

Publication of sustainability information

SSP/M – (LZA) Euro Equity

■ Summary

SSP/M – (LZA) Euro Equity (the “Sub-Fund”) promotes environmental or social characteristics but does not have a sustainable investment objective.

The investment strategy of this Sub-Fund aims to invest quoted equity securities denominated in Euro, including common stock, ADRs, GDRs, convertibles bonds and warrants on equity securities.

The proprietary ESG analysis model of the companies present in the portfolio takes into account all the indicators relating to the main negative impacts of companies in terms of sustainability (PAI).

The analyst-managers ensure that the weighted average ESG rating of the portfolio is higher than that of the average of the reference universe by using the extra-financial rating framework of Moody's ESG Solutions.

The promotion of social and environmental characteristics depends on the product's strategy and its own investment processes. They are systematically promoted by obtaining a minimum ESG score within a universe and by monitoring 4 indicators for labelled funds, and by managing negative impacts by monitoring controversies and adopting sectoral or normative exclusion policies, for example.

These characteristics are monitored by the Compliance Department on an ongoing basis, while the Internal Control Department carries out annual audits.

As the Sub-Fund is subject to a proprietary analysis model, due diligence is carried out both before and after the fact, through weekly monitoring of controversies, a quarterly review of ESG ratings and a commitment process with issuers on certain issues (climate, biodiversity, social). Finally, management constraints are subject to post-trade control.

■ No sustainable investment objective

This product promotes environmental and social characteristics but does not have a sustainable investment objective.

■ Environmental or social characteristics of the financial product

SSP/M – (LZA) Euro Equity promotes Environmental and Social characteristics by investing in companies taking into account all the indicators relating to the main negative impacts of companies in terms of sustainability (PAI).

The analyst-managers ensure that the weighted average ESG rating of the portfolio is higher than that of the average of the reference universe by using the extra-financial rating framework of Moody's ESG Solutions.

■ Investment strategy

The Sub-Fund's investment strategy aims to invest in shares of companies with the best ESG performance.

In order to achieve the environmental and social characteristics promoted by the Sub-Fund, sector and normative exclusion policies are applied to the investment universe:

- Normative exclusions relating to controversial weapons (cluster munitions, anti-personnel mines, biological and chemical weapons) and violations of the United Nations Global Compact.
- Sectoral exclusions (tobacco and thermal coal).

The quality of governance has also always been a determining criterion of our investment policy.

In addition, our voting and engagement policies systematically integrate consideration of good governance criteria.

The binding elements used as part of the investment strategy to achieve the environmental and social objectives promoted by this product cover, for the securities directly in the portfolio:

- The extra-financial analysis rate
The extra-financial analysis rate of investments in the product's direct securities is, depending on the product's investment categories, greater than:
 - o 90% for equities issued by large caps headquartered in "developed" countries, debt securities and Money Market Instruments with an investment grade credit rating, sovereign debt issued by developed countries;
 - o 75% for shares issued by large capitalizations whose head office is located in "emerging" countries, shares issued by small and medium capitalization, debt securities and Money Market Instruments benefiting from a high yield credit and sovereign debt issues by "emerging" countries.

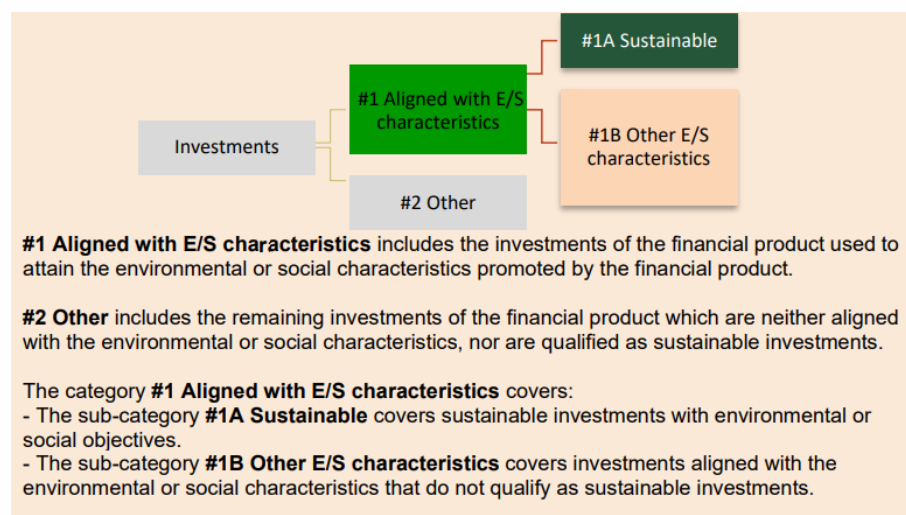
These rates are expressed as a percentage of total assets.

- The average ESG rating of the portfolio
The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The analyst-managers ensure that the weighted average ESG rating of the portfolio is higher than that of the average of the reference universe by using the extra-financial rating framework of Moody's ESG Solutions. The reference ESG universe of the portfolio is: Eurostoxx index (Bloomberg Code: SXXT Index).

For more information on the investment strategy and good governance practices, please refer to the pre-contractual appendix to the prospectus.

■ Proportion of investments



The Sub-Fund has at least 90% of its investments used to attain the environmental and social characteristics promoted (**#1 Aligned with E/S characteristics**).

The minimum share of sustainable investments within the meaning of Article 2(17) of SFDR amounts to 30% of the Sub-Fund's net assets.

The Sub-Fund invests a maximum of 10% in cash and/or cash equivalent as investments in UCIs (**#2 Other**).

■ Monitoring of environmental or social characteristics

Specific exclusion criteria are coded in Trading and Compliance systems, facilitating pre-trade compliance and preventing investment in excluded securities. Exclusion criteria are also monitored on a post-trade basis.

Specific environmental or social characteristics promoted by each financial product are monitored internally by the relevant portfolio management function, supported by the Investment Manager's Risk Management function.

On a quarterly basis, the Investment Manager's Compliance and Risk Management functions provide oversight of environmental and social characteristics and relevant sustainability indicators used to measure the attainment of those characteristics from third-party sources.

The Investment Manager maintains a set of internal policies and procedures to govern its ESG processes that may be updated or changed to reflect evolving industry practices and standards.

■ Methodologies

The Investment Manager may apply different methodologies to measure how the environmental or social characteristics promoted by the financial product are met. The methodology selected is dependent on the source of data used to measure the environmental or social characteristics, such as:

1. For characteristics that are supported by the Investment Manager's proprietary processes and frameworks, the methodology will be detailed within product-specific documentation, such as the Fund's Supplement. Any changes to specific methodologies will be included in future updates to relevant documentation.
2. For characteristics that are supported by third-party ESG data providers, each provider uses its own methodologies and set of internal processes. While there is limited influence over these methodologies (as an end consumer of this data), the Investment Manager aims to provide appropriate levels of oversight and due diligence to ensure services meet data quality expectations.

■ Data sources and processing

The Investment Manager has access to ESG data from internal and external resources, including:

1. Internal information, an ESG Watchlist report that flags companies scoring poorly on a selection of ESG risk factors and stewardship activity (engagement, proxy voting, shareholder resolution) related to ESG issues.
2. Third-party data and information, including: ESG ratings and risk scores for systematic comparison of ESG performance across companies, controversies analysis and information, global norms compliance screens, and a wider set of ESG metrics for corporates and sovereign issuers in the investible universe. External data providers include Sustainalytics, S&P Global Trucost, Bloomberg ESG, MSCI, Clarity AI.

The Investment Manager assesses data quality of third-party data providers during initial and periodic due diligence assessments. These data sets are expanding in coverage, although reporting the level of estimated data across all vendors and relevant data points is currently challenged without further disclosure across providers.

Data processing internally can take place in different formats. For example, the Investment Manager has built internal data tools that are designed to combine both internal and external datasets from multiple third-party sources. Portfolio management teams can also access certain third-party datasets via online portals, systems, and reports.

■ Limitations to methodologies and data

The Investment Manager notes that a central limitation to ESG methodology or data sourcing is the lack of corporate disclosure. This is particularly relevant for data points identified as adverse sustainability impacts in the SFDR

regulation. To address data challenges, the Investment Manager relies upon a combination of internal and external resources.

Proprietary fundamental ESG assessments may also differ from that of external providers, possibly because of provider data gaps, or because the Investment Manager seeks to generate differentiated insights using fundamental analysis to supplement external data.

■ Due diligence

Investment management teams incorporate ESG considerations into their security selection and portfolio construction as part of investment due diligence processes, in line with the Investment Manager's sustainability-related investment policies.

■ Engagement policies

There is no specific engagement policy applied to the Fund. The Investment Manager may undertake stewardship activities to enhance long-term value and incorporate insights into investment decision-making.

Although engagement is not directly linked to the specific environmental or social investment strategy of the Fund, certain stewardship activities may consider relevant adverse sustainability impacts.

■ Designated reference benchmark

The Sub-Fund does not use a specific index to determine its alignment with the environmental and social characteristics it promotes.