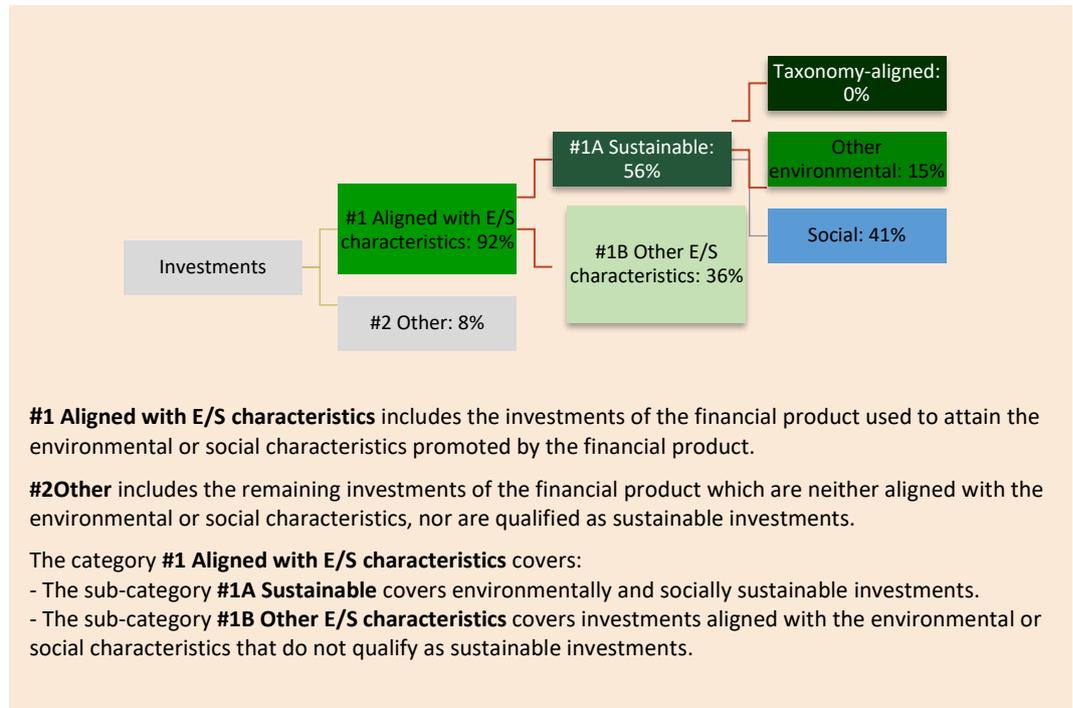
At least 50% of the Fund's net assets underwent an ESG analysis or rating by the Management company under normal market circumstances. The sub-fund was economically exposed (via derivatives) to an equity portfolio, and 92,32% of the equity was ESG scored (#1 Aligned with E/S characteristics"). Since the sub-fund was synthetic, in case of swap counterparty default, the sub-fund would have been exposed to government bonds as collateral.

The Management Company considered any investment in a company having a net positive contribution to the SDGs adopted by the United Nations and/or which contributed to the environmental objectives set out in Article 9 of the Taxonomy Regulation as sustainable, for as long as this investment did not cause material prejudice to any of these objectives (according to the approach described in question 1 above) and that the companies receiving the investments applied good governance practices.

To measure companies' alignment with the SDGs, the Management Company relied on MSCI data and methodology. The sub-fund was not authorized to invest in non-ESG rated companies outside of securities issued by public or quasi-public issuers, cash, and cash equivalents.

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

The “#2 other” assets could have consisted of investments in liquidity, capital instruments or debt, derivatives, and collective investment undertakings that did not promote environmental or social characteristics and that were used to achieve the financial objective of the sub-fund and/or for diversification and/or hedging purposes.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

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

The economic sectors of the investments made are the following (data coming directly from the swap basket):

Sector	Weight
Financial	30.75%
Consumer, Non-cyclical	23.36%
Industrial	12.85%
Technology	8.12%
Consumer, Cyclical	7.41%
Utilities	6.94%
Communications	6.06%
Basic Materials	3.62%
Energy <sup>1</sup>	0.89%

<sup>1</sup> The energy sector includes fossil fuel. ‘Fossil fuel’ means non-renewable carbon-based energy sources such as solid fuels, natural gas and oil



## To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

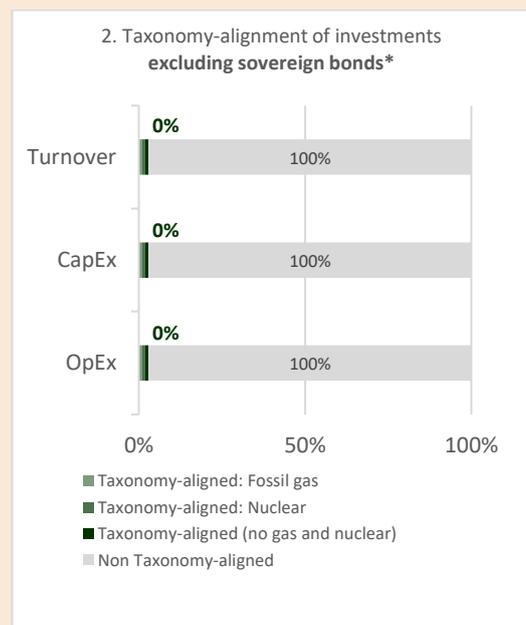
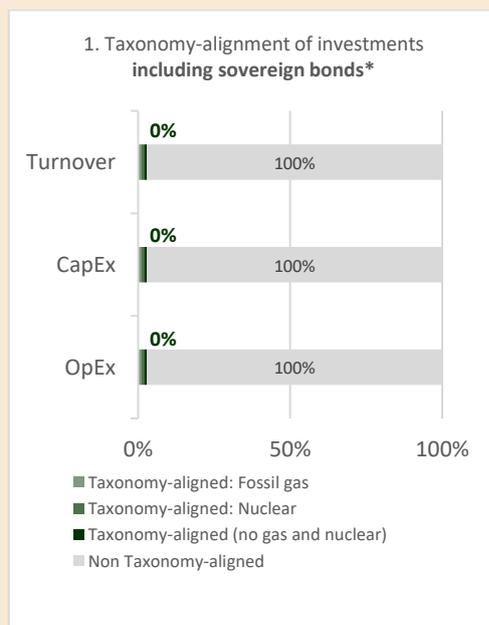
The Fund takes into account the alignment of companies with the first two environmental objectives of the European Taxonomy: mitigating climate change and adapting to climate change. As the currently available data is only approximate, the Management Company will provide investors with updated information on the degree of alignment of the Fund with sustainable environmental activities in a future version of the prospectus, following its data collection and analysis work. Therefore, for the time being, the Fund's alignment rate with the EU taxonomy corresponds to 0% of its sustainable investments.

## Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

- Yes:
- In fossil gas
  - In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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



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

- **What was the share of investments made in transitional and enabling activities?**

N/A

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



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

The proportion of investments related to sustainability with an environment objectif was 15 %.



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

The proportion of investments related to sustainability with a social objectif was 41 %.



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

The "Other" assets consisted of investments in liquidity, capital instruments or debt, derivatives and collective investment undertakings that did not promote environmental or social characteristics and that were used to achieve the financial objective of the sub-fund and/or for diversification and/or hedging purposes. No minimum environmental or social safeguards were in place in relation to such assets.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The measures that had been taken to respect the environmental and/or social characteristics were as follows:

- Group Exclusion (Defence, Coal, Palm Oil, Oil & Gas, CCC rating, Red Controversy, Tobacco)
- Sectoral Exclusion (Company whose exposure exceeded 15% of turnover in the following activities: Tobacco, Gambling, Adult content, GMOs, Weapons)
- Compliance with the minimum MSCI coverage of 90% of the portfolio
- Compliance with the ESG approach:
  - o Rating improvement: the ESG rating of the portfolio > to the ESG rating of the investment universe reduced by 20% of the lowest ESG ratings"

Moreover we did not have any shareholder engagement actions.

**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 did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the sub-fund.

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

N/A

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

N/A

- ***How did this financial product perform compared with the reference benchmark?***

N/A

- ***How did this financial product perform compared with the broad market index?***

N/A

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



Brussels, 6.4.2022  
C(2022) 1931 final

ANNEX 4

**ANNEX**

*to the*

**Commission Delegated Regulation (EU) .../...**

**supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports**

ANNEX IV

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

Product name: SOLYS – EUROPE HORIZON

Legal entity identifier: 549300N5J8G64WB0SR27

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of <u>63</u> % of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul>
<input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ___%	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

**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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund promoted environmental and social characteristics through its integration of extra-financial criteria in the investment process and by exclusions of certain sectors or activities, that do not respect certain norms or values.

Over the year 2022 the sub-fund's average exposure to its ESG-scored equity portfolio was of 105.13%. Investment decisions are based on the approach combining fundamental financial analysis and extra-financial analysis through the integration of ESG criteria (Environment, Social, Governance).

Depending on the sector of activity and geographical presence, every issuer is exposed to different material extra-financial risks. Our key ESG analysis looks at the capacity of management of the issuer to manage its principal material risks and opportunities arising from environmental issues (such as carbon emissions, water stress), social aspects (such as work safety, staff rotation), or governance

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

practices (board and accounting). For the purpose of evaluation of ESG risk management of issuers, the Sub-Fund uses data provider MSCI and its ESG ratings. The Sub-Fund did not invest in the issuers evaluated as laggards, with the ratings CCC. And in addition the issuers that were part of the 20% worst ESG-scores were excluded.

Through its integration of ESG criteria, the Sub-Fund promotes environmental characteristics such as development of sustainable impact revenues, engagement towards Paris agreement, targeted reduction of CO2 emissions.

The Sub-Fund is promoting the alignment with the 17 Sustainable Development goals through the sustainable investments.

Through its normative exclusions, the Sub-Fund promotes the respect of certain norms and values, by excluding companies with very severe level of social or environmental controversies or involved in controversial weapons. For some other controversial activities, such as tobacco, coal or defense, the Sub-Fund applies maximum revenue percentage thresholds.

During the calendar year 2022, the sub-fund promoted environmental and social characteristics as described above.

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

- Score ESG: 8,57
- Carbon Budget Reduction: 1128 tCO2/invested million
- % selectivity consistently applied: 20%
- % exposure to red controversy issuers: 0%

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

N/A

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

To identify the positive contribution to an environmental and/or social objective, the Investment Manager implements the framework of the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 with a target date for delivery of 2030 and the European Taxonomy.

The 17 SDGs aim to foster collaboration within private and public entities to address the global challenges such as poverty, climate change, inequality, or peace and justice. In order to identify the contribution, positive or negative, to an SDG, the issuer is assessed in terms of his operational and product alignment towards each of the 17 SDGs. Every company may contribute to the goals in a variety of ways (positively and negatively) and across several goals. The operational alignment assesses the extent to which an issuer addresses a specific SDG via its internal policies and practices, targets, performance metrics. The product alignment assesses the net impact of issuer's products or services to achieve a specific SDG. The data provider MSCI has been selected to measure this companies' alignment with the SDGs.

Every investment can be considered as sustainable or not sustainable. In order that investment would be considered as sustainable, it must be aligned to at least one SDG without being misaligned to any other SDG, while respecting all the principles of our ESG policy.

In addition, the Investment Manager takes into account the alignment of companies with the first 2 environmental objectives of the European Taxonomy (Mitigation of climate change and adaptation to climate change).

As of 30/12/2022, the Sub-fund had 63% of sustainable investments

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

The Sub-Fund integrates environmental, social and good governance criteria into its investment policy and decisions through sectoral and normative exclusions as well as ESG inclusion described in the first part. Through this, the Sub-Fund ensures that the investments made do not cause significant harm to any of the environmental or social sustainable investment objectives and that the companies benefiting from these investments apply good governance.

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

#### **- Exclusion policy**

In accordance with the Management Company's investment policy, the Sub-Fund excludes from the investment universe companies that have significantly and repeatedly transgressed one of the 10 United Nations Global Compact principles, or have controversial activities such as thermal coal, controversial weapons etc. or are involved in one or more recent very severe controversies under the MSCI nomenclature (red flag).

#### **- ESG Integration policy**

The MSCI rating takes into account the set of PAI (Environmental and Social) indicators. For each company, the ESG rating methodology aims to assess the main key factors in each of the three ESG pillars, taking into account both universal issues and specific issues that may have a financial impact on the company's performance. Each issue is considered from two main angles: the risks they represent for the company's activity but also the development opportunities that taking them into account can bring.

The Sub-Fund follows a Best-in-Universe approach by investing in issuers whose ESG rating is greater than or equal to B (leading and average rating) on a scale of AAA to CCC (CCC being the worst).

During the year 2022, all investments respected exclusion and ESG integration policy.

**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.

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

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In accordance with the Société Générale Group's "Defense" sector policy, which meets the obligations of the Ottawa (1999) and Oslo (2008) conventions applicable to all French management companies, companies involved in activities related to prohibited or controversial weapons (anti-personnel mines, cluster bombs, depleted uranium weapons) are excluded from the Sub-Fund's investment universe.

In addition, and in accordance with the Management Company's investment policy, companies with a very severe controversy rating (red) according to the MSCI nomenclature are excluded from the investment universe. These exclusions guarantee full compliance with the OECD guidelines for multinational enterprises and the United Nations guidelines on business and human rights.

The Controversy Rating is notably a warning measure of the reputational and operational risks to which companies are exposed. A very serious controversy can potentially result in heavy financial penalties. All of these indicators are monitored periodically.

During the year 2022, no investments were rated having very severe controversies or breaching Global Compact principles.

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

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

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



## How did this financial product consider principal adverse impacts on sustainability factors?

The Sub-Fund considered the following PAI in its management:

	<b>Adverse sustainability indicator</b>	<b>Metric</b>	<b>Engagement</b>	<b>Exclusion</b>	<b>Comments</b>
1	GHG emissions	Scope 1 GHG emissions	x	x	<ul style="list-style-type: none"> <li>- Coal exclusion policy</li> <li>- Unconventional oil and gas" sector policy</li> <li>- Signature Net Zero Asset Managers</li> </ul>
		Scope 2 GHG emissions	x	x	
		Scope 3 GHG emissions			
		Total GHG emissions	x	x	
2	Carbon footprint	Carbon footprint	x	x	
3	GHG intensity of investee companies	GHG intensity of investee companies	x	x	
4	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	x	x	
5	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources			
6	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector			
7	Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies	x		'- Policy of exclusions related to deforestation: Palm Oil

		negatively affect those areas			
8	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average			
9	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average			
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises		x	- "Controversies" Exclusions Policy
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises			
12	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies			
13	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a			

		percentage of all board members			
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investment in companies involved in the manufacture or sale of controversial weapons		x	- Controversial Defense Exclusions Policy



### What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
BAE Systems PLC	Aerospace/Defense	3,489%	United Kingdom
ORANGE	Telecommunications	3,405%	France
Swisscom AG	Telecommunications	3,216%	Swiss
Novartis AG	Pharmaceuticals	2,761%	Swiss
Unilever PLC	Cosmetics/Personal Care	2,595%	United Kingdom
Koninklijke Ahold Delhaize NV	Food	2,309%	Netherlands
NESTLE SA REGISTERED	Food	2,291%	Swiss
Reckitt Benckiser Group PLC	Household Products/Wares	2,070%	United Kingdom
EDP - Energias de Portugal SA	Electric	1,941%	Portugal
Vodafone Group PLC	Telecommunications	1,895%	United Kingdom
National Grid PLC	Electric	1,707%	United Kingdom
BOUYGUES	Engineering&Construction	1,659%	France
Essity AB	Cosmetics/Personal Care	1,654%	Sweden
Snam SpA	Gas	1,651%	Italy
Henkel AG & Co KGaA	Household Products/Wares	1,646%	Germany

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 01/01/2022 – 31/12/2022



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

The proportion of investments related to sustainability was 63%.

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

● **What was the asset allocation?**

The sub-fund had a variable economic exposure (via derivatives) to an equity portfolio and, 105,13% of the equities composing the portfolio were ESG scored (“#1 Aligned with E/S characteristics”). As the sub-fund was synthetic, in case of swap counterparty default, the sub-fund was exposed to government bonds as collateral.

Consequently, as a result of such variable exposure, at least 50% of the Fund’s net assets were subject to an ESG analysis or rating by the Management company, under normal market circumstances.

The Management Company considered as sustainable any investment in a company that had a net positive contribution to the SDGs adopted by the United Nations and/or which contributed to the following environmental objectives as set out in Article 9 of the Taxonomy Regulation, for as long as this investment did not cause material prejudice to any of these objectives (according to the approach described in question 1 above) and that the companies receiving the investments applied good governance practices.

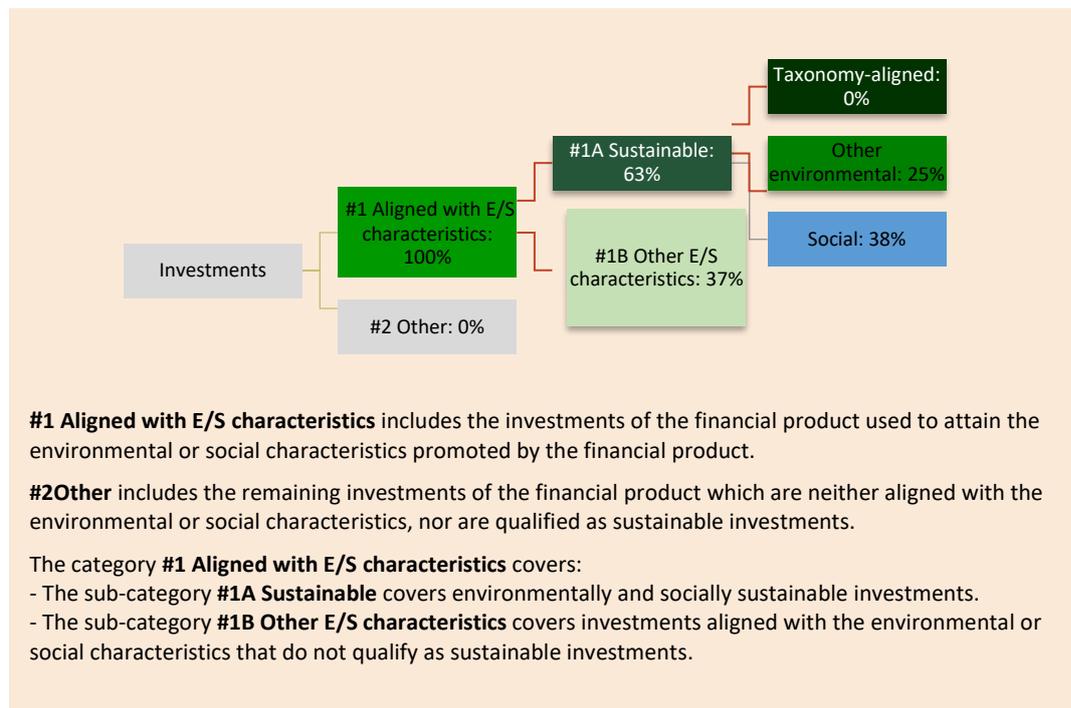
The Management Company relied on MSCI data and methodology to measure companies’ alignment with the SDGs.

The sub-fund was not authorized to invest in non-ESG rated companies, outside of securities issued by public or quasi-public issuers, cash, and cash equivalents.

The “#2 other” assets could consist of investments in liquidity, capital instruments, or debt, derivatives, and collective investment undertakings that did not promote environmental or social characteristics and that were used to achieve the financial objective of the sub-fund and/or for diversification and/or hedging purposes.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.



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

The economic sectors of the investments made are the following (data coming directly from the swap basket):

Sector	Weight
Consumer, Non-cyclical	37.91%
Industrial	18.78%
Communications	12.31%
Utilities	10.24%
Consumer, Cyclical	8.30%
Basic Materials	7.71%
Technology	4.49%
Energy <sup>1</sup>	0.26%

<sup>1</sup> The energy sector includes fossil fuel.

'Fossil fuel' means non-renewable carbon-based energy sources such as solid fuels, natural gas and oil



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

The Fund takes into account the alignment of companies with the first two environmental objectives of the European Taxonomy: mitigating climate change and adapting to climate change. As the currently available data is only approximate, the Management Company will provide investors with updated information on the degree of alignment of the Fund with sustainable environmental activities in a future version of the prospectus, following its data collection and analysis work. Therefore, for the time being, the Fund's alignment rate with the EU taxonomy corresponds to 0% of its sustainable investments.

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

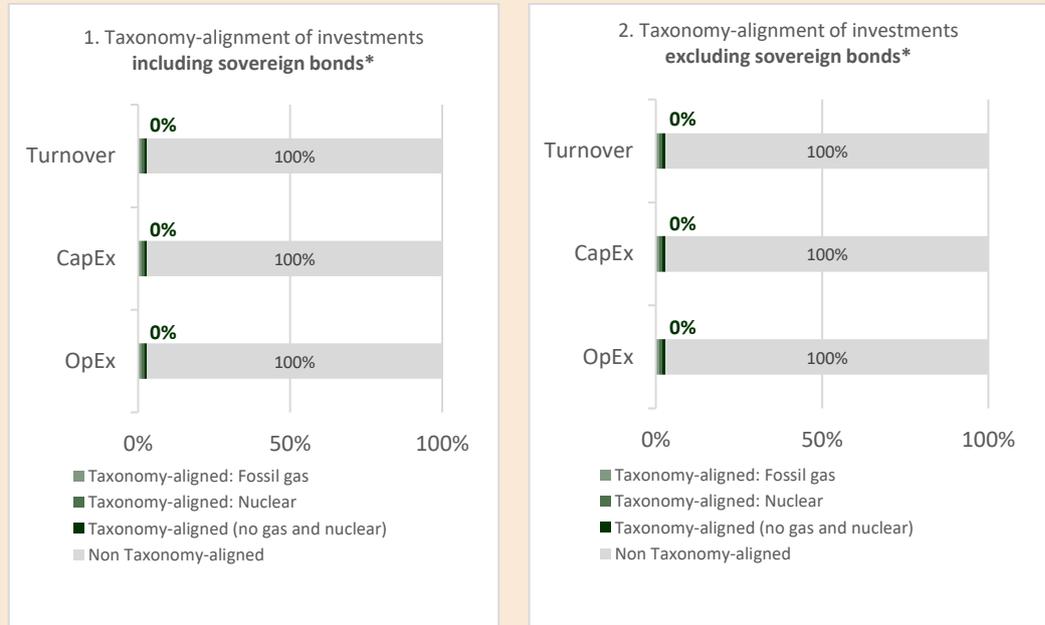
Yes:

In fossil gas  In nuclear energy

No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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



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

● **What was the share of investments made in transitional and enabling activities?**

N/A

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



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

The proportion of investments related to sustainability with an environment objectif was 25 %.



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

The proportion of investments related to sustainability with a social objectif was 38 %.

**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.

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



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

The "Other" assets consisted of investments in liquidity, capital instruments or debt, derivatives and collective investment undertakings that did not promote environmental or social characteristics and that were used to achieve the financial objective of the sub-fund and/or for diversification and/or hedging purposes. No minimum environmental or social safeguards were in place in relation to such assets.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The measures that had been taken to respect the environmental and/or social characteristics were as follows:

- Group Exclusion (Defence, Coal, Palm Oil, Oil & Gas, CCC rating, Red Controversy, Tobacco)
- Sectoral Exclusion (Company whose exposure exceeded 15% of turnover in the following activities: Tobacco, Gambling, Adult content, GMOs, Weapons)
- Compliance with the minimum MSCI coverage of 90% of the portfolio
- Compliance with the ESG approach:
  - o Rating improvement: the ESG rating of the portfolio > to the ESG rating of the investment universe reduced by 20% of the lowest ESG ratings"

Moreover we did not have any shareholder engagement actions.



### How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the sub-fund.

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

N/A

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

N/A

- **How did this financial product perform compared with the reference benchmark?**

N/A

- **How did this financial product perform compared with the broad market index?**

N/A



Brussels, 6.4.2022  
C(2022) 1931 final

ANNEX 4

**ANNEX**

*to the*

**Commission Delegated Regulation (EU) .../...**

**supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports**

ANNEX IV

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

Product name: SOLYS – LFDE TRANSATLANTIC

Legal entity identifier: 549300NCNUICZOGECE76

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ___%	<input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of <b>_30_</b> % of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

**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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund promoted environmental and social characteristics through its integration of extra-financial criteria in the investment process and by exclusions of certain sectors or activities, that do not respect certain norms or values.

Over the year 2022 the sub-fund's average exposure to its ESG-scored equity portfolio was of 70% .

Investment decisions are based on the approach combining fundamental financial analysis and extra-financial analysis through the integration of ESG criteria (Environment, Social, Governance).

Depending on the sector of activity and geographical presence, every issuer is exposed to different material extra-financial risks.

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

Both the Investment Manager's (La Financière de l'Echiquier) and Management Company's proprietary ESG methodologies and analyses were used for the stock selection process and investment decisions.

The key ESG analyses looks at the capacity of management of the issuer to manage its principal material risks and opportunities arising from environmental issues (such as carbon emissions, water stress), social aspects (such as work safety, staff rotation), or governance practices (board and accounting). For the purpose of evaluation of ESG risk management of issuers, the Sub-Fund uses data provider MSCI and its ESG ratings. The Sub-Fund did not invest in the issuers evaluated as laggards, with the ratings CCC. And in addition the issuers that were part of the 20% worst ESG-scores were excluded.

Through its integration of ESG criteria, the Sub-Fund promotes environmental characteristics such as development of sustainable impact revenues.

The Sub-Fund is promoting the alignment with the 17 Sustainable Development goals through the sustainable investments.

Through its normative exclusions, the Sub-Fund promotes the respect of certain norms and values, by excluding companies with very severe level of social or environmental controversies or involved in controversial weapons. For some other controversial activities, such as tobacco, coal or defense, the Sub-Fund applies maximum revenue percentage thresholds.

During the calendar year 2022, the sub-fund promoted environmental and social characteristics as described above.

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

- Score ESG: 7,54
- % selectivity consistently applied: 20%
- % exposure to red controversy issuers: 0%

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

N/A

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

To identify the positive contribution to an environmental and/or social objective, the Investment Manager implements the framework of the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 with a target date for delivery of 2030 and the European Taxonomy.

The 17 SDGs aim to foster collaboration within private and public entities to address the global challenges such as poverty, climate change, inequality, or peace and justice. In order to identify the contribution, positive or negative, to an SDG, the issuer is assessed in terms of his operational and product alignment towards each of the 17 SDGs. Every company may contribute to the goals in a variety of ways (positively and negatively) and across several goals. The operational alignment assesses the extent to which an issuer addresses a specific SDG via its internal policies and practices, targets, performance metrics. The product alignment assesses the net impact of issuer's products or services to achieve a specific SDG. The data provider MSCI has been selected to measure this companies' alignment with the SDGs.

Every investment can be considered as sustainable or not sustainable. In order that investment would be considered as sustainable, it must be aligned to at least one SDG without being misaligned to any other SDG, while respecting all the principles of our ESG policy.

In addition, the Investment Manager takes into account the alignment of companies with the first 2 environmental objectives of the European Taxonomy (Mitigation of climate change and adaptation to climate change).

As of 30/12/2022, the Sub-fund had 30% of sustainable investments.

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

The Sub-Fund integrates environmental, social and good governance criteria into its investment policy and decisions through sectoral and normative exclusions as well as ESG inclusion described in the first part. Through this, the Sub-Fund ensures that the investments made do not cause significant harm to any of the environmental or social sustainable investment objectives and that the companies benefiting from these investments apply good governance.

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

- Exclusion policy

In accordance with the Management Company's investment policy, the Sub-Fund excludes from the investment universe companies that have significantly and repeatedly transgressed one of the 10 United Nations Global Compact principles, or have controversial activities such as thermal coal, controversial weapons etc. or are involved in one or more recent very severe controversies under the MSCI nomenclature (red flag).

- ESG Integration policy

Both the Investment Manager's (La Financière de l'Echiquier) and Management Company's proprietary ESG methodologies and analyses were used for the stock selection process and investment decisions. The MSCI rating takes into account the set of PAI (Environmental and Social) indicators. For each company, the ESG rating methodology aims to assess the main key factors in each of the three ESG pillars, taking into account both universal issues and specific issues that may have a financial impact on the company's performance. Each issue is considered from two main angles: the risks they represent for the company's activity but also the development opportunities that taking them into account can bring.

The Sub-Fund follows a Best-in-Universe approach by investing in issuers whose ESG rating is greater than or equal to B (leading and average rating) on a scale of AAA to CCC (CCC being the worst).

During the year 2022, all investments respected exclusion and ESG integration policy.

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

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In accordance with the Société Générale Group's "Defense" sector policy, which meets the

**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.

obligations of the Ottawa (1999) and Oslo (2008) conventions applicable to all French management companies, companies involved in activities related to prohibited or controversial weapons (anti-personnel mines, cluster bombs, depleted uranium weapons) are excluded from the Sub-Fund's investment universe.

In addition, and in accordance with the Management Company's investment policy, companies with a very severe controversy rating (red) according to the MSCI nomenclature are excluded from the investment universe. These exclusions guarantee full compliance with the OECD guidelines for multinational enterprises and the United

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

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

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

Nations guidelines on business and human rights.

The Controversy Rating is notably a warning measure of the reputational and operational risks to which companies are exposed. A very serious controversy can potentially result in heavy financial penalties. All of these indicators are monitored periodically.

During the year 2022, no investments were rated having very severe controversies or breaching Global Compact principles.



## How did this financial product consider principal adverse impacts on sustainability factors?

The Sub-Fund considered the following PAI in its management:

	<b>Adverse sustainability indicator</b>	<b>Metric</b>	<b>Engagement</b>	<b>Exclusion</b>	<b>Comments</b>
1	GHG emissions	Scope 1 GHG emissions	x	x	<ul style="list-style-type: none"> <li>- Coal exclusion policy</li> <li>- Unconventional oil and gas" sector policy</li> <li>- Signature Net Zero Asset Managers</li> </ul>
		Scope 2 GHG emissions	x	x	
		Scope 3 GHG emissions			
		Total GHG emissions	x	x	
2	Carbon footprint	Carbon footprint	x	x	

3	GHG intensity of investee companies	GHG intensity of investee companies			
4	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	x	x	
5	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources			
6	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector			
7	Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	x		'- Policy of exclusions related to deforestation - Palm Oil
8	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average			
9	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average			

10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises		x	- "Controversies" Exclusions Policy
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises			
12	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies			
13	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members			
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investment in companies involved in the manufacture or sale of controversial weapons		x	- Controversial Defense Exclusions Policy

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 30/12/2022



### What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
MICROSOFT	Software	4,985%	United States

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.



AMAZON	Internet	4,782%	United States
Visa Inc	Diversified Finan Serv	3,400%	United States
Mastercard Inc	Diversified Finan Serv	3,388%	United States
Thermo Fisher Scientific Inc	Healthcare-Products	3,318%	United States
UnitedHealth Group Inc	Healthcare-Services	3,311%	United States
GOOGLE	Internet	3,222%	United States
Walt Disney Co/The	Media	3,212%	United States
TAIWAN SEMICONDUCTOR	Semiconductors	3,154%	United States
Accenture Plc	Computers	3,125%	Ireland
NESTLE SA REGISTERED	Food	2,244%	Swiss
ProLogis Inc	REITS	1,906%	United States
T-Mobile US Inc	Telecommunications	1,788%	United States
Novo Nordisk A/S	Pharmaceuticals	1,767%	Denmark
ASML HOLDING NV	Semiconductors	1,561%	Netherlands

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

The proportion of investments related to sustainability was 30%.

### ● What was the asset allocation?

The sub-fund's economic exposure (via derivatives) to an equity portfolio was variable, and 70% of the equities in the portfolio were ESG scored (#1 Aligned with E/S characteristics). In the event of a swap counterparty default, the sub-fund was exposed to government bonds as collateral due to its synthetic nature.

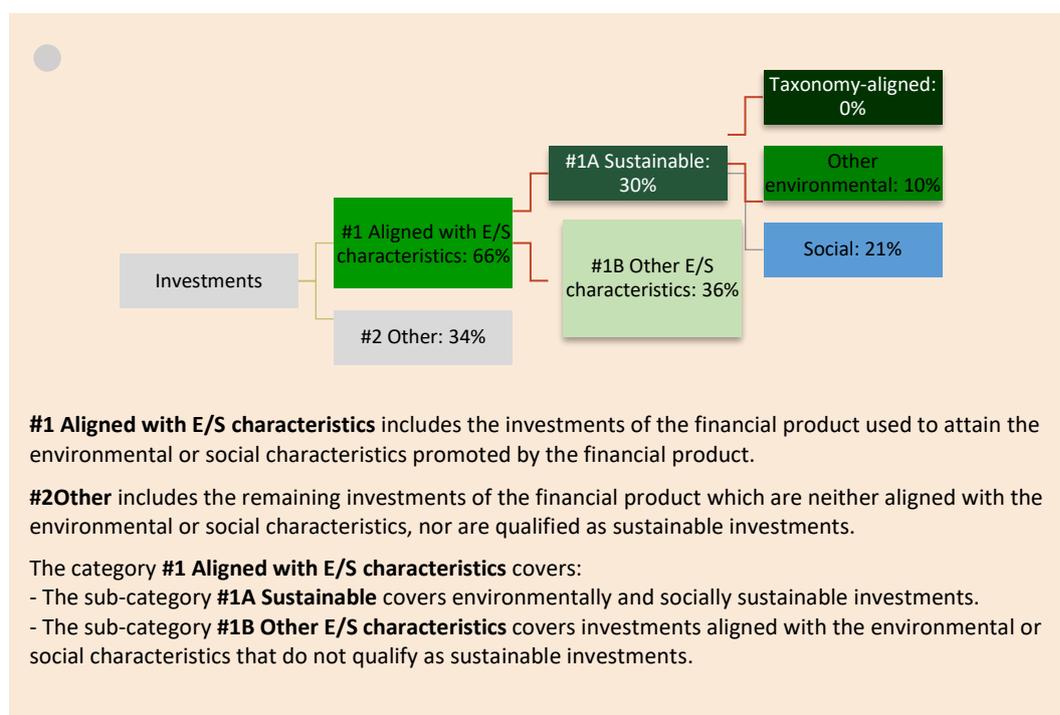
Therefore, under normal market circumstances, at least 40% of the Fund's net assets were subject to an ESG analysis or rating by the Management company. The management company relied on MSCI data and methodology to measure companies' alignment with the SDGs.

The Sub-Fund was not authorized to invest in non-ESG rated companies, except for securities issued by public or quasi-public issuers, cash and cash equivalents.

The "#2 other" assets could include investments in liquidity, capital instruments or debt, derivatives, and collective investment undertakings that did not promote environmental or

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

social characteristics but were used to achieve the Sub-Fund's financial objective and/or for diversification and/or hedging purposes.



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

The economic sectors of the investments made are the following (data coming directly from the swap basket):

Sector	Weight
Consumer, Non-cyclical	35.97%
Technology	17.32%
Financial	14.33%
Communications	12.24%
Consumer, Cyclical	6.08%
Industrial	5.96%
Basic Materials	5.49%
Energy <sup>1</sup>	1.54%
Utilities	1.07%

<sup>1</sup> The energy sector includes fossil fuel.  
 'Fossil fuel' means non-renewable carbon-based energy sources such as solid fuels, natural gas and oil



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

The Fund takes into account the alignment of companies with the first two environmental objectives of the European Taxonomy: mitigating climate change and adapting to climate change. As the currently available data is only approximate, the Management Company will provide investors with updated information on the degree of alignment of the Fund with

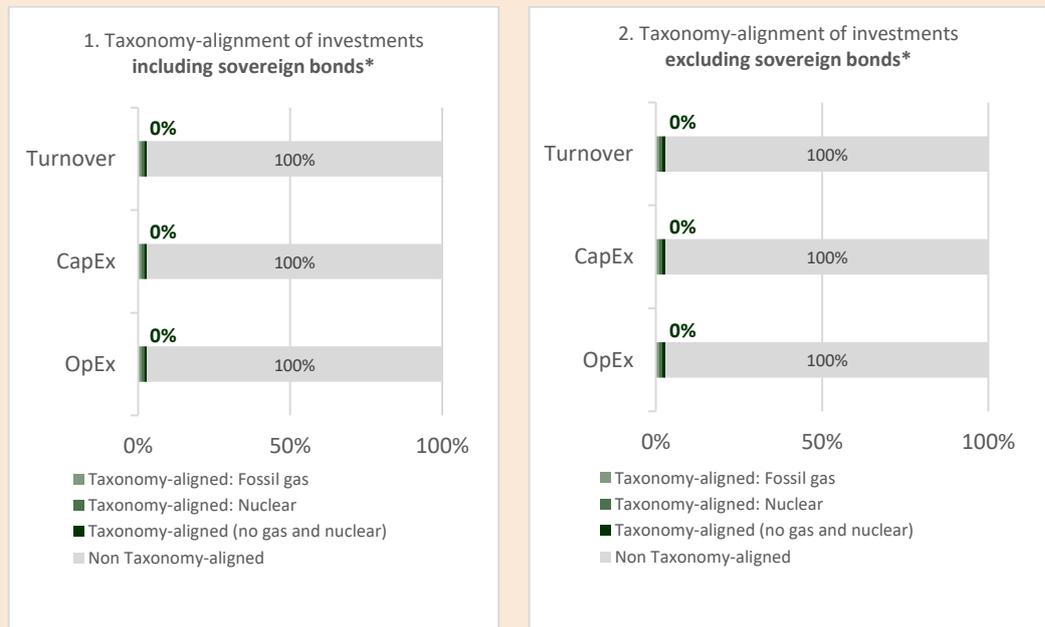
sustainable environmental activities in a future version of the prospectus, following its data collection and analysis work. Therefore, for the time being, the Fund's alignment rate with the EU taxonomy corresponds to 0% of its sustainable investments.

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:
  - In fossil gas
  - In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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



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

**What was the share of investments made in transitional and enabling activities?**

N/A

**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 did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



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

The proportion of investments related to sustainability with an environment objectif was 10 %.



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

The proportion of investments related to sustainability with a social objectif was 21 %.



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

The " #2 Other" assets could have consisted of investments in liquidity, capital instruments or debt, derivatives and collective investment undertakings that did not promote environmental or social characteristics and were used to achieve the financial objective of the Sub-Fund and/or for diversification and/or hedging purposes. No minimum environmental or social safeguards were in place in relation to such assets.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The measures that had been taken to respect the environmental and/or social characteristics were as follows:

- Group Exclusion (Defence, Coal, Palm Oil, Oil & Gas, CCC rating, Red Controversy, Tobacco)
- Sectoral Exclusion (Company whose exposure exceeded 15% of turnover in the following activities: Tobacco, Gambling, Adult content, GMOs, Weapons)
- Compliance with the minimum MSCI coverage of 90% of the portfolio
- Compliance with the ESG approach:
  - o Rating improvement: the ESG rating of the portfolio > to the ESG rating of the investment universe reduced by 20% of the lowest ESG ratings".

Moreover we did not have any shareholder engagement actions.



## How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the sub-fund.

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

N/A

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

N/A

- ***How did this financial product perform compared with the reference benchmark?***

N/A

- ***How did this financial product perform compared with the broad market index?***

N/A

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