

# **MOOREA FUND FLOATING RATE INCOME**

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Article 10 (SFDR)

Website disclosure for an Article 8 fund

**Société Générale Private Wealth Management S.A.**

**January 2023**

**This document includes information relating to environmental and social characteristics of financial products, and sustainable investments, in accordance with article 10 of the Sustainable Finance Disclosure Regulation (SFDR)<sup>1</sup>.**

<b>PRODUCT NAME: MOOREA FUND – FLOATING RATE INCOME</b> Legal entity identifier: 549300ULSO3JI6DEWO19	
<b>Does this financial product have a sustainable investment objective?</b>	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of <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 will make a minimum of <b>sustainable investments with a social objective: ___%</b>	<input checked="" type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, <b>it will have a minimum proportion of 10% of sustainable investments</b> <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 type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>

<sup>1</sup> Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.



## A. SUMMARY

Moorea Fund – Floating Rate Income (the “Sub-Fund”) seeks to achieve performance through investments in diversified portfolio of debt instruments on issuers with a strong ESG profile, principally denominated in Euro.

The Sub-Fund promotes environmental or social characteristics but does not have as its objective a sustainable investment. At least 90% of the Sub-Fund investments promote environmental and social characteristics. The Sub-Fund will do at least 10% of the sustainable investments within the meaning of SFDR. These investments could be aligned with the EU Taxonomy but the Investment Manager is not currently in a position to specify the exact proportion of the product’s underlying investments which take into account the EU criteria for environmentally sustainable economic activities.

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.

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 Investment manager’s 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).

The Sub-Fund promotes 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. In addition, the investment policy of the Sub-Fund is complemented by the engagement policy on governance behaviour and management practices with the issuers and public bodies.

The Investment Manager addresses ESG factors throughout the investment process, combining ESG best-in-class approach with ESG integration, exclusions and engagement. Within the investment universe, a non-financial investment analysis is performed covering both negative/exclusionary screening, ESG criteria screening and ranking and norms-based screening. The portfolio construction specifically aims at on a best effort basis maximizing the overall ESG rating by selecting best in class issuers using data provider MSCI and its ESG ratings.

To assess the good governance of the investee companies, the investment manager follows several steps during investment process. Firstly, the minimum safeguards regarding governance are included in the exclusion policy of SGPWM. Then the selection process includes the integration of ESG rating, where the governance aspects represent at least 30% of the overall note. In addition, at the portfolio level, SGPWM assesses the percentage of independent members on the Board of Directors present on the portfolio. Finally, SGPWM has implemented a stewardship policy, that includes engagement and proxy voting policy.

The management company has established a number of partnerships to access non-financial research (MSCI, Bloomberg, ISS, S&P Trucost, brokers).

In order to measure the attainment of the environmental or social characteristics promoted by the Sub-Fund, the Investment Manager uses sustainability indicators such as ESG ratings, very severe controversies, exclusions of controversial activities and concerns about respect for Human Rights. These indicators are monitored at 3 levels. The first level of control is the portfolio manager who is responsible for portfolio rebalancing in line with the global allocation strategy, fixed income strategy and the ESG

criteria. Holdings of the portfolio are monitored on a continuous basis in terms of financial and ESG criteria. The second level of control is performed by the Risk Manager of SGPWM who monitors the overall financial and non-financial parameters of the portfolio. The third level of control is performed by the external labelling agencies. The Sub-fund has been reviewed by LuxFlag labeling agency and awarded with LuxFLAG ESG Label. In this context, the ESG processes, extra-financial indicators and portfolio are reviewed on a yearly basis by LuxFlag in order to be eligible for the label renewal.



## B. NO SUSTAINABLE INVESTMENT OBJECTIVE

This financial product promotes environmental or social characteristics but does not have as its objective a sustainable investment.

### How does this financial product take into account principal adverse impacts<sup>2</sup> on sustainability factors?

The PAIs are taken into account throughout the investment process: through the exclusion policy (sectoral and normative), the ESG integration policy and performance indicators (ESG ratings, ESG controversies score).

The Sub-Fund considers the PAIs detailed in the table below.

	PAI	Measurement criteria	Engage-ment	Exclu-sion	Comment
1	Greenhouse Gas Emissions	Scope 1 GHG emissions	X	X	- Thermal Coal Sector Policy - Net Zero Asset Managers Signatory
		Scope 2 GHG emissions	X	X	
		Scope 3 GHG emissions	X	X	
		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	
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	X	- Palm oil exclusion policy - Biodiversity Pledge Signatory
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	X	- Controversies exclusion filter
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	X	X	- Red Flag exclusion

<sup>2</sup> 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, anticorruption and antibribery matters.

13	Board gender diversity	Average ratio of female to male board members in investee companies	X		- Engagement policy
14	Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	X	X	- Exclusions related to controversial arms

**Are the sustainable investments 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 "Defence" 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.

 **C. ENVIRONMENTAL OR SOCIAL CHARACTERISTICS OF THE FINANCIAL PRODUCT**

**What are the environmental or social characteristics promoted by this financial product?**

The Sub-Fund promotes 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. By investing in this manner, the Sub-Fund finances companies and public sector bodies contributing to sustainable development, regardless of their sector of activity. In addition, the investment policy of the Sub-Fund is complemented by the engagement policy on governance behaviour and management practices with the issuers and public bodies.

At least 90% of the Sub-Fund investments promote environmental and social characteristics. The Sub-Fund will do at least 10% of the sustainable investments within the meaning of SFDR.

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 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 will not invest in the issuers evaluated as laggards, with the ratings CCC or B.

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 also promotes social characteristics such as gender diversity. 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.

Through its engagement policy, the Sub-Fund promotes the gender diversity and transparency on the CO2 emissions disclosures.

No benchmark has been designated for the purpose of attaining the environmental or social characteristics.

### **What are the objectives of the sustainable investments that the financial product partially intends to make and how does 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.

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 Investment manager's 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).

### **How do the sustainable investments that the financial product partially intends to make, 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.



## D. INVESTMENT STRATEGY

### **What investment strategy does this financial product follow and how is the strategy implemented in the investment process on a continuous basis?**

The Sub-Fund seeks to achieve performance through investments in diversified portfolio of debt instruments on issuers with a strong ESG profile, principally denominated in Euro. The Sub-Fund aims at meeting the long-term challenges of sustainable development while delivering financial performance by the combination of financial and extra-financial criteria, integrating ESG criteria ESG.

The Investment Manager addresses ESG factors throughout the investment process, combining ESG best-in-class approach with ESG integration, exclusions and engagement.

Within the investment universe, a non-financial investment analysis is performed from MSCI data covering both:

- Negative/exclusionary screening: exclusion from the investable universe of certain sectors, companies or practices based on specific ESG criteria;
- ESG criteria screening and ranking: Issuers will be ranked within each list according to their overall score (scale from AAA to CCC) and their specific score on both the Environmental, the Social and the Governance approach;
- Norms-based screening: Screening of issuers against minimum standards of business practice based on international norms .

Issuers from the investable Universe not covered by MSCI are only analyzed on a case by case basis if they are selected for investment in the Fund for their fundamental components.

The portfolio construction specifically aims at on a best effort basis:

- Maximizing the overall ESG rating by selecting best in class issuers taking into consideration the risk return approach and the overall strategy of the fixed income committee,
- Favoring issuers with improving ESG rating

The Sub-Fund will optimize its overall carbon footprint by monitoring its overall CO2 carbon emission. The overall sustainable impact of the Sub-Fund can be improved by the use of Green Bonds.

### **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

All the securities invested in portfolio will be researched and analysed from an ESG standpoint.

At least 90% of the Sub-Fund investments promote environmental and social characteristics. The Sub-Fund will do at least 10% of the sustainable investments within the meaning of SFDR.

The Investment Manager addresses ESG factors throughout the investment process, including research, company engagement and portfolio construction. The Investment Manager incorporates i) an exclusion policy completed by ii) an ESG Integration policy.

- i) Exclusion policy

The Sub-Fund excludes of the investment universe:

- Companies that have significantly and repeatedly transgressed one of the 10 United Nations Global Compact principles;



- Companies being involved in one or more recent very severe controversies under the MSCI nomenclature (red flag);
- Companies having controversial activities such as (but not limited to):
  - o Controversial weapons, if more than 15% of their revenues;
  - o Gambling, adult entertainment, if more than 15% of their revenues;
  - o Tobacco: exclusion of tobacco producing companies, as well as supplier or distributor companies, if more than 15% of their turnover is linked to tobacco;
  - o Palm oil: exclusion of palm oil producers and distributors from the first euro of turnover in this activity, with the exception of palm oil producers certified by the Roundtable Sustainable Palm Oil (RSPO) with a certification level of at least 70% and with a commitment to be at 100% before 2030;
  - o Thermal coal: exclusion of companies with the following characteristics:
    - More than 10% of turnover is linked to thermal coal mining,
    - Members of the energy sector and more than 30% of their electricity production comes from coal,
    - Who are thermal coal developers;
- Companies evaluated as laggards, with the ratings CCC or B.

#### ii) ESG Integration policy

The Sub-Fund follows a Best-in-Class approach by investing in issuers whose ESG rating is greater than or equal to BB (leading and average rating) on a scale of AAA to CCC (CCC being the worst) according to the MSCI ESG rating system. For issuers not covered by MSCI, the Sub-Fund employs an in-house ESG process, based on negative/exclusion, ESG criteria screening/ranking and norm-based screening.

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

The good governance is assessed in several steps during investment process.

Firstly, the minimum safeguards regarding governance are included in the exclusion policy of SGPWM. The sub-fund cannot invest in the companies who do not comply with United Nations Global Compact principles, companies with very severe level of controversies and the companies who have the laggard ESG rating in MSCI nomenclature.

The Selection process includes the integration of ESG rating, where the governance aspects represent at least 30% of the overall note. The good governance assessment includes the assessment of the investee company sound management, employee relations, pay practices, management structures and tax compliance.

On the portfolio level, SGPWM assesses the percentage of independent members on the Board of Directors present on the portfolio. The independence of the Board of Directors is fundamental to harmonize the interests of management and investors. This indicator is calculated on weighted average basis.

And finally, SGPWM has implemented a stewardship policy, that includes engagement and proxy voting policy. The objective of SGPWM is to establish a regular and continuous dialogue with companies in order to encourage them to improve their so-called Corporate and Environmental Responsibility practices including good governance practices.

**Is there a commitment to reduce by a minimum rate the scope of investments considered prior to the application of the strategy? (Including an indication of the rate)?**

- Yes
- No

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

- Yes
- No

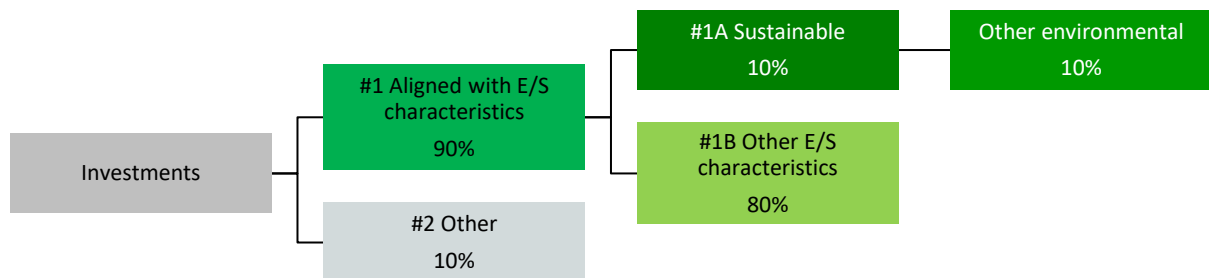
**E. PROPORTION OF INVESTMENTS**

**What is the planned asset allocation for this financial product?**

The Sub-Fund aims to invest principally in Floating Rates debt instruments. Floating Rates debt instruments are bonds or structured products whose interest payments (coupons or bonus) are variable.

The Sub-Fund will invest at least 50% in Investment Grade bonds issued by corporate, governments, or public institutions denominated in Euro

At least 90% of the Sub-Fund investments promote environmental and social characteristics. The Sub-Fund will do at least 10% of the sustainable investments within the meaning of SFDR.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**What is the minimum share of investments with an environmental objective aligned with the EU Taxonomy? (including what methodology is used for the calculation of the alignment with the EU Taxonomy and why; and what the minimum share of transitional and enabling activities)?**

The Sub-Fund does not currently commit to invest more than 0% of its assets in Sustainable Investments with an environmental objective aligned with the EU Taxonomy, however, these investments may form part of the portfolio.

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

The Sub-Fund commits to a minimum 10% of sustainable investments with an environmental objective aligned with SFDR. These investments could be aligned with the EU Taxonomy but the Investment Manager is not currently in a position to specify the exact proportion of the product's underlying investments which take into account the EU criteria for environmentally sustainable economic activities. However, the position will be kept under review as the underlying rules are finalized and the availability of reliable data increases over time.

Based on an initial investment universe filtered by DNSH and bad governance practices, the minimum share of sustainable investments having a positive net contribution to one of the environmental SDGs (i.e. SDGs 6,7,9 11, 12,13, 14 & 15) but without contributing to the environmental objectives as set out in the Taxonomy Regulation, is 0% of the Sub-Fund's net assets.

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

Based on an initial investment universe filtered by DNSH and bad governance practices, the minimum share of sustainable investments having a positive net contribution to one of the social SDGs (i.e. SDGs 1, 2, 3, 4, 5, 8, 10, 16 & 17) is 0% of the Sub-Fund's net assets.

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The investments included under “#2 Other” are cash and cash equivalent securities.

Considering the nature of the investments included under “#2 Other” there are no minimum environmental or social safeguards applicable.



**F. MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS**

**What sustainability indicators are used to measure the attainment of the environmental or social characteristics promoted by this financial product?**

The sustainability indicators used are as follows:

- ESG rating: Average ESG rating: ESG rating evaluates how the issuer manages its extra-financial material risks. For this purpose, the Sub-Fund uses data provider MSCI and its ESG ratings.
- Very Severe Controversy: These indicators show whether a company is exposed to reputational and operational risks due to major and/or very important (controversy) breaches regarding the ESG that

can have a material impact on a company. The Sub-Fund will have no investment with very Severe Controversy under the MSCI nomenclature (red flag).

- Controversial activities: The Sub-Fund employs norms and value-based exclusions. Examples of the exclusions (but not limited to them) are controversial weapons, gambling, adult entertainment, tobacco and thermal coal which is driven by revenue thresholds.
- Concerns about respect for Human Rights: This indicator makes it possible to ensure that companies comply with the main principles laid down by the United Nations in terms of human rights, in particular freedom of expression, civil liberties, the fight against discrimination and respect for minorities and communities. The Sub-Fund will have no investment from issuers that do not comply with the UN Global Compact.

### **How are the environmental or social characteristics and the sustainability indicators monitored throughout the lifecycle of the financial product and the related internal/external control mechanism?**

#### **1. Monitoring by the portfolio manager**

Portfolio Managers are responsible portfolio rebalancing in line with the global allocation strategy, fixed income strategy and the ESG criteria.

Portfolio Managers implement new investment ideas in order to improve the portfolio's overall risk, return and sustainable characteristics.

Holdings of the portfolio are monitored on a continuous basis in terms of financial and ESG criteria.

For issuers non-rated by the data provider MSCI, an internal review is done on an annual basis and a permanent control of news flow is applied. Portfolio managers and analyst aim to dialogue with the issuer on a yearly basis in order to discuss the ESG policy of the issuer and appreciate evolution of the key aspect of their CSR policy.

#### **2. Monitoring by SGPWM risk management**

The risk department of the management company monitors the overall financial and non-financial parameters of the portfolio.

The non-financial part (ESG) is monitored on a monthly basis:

- Check that no controversy Red Flag is present in the portfolio
- Check that no MSCI CCC and B ratings is present in the portfolio
- Activity and Sector exclusions check.

If the position does not pass one of these controls, the risk department alerts the portfolio management team, which processes to the divestment process as described below. The Portfolio management team will also take into consideration the liquidity of the issue and the market conditions.

#### **3. External Labelling agency**

The Sub-fund has been reviewed by LuxFlag labeling agency and awarded with LuxFLAG ESG Label. In this context, the ESG processes, extra-financial indicators and portfolio are reviewed on a yearly basis by LuxFlag in order to be eligible for the label renewal.



## G. METHODOLOGIES

### **What is the methodology to measure the attainment of the environmental or social characteristics promoted by the financial product using the sustainability indicators?**

All the binding elements and sustainability indicators are measured on a monthly basis by SGPWM risk management team. If the values are in line with the objectives (indicators at 0% or above pre-defined thresholds), the environmental and social characteristics promoted of the sub-fund will be considered as attained.



## H. DATA SOURCES AND PROCESSING

### **What are the data sources used to attain each of the environmental or social characteristics including the measures taken to ensure data quality, how data is processed and the proportion of data that is estimated?**

The management company has established a number of partnerships to access non-financial research:

- The Sub-Fund's ESG analysis relies on external data providers (MSCI, Bloomberg)
- Services of a proxy voting advisor (ISS) for research on company governance (as part of SGPWM's Engagement and Voting Policy).
- SGPWM uses the Carbon database provided by MSCI and S&P Trucost.

The management team also has multiple sources of external ESG information (brokers' extra-financial research).



## I. LIMITATIONS TO METHODOLOGIES AND DATA

### **What are the limitations to the methodologies and data sources? (Including how such limitations do not affect the attainment of the environmental or social characteristics and the actions taken to address such limitations)**

The investment process is based on qualitative and quantitative research based solely on the raw data published by companies. Thus, a first limit consists in the reliability of the published data based on credibility and the audit of non-financial reports of companies.

In addition, the Sub-Fund's ESG methodology is a proprietary and transparent methodology but is not based on any international standards. For this reason, maximum transparency on all the indicators used in the calculations is mandatory and an integral part of the management process. As regards the monitoring of controversies, it remains an evaluation exercise in which the best means are put in place to exclude from management companies that are controversial or at risk of controversy. Nevertheless, a limit lies in the impossibility of preventing all controversies and thus displaying a zero risk on this point.



## J. DUE DILIGENCE

### **What is the due diligence carried out on the underlying assets and what are the internal and external controls in place?**

In the course of its investment process, SGPWM is conducting a due diligence process on the underlying fund companies. This due diligence process assesses the quality of each fund company and tries to rule out that investments are done with companies where it can be reasonably assumed that they severely violated generally accepted global norms in their business practices and conduct.



## K. ENGAGEMENT POLICIES

### **Is engagement part of the environmental or social investment strategy?**

Yes

No

### **If so, what are the engagement policies? (Including any management procedures applicable to sustainability-related controversies in investee companies)**

Convinced of the environmental, social and governance challenges, Société Générale Private Wealth Management has defined – as an extension to its approach as a responsible investor – a stewardship policy covering our engagement activities as well as proxy voting policy attached to the securities held by the collective investment schemes which it manages.

This policy has two complementary components: an engagement policy and a voting policy, thus meeting the fiduciary obligations towards SGPWM's clients. SGPWM's Stewardship policy lists the main principles of corporate governance to which the management company adheres. As shareholders' meetings cover many different subjects, this document sets out SGPWM's voting principles on key issues.

The engagement and voting principles are reviewed annually to take into account legal changes, changes in governance codes and market practices that may have occurred throughout the year. This policy is validated by an internal governance committee and is in line with our socially responsible investor (SRI) approach.

You can find the full version of our voting and engagement policy by following this link:

[Stewardship policy - General Engagement and Voting Principles](#)



## L. REFERENCE BENCHMARK

**Has a reference benchmark been designated for the purpose of attaining these characteristics promoted by the financial product?**

Yes

No

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