

APPENDIX IV¹

Template for periodic information for the financial products referred to in Article 8, Paragraphs 1, 2 and 2 bis of Regulation (EU) 2019/2088 and the first subparagraph of Article 6 of Regulation (EU) 2020/852

Product name: Sextant Grand Large

Legal entity identifier: 969500UU4SV9P2UY7B40

Name of the management company: Amiral Gestion

Sustainable investing means investing in an economic activity that contributes to an environmental or social objective, provided that it does not cause significant harm to any of these objectives and that the companies receiving the investment apply good governance practices.

The **EU Taxonomy** is a classification system established by Regulation (EU) No 2020/852, which establishes a **list of environmentally sustainable economic activities**. This regulation does not list sustainable social economic activities. Sustainable investments with an environmental objective are not necessarily aligned with the taxonomy.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents the minimum engagement to sustainable investments]*

Yes

No

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

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

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

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

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments

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

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

with a social objective

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

Preamble



¹ Date of document: February 2024 - data as of 29/12/2023 based on the precontractual Appendix II of the sub-fund available on the Amiral Gestion website: https://api.amiralgestion.com/documents/permalink/2656/sextant_grand_large_annexe_2_precontractuel_sfdr_dec2023_vf.pdf

This document aims to report on how Amiral Gestion promotes environmental, social and governance (ESG) characteristics and considers sustainability risks as part of its Sextant Grand Large fund management process, which is classified as 'Article 8' according to the Disclosure Regulation (SFDR) classification. The document also aims to report on how the fund takes climate and biodiversity risks into account under Article 29 of the French Energy and Climate Law² to which the Sextant Grand Large sub-fund is subject due to the size of its assets under management exceeding 500 million euros.

Amiral Gestion's compliance documentation with Article 29 disclosure requirements has been published on the website since 1 July 2022, namely:

- the 2023 Sustainability Report in accordance with Article 29 of the Energy and Climate Law on the scope of the entity (<https://api.amiralgestion.com/documents/permalink/2391/doc.pdf>)
- Amiral Gestion's Environmental Policy (<https://api.amiralgestion.com/documents/permalink/1943/doc.pdf>)
- the Sector Policies document, incorporating our policies on coal and fossil fuels (<https://api.amiralgestion.com/documents/permalink/2398/doc.pdf>)

For the Sextant Grand Large sub-funds periodic report, and in order not to change the regulatory structure of this Appendix IV resulting from the SFDR RTS of the Disclosure Regulation, we will report in convergent parties with the expectation of information required by Article 29 of the Energy and Climate Law a notice of correspondence of information in a preamble for the parties concerned. Additional information required for disclosure that is not included in these parts of the report will be included in an additional appendix at the end of this document.

To what extent have the environmental and/or social characteristics promoted by this financial product been achieved?

Sustainability indicators assess the extent to which the environmental or social characteristics promoted by the financial product are achieved.

• **How have sustainability indicators performed?**

Monitoring portfolio average ESG scores³

In its investment process, the sub-fund applies the monitoring of an ESG score from the data provider MSCI ESG Ratings. This rating identifies the ESG risks and opportunities inherent in the particular sectors of the companies evaluated. This assessment is the benchmark rating for measuring the ESG performance of Sextant Grand Large's portfolio.

The sub-fund also follows the evolution of the internal ESG quality rating based on its fundamental analysis of the stocks invested in equities.

Internal ESG Quality rating⁴ (source: Amiral Gestion)

Sextant Grand Large Internal ESG Quality rating	ESG Quality rating (/10)	Coverage	Performance evolution Year N/N-1
29/12/2023	5.8	85%	+18.7%
30/12/2022	4.9	63%	

External ESG score⁵

² Implementing Decree No. 2021-663 of 27 May 2021

³ The sub-fund is committed to having an extra-financial analysis and rating level covering at least 60% of its investments in shares (this rate may be understood as a percentage of the net assets of the sub-fund or number of issuers of the UCI) that may be achieved by the analysis coverage of external and/or internal ESG scores.

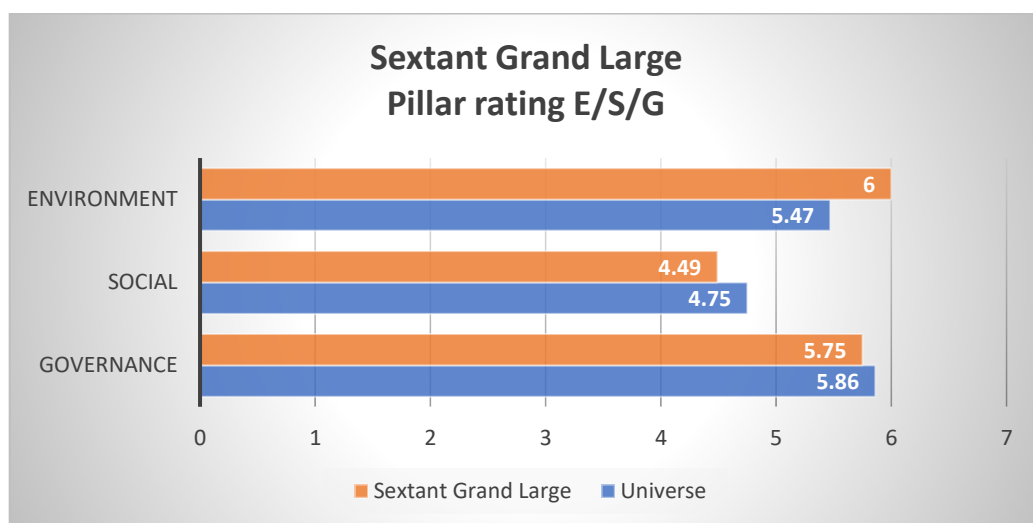
⁴ The ESG rating is expressed on a scale of 0 to 10, with 10 being the best possible rating.

⁵ The ESG rating is expressed on a scale of 0 to 10, with 10 being the best possible rating.

(Source: MSCI ESG Ratings)

		External ESG rating (/10)	Coverage	Relative performance of the sub-fund/universe
2023	Sextant Grand Large	5.5	81%	-6.7%
	Universe ⁶	5.9	79%	
2022	Sextant Grand Large	5.4	57%	-

The ESG rating of the Sextant Grand Large sub-fund was 5.5 as at 29 December 2023, a slight increase over one year. The breakdown of ratings by Environment - Social - Governance pillar, the results of which are shown in the chart below, shows a particularly good average rating for the stocks in the portfolio in relation to the Environment (6/10, exceeding the average rating for the universe) and Governance pillars.



Top ESG ratings for the sub-fund⁷

As at 29/12/2023		
Name	ESG rating /10	% of net assets
Valeo	10	0.3%
Westwing Group	8.8	0.3%
LEG Immobilien	8.6	0.2%
Compagnie Financière Richemont	8.4	1.5%
Admiral Group	8.3	1.0%

Sub-fund's lowest ESG ratings

As at 29/12/2023		
Name	ESG rating /10	% of net assets
eircor Finance	1.2	0.5%
Akwel	1.5	0.9%
Econocom	1.7	0.9%
GUILLIN Group	1.7	0.6%
PDD Holdings	1.7	1.0%

⁶ It should be noted that the Sextant PEA sub-fund adopted an ESG reference universe in 2023 in order to monitor the relative performance of its portfolio on the ESG and PAI indicators to which it is committed in its SFDR pre-contractual appendix available on the sub-fund's fund page ([Sextant SICAV - Amiral Gestion](#)).

⁷ The 2022 periodic report presented the main contributors (positive and negative) to the portfolio's ESG rating. A comparison between the best and worst ratings below is therefore not possible.

Environmental quality indicator/climate change

IN the context of the environmental characteristics promoted by Sextant Grand Large, the sub-fund made a commitment to monitor the portfolio regarding an indicator in favour of the climate: carbon intensity

The results of this commitment as at 29/12/2023 are provided below.

ENVIRONMENT: CARBON INTENSITY

DATE	CARBON INTENSITY* Sextant Grand Large				
	Coverage PTF/UNIV		Portfolio	Universe	Relative performance PTF/UNIV (%)
	Portfolio	Universe			
29/12/2023	81%	77.4%	95.5	173.2	-44.9%
30/12/2022	86%	-	75.94	-	-

*LEGEND

Source: Amiral Gestion - Data taken from the S&P Trucost database, based on data for most companies for the 2021 financial year, with data for the 2022 financial year currently being verified.

WACI: Weighted average of carbon intensity ratios per million of revenue (weight * intensity ratio for each stock). The measurement is expressed in tons of CO2 equivalent/€ m of revenue.

Scope 1, 2 and indirect part of Scope 3 Upstream.

N.B. : Only Scope 1 greenhouse gas emissions - i.e. Scope 1 emissions + emissions from 4 additional sources (CCl4-Tetrachloromethane, C2H3Cl3 - Trichloroethane, CBrF3-Bromotrifluoromethane and CO2 from biomass combustion) and indirect emissions (Scope 2 and the direct part of Scope 3 Upstream) have been taken into account in this calculation. The remaining indirect Scope 3 emissions were not included in this calculation due to companies' lack of transparency on this aspect and the significant double counting associated with this inclusion.

The Sextant Grand Large sub-fund's carbon intensity is significantly lower than that of its reference universe (-44.9%).

Monitoring Sextant Grand Large's climate metrics and environmental footprint ⁸



N.B. : The data presented in this section are in line with the expectations of Article 29 of the Climate and Energy Law for funds totalling more than 500 million euros under management, in terms of content concerning:

- Taxonomy alignment/share of fossil fuels ('green share' and 'brown share' data)

⁸ The carbon intensity is calculated for most of the companies in the portfolio and the universe based on data for the 2021 financial year. For the other climate and environmental footprint indicators, the data is taken from the 2022 financial year.

- Alignment with the Paris Agreement ('Temperature and 2°C Alignment' data)
- Biodiversity alignment ('Environmental footprint' data)
- the Risk Management Process (focus on climate and biodiversity risks) - Cf. appendix at end of document

The product sub-fund monitors climate and environmental footprint metrics at least annually in accordance with the requirements of the TCFD.

The summary of the results for the key indicators in the report are provided in the table below:

		Carbon intensity * (tCO ₂ /€ m in revenue) Scope 1+2 Scope 1+2+3	Temperature and Alignment 2°C*	EC/R environmental footprint (% revenue)*	Green share (EU_Taxo ⁹ alignment)** *	Brown portion (% revenue)**	Risks of transition (% EBITDA at risk/high scenario) 2030*	Physical risks (adjusted composite score/high scenario) 2030 (/100)*
2023	Sextant Grand Large	35.2 145.1	<1.75°C	1.5%	0.85% ¹⁰	0.19%	0.17%	35.53
	Coverage	81%	78%	79%	31%	2.75%	76%	83%
	Universe	129.6 232.7	<3°C	22.3%	11.91% ¹¹	0.27%	0.31%	39.44
	Coverage	61%	61%	65%	22%	5.25%	59%	66%
2022	Sextant Grand Large	52.91 187.67	< 2 °C	1.58 %	1.45%	0%	0.41 %	25.57
	Coverage	86%	77%	78%	59%	-	74%	61%

* Source: S&P - Trucost

**Source: MSCI

*** Source: Sustainalytics

Strategy for alignment with the Paris Agreement

Our UCIs pay particular attention to climate risks, through the systematic monitoring of carbon intensity, or even the production of detailed 'Climate' reports for certain portfolios (e.g. carbon intensity, study of the alignment with a 2°C scenario, exposure of income according to European taxonomy, green share/brown

⁹ This is the Taxonomy Alignment figure expressed as a % of revenue, based on research data from the Sustainalytics agency.

It should be noted that the green share of the portfolio is calculated this year on the basis of the alignment data reported by the companies for the 2022 financial year, with preference given to the data estimated by our data supplier for this research (Sustainalytics), in accordance with the recommendations of the regulator. As part of the portfolio is made up of listed small mid caps or international companies outside the European Union, most of them are not subject to the 2022 reporting obligation from which the data in their 2023 annual report is derived. For companies subject to NFRD/CSRD, the obligation to publish their alignment with the taxonomy extends over a timeline starting on 1 January 2024 (for the 2023 financial year) and ending on 1 January 2028 (for the 2027 financial year). It is therefore inappropriate at present to draw any conclusions from this data, which companies may publish only in part at portfolio level, and may not be representative of the actual green share of their portfolios.

¹⁰ Sustainalytics agency estimated data share: 0% / Companies' reported data share: 100 %

¹¹ Sustainalytics agency estimated data share: 0% / Companies' reported data share: 100 %

share, transition risks, physical risks, etc.) that will be generalised to all of our portfolios. This is the case for Sextant Grand Large, whose full Climate Report will be available on request.

In addition, in the summer of 2022, Amiral Gestion formalised its 2022-2023 Environmental Policy, taking into account its awareness of the Climate and Biodiversity issues with a position that is expected to evolve and tighten over time in light of the exposure analysis of its portfolios according to a database that we aim to be as mature as possible in order to be able to continue our reflection on objectives for reducing the impacts of our investments. Indeed, the majority of the portfolios managed by Amiral Gestion are heavily invested in small and mid caps that are in the process of developing their ESG, climate and biodiversity data, and de facto less well covered by extra-financial research providers, thus suffering from estimation biases that do not necessarily reflect the reality of their performance.

As such, the Sextant Grand Large sub-fund has, to date, not set any climate impact reduction targets or the portfolio's climate performance targets compared to a reference universe regarding its carbon intensity.

Additionally, the objective of this in-depth analysis based on environmental indicators is to identify the business sectors and companies that are most exposed to climate risks, to both prepare their integration into Amiral Gestion's risk mapping, for reasons of financial materiality, but to also identify the impacts and adverse impacts of our investment decisions in order to inform our management choices and our shareholder engagement priorities aimed at encouraging companies to publish the data needed to strengthen the acuity of the analyses. This pre-analysis review aims to better understand this data to inform the update of our Environmental Policy in 2024.

In this context, however, the sub-fund management team is aware of the fund's climate profile.

Furthermore, as of 29/12/2023, **Sextant Grand Large is performing well and has progressed well over one year in terms of its climate metrics**, in particular, in terms of **its temperature alignment which is below 1.75°C** (compared to >2°C at the end of 2022) and in line with the objective of the Paris Agreement.

This good performance reflects the initial effects of applying our environmental policy:

- this includes applying two sector policies excluding coal and unconventional fossil fuels¹² from our investments.
- this generates constant vigilance on the part of our climate management team and results in a conscious allocation that incorporates the consideration of climate issues, which is materialised in carbon intensity.

Taxonomy alignment ('green share') and share of fossil fuels ('brown share')

Green share

The sub-fund has a positive green share on the theme of climate change mitigation (0.85%). Information on the green share of the sub-fund is set out below in the dedicated part of the report.

Brown portion

The Sextant Grand Large sub-fund had little exposure to fossil fuels, with an almost zero brown share of 0.19% as at 29/12/2023 according to MSCI data. This brown share is due to **the investment in Franco-Nevada (0.19% revenue), which is indirectly involved in unconventional oil and gas via its royalties generated from fossil fuel producers and resulting for Franco-Nevada from its property rights.** However, this does not constitute non-compliance with Amiral Gestion's portfolio exclusions and Fossil Fuel policy, as Franco-Nevada is indirectly exposed in the production of non-conventional fossil fuels.

Biodiversity Alignment Strategy

Amiral Gestion views the challenge of biodiversity as a natural extension of our efforts to combat climate change, which aggravates the destruction of ecosystems. We are convinced that preserving biodiversity requires an equally important collective commitment from the various stakeholders: players in the private sector, including financial institutions, governments, NGOs and civil society. We have a responsibility as an investor to fund companies that, at least, aim to limit their adverse impacts on biodiversity and, at best, fight for its preservation.

¹² With the exception of North American shale oil and gas, activities to which the sub-fund is not exposed as of 29/12/2023

As such, we have included a section in our environmental policy on biodiversity and implemented the initial exposure measures for our portfolios, in particular, Sextant Grand Large, with the first analysis of exposure to biodiversity controversies, and the second, the measurement of an aggregate environmental footprint indicator, as well as the consideration of biodiversity in the PAI indicators.

The impact of monitoring these indicators may lead us to initiate a dialogue or even engagement with companies affected by a lack of data, for example, or whose activities are directly exposed to the biodiversity risk.

Sextant Grand Large biodiversity¹³ exposure analysis

As part of the Biodiversity Alignment Strategy, Amiral Gestion pays particular attention to controversies related to this challenge, regardless of the severity level, with regular monitoring implemented by the ESG team. Thus, for this year 2023, we have detected three companies affected by biodiversity controversies, namely because of their commercial relations with suppliers, and we monitor them regarding their management of these controversies. These are Casino, Forvia and Compagnie Financière Richemont.

Casino

Moderate severity (Category 2) -2019-2023

Following the publication of the report by the Center for Climate Crimes Analysis (CCCA), eleven environmental NGOs took the Casino Group to court in France in March 2021. Casino has been accused of deforestation and possible violations against indigenous groups in the Amazon region through its Casino Guichard-Perrachon beef supply chain.

In 2023, a study by Mighty Earth and Aid Environment accused Casino and two other companies of supplying beef from slaughterhouses responsible for the deforestation of 546,108 hectares in Brazil between 2009 and 2023.

The Group denies these accusations, not considering itself to be in default of its duty of vigilance. In an interview with AFP, Casino's lawyer stated that the Group 'complies strictly with its legal obligations' and, 'in partnership with local NGOs, continues to improve procedures for controlling suppliers and farms.' It also challenges the process used by NGOs: 'Some NGOs have made the dubious decision to address this issue on a polemic and unnecessarily contentious level' which, on the contrary, requires 'constructive and peaceful collaboration' between stakeholders in a 'complex geopolitical context'. The Group has announced that it is continuing its commitment to combat deforestation and is working with Imaflo, a local NGO in Brazil, to address the issues surrounding the rearing of cattle.

Forvia

Moderate severity (Category 2) -2019-2023

Through a report by the NGO Rainforest Foundation, Renault and other car manufacturers are accused of potentially being indirectly related to large-scale illegal deforestation in the Brazilian Amazon through their supply chains of seats and interiors of cars, in this case, Faurecia for Renault.

According to the NGO, car seat and interior manufacturers such as Magna International, Lear Corporation, Faurecia, Adient and Toyota Boshoku use leather from Brazilian companies that are heavily exposed to the risk of deforestation.

Forvia's 2022 annual report outlines its supplier audit procedure, in particular, for the ten or so direct suppliers for its leather sourcing, which are assessed by Forvia and EcoVadis, and refers to its leather substitution developments. However, the risk of deforestation associated with the supply of leather in certain regions is not mentioned by the Group in this report, nor are the measures taken to reduce it. Therefore, we are closely monitoring the evolution of the Group's responses to this controversy and the developments in the next annual report.

¹³ Source: Sustainalytics' controversy research

Compagnie Financière Richemont

Low severity (Category 1) - 2019-2023

According to a report by the NGOs Stand. earth and Slow Factory published in 2021, several companies, including Richemont, have sourced leather from tanneries exposed to deforestation in the Amazon in Brazil, including JBS.

These links were identified by cross-referencing customs data with other sources, and show that JBS supply chains are responsible for the deforestation of more than 3 million hectares over the last 10 years. According to the report, a large proportion (around 81%) of this deforestation is illegal. It accuses the companies of having inadequate deforestation policies.

In 2023, following an internal investigation which revealed no evidence of association with farms or slaughterhouses responsible for deforestation, Compagnie Financière Richemont SA denied its involvement. In its 2022 annual report, without specifically mentioning a type of sourcing such as leather, the Group announced that the Research & Innovation and Responsible Sourcing teams have been strengthened to meet the company's commitments to the Science Based Targets initiative ('SBTi'). We will be keeping a close eye on these developments.

Analysis of the environmental footprint of Sextant Grand Large

The environmental footprint analysis measures risks and opportunities that are not captured by conventional portfolio analysis. The footprint quantifies the environmental impact of greenhouse gas emissions, the use of water, waste, air, soil and water pollutants and the use of natural resources. In order to allow a comparison of the different environmental impacts, our research provider S&P Trucost assigned an environmental cost to each resource and pollutant.

As at 29/12/2023, Sextant Grand Large had an environmental footprint ratio per million in revenue (EC/R) of 1.50% compared to 1.58% at the end of 2022. The scope used in this analysis is direct costs, costs associated with direct suppliers and those associated with indirect suppliers. Furthermore, if the cost of the adverse environmental impacts of the companies in the portfolio were monetised, this would represent 1.50% of their cumulative revenue. **The fund's exposure to these potential costs fell by 0.08% over one year.**

The PAI indicator prescribed in the SFDR regulation calls for the ‘percentage of portfolio companies that have declared, or for which it is estimated, that their activities have an impact on protected areas and/or areas rich in biodiversity.’

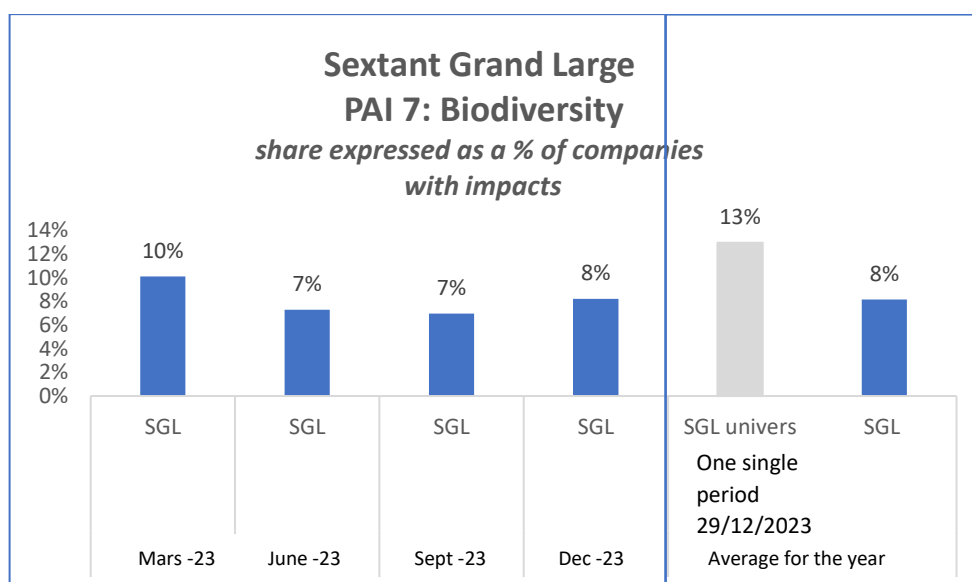
We are using 3 different sources of data which, in our opinion, provide a good level of qualitative compliance with the requirement to define this PAI:

- 2 complementary criteria (CDP Water and MSCI) allow us to collect information on whether a company has declared operations in or near sites classified as sensitive in terms of biodiversity risks;
- 1 additional criterion (source: Ethifinance) enables us to collect information on whether a company has declared that it has had a adverse impact on biodiversity in the last 3 years.

By combining these 3 criteria, we can see that there is a non-zero level of exposure to risks and impacts on biodiversity. We simply apply a priority rule between these 3 data points, in the order listed above, specifically: priority 1 - CDP data, priority 2 - MSCI data and priority 3 - Ethifinance data. Above all, this combination will enable us to increase data coverage for this PAI. In our view, these different suppliers complement each other in terms of the size and geographical location of the companies they serve:

- CDP Water and MSCI focus on international large caps
- Ethifinance focuses on European small and mid caps

As at 29/12/2023, the proportion of companies in the Sextant Grand Large portfolio exposed to risks and adverse impacts on biodiversity stood at **8% of the portfolio, compared to 13% for the universe¹⁴, showing significantly less exposure.**



As part of its policy of taking into account the principal adverse impacts of Admiral Gestion¹⁵, the impact on biodiversity is taken into account in the following way:

- qualitatively in the ESG analysis whenever the company's activity is likely to generate this type of negative externality in protected areas and/or areas rich in biodiversity.
- the involvement of governance bodies in biodiversity issues is tracked, among other things, using a dedicated indicator produced by the CDP (where data is available).
- particular attention is also paid to all controversies relating to biodiversity, whatever their level of severity. This vigilance may lead to surveillance, dialogue or exclusion, depending on the seriousness of the impact.

¹⁴ PAI 7 - Biodiversity: Portfolio coverage rate: 97%, Universe: 86%

¹⁵ <https://api.amiralgestion.com/documents/permalink/2693/doc.pdf>

In addition, as part of its environmental policy, Amiral Gestion is committed to initiating a process of reflection in 2025 in order to set targets for biodiversity by 2030, in line with the principles of the Convention on Biological Diversity.¹⁶

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

See comparison of the data presented for climate metrics and the external ESG score above.

- **What were the objectives of sustainable investments that the financial product intended to partially achieve and how did sustainable investment contribute to these objectives?**

The Sextant Grand Large sub-fund promotes environmental and social characteristics. Although it does not have an investment strategy focused on a sustainable investment objective within the meaning of the Disclosure Regulation (SFDR), the **sub-fund undertakes to have a minimum of 10% of sustainable investments.**

Sustainable investment for Amiral Gestion¹⁷ is defined as investing in a financial instrument that involves one or more economic activities:

- Making a substantial contribution to the environmental objective of climate change mitigation in order to achieve carbon neutrality by 2050 in accordance with the Paris Agreement;
- Making a clear positive contribution to one or more social UN Sustainable Development Goals (SDGs) by 2030;

Provided that such investments do not cause significant harm to any other environmental or social objectives, and the companies in which the investments are made apply good governance practices.

Sustainable investment objective

Sextant Grand Large	(Weighted data as at 29/12/2023)	(Weighted data as at 30/12/2022)
TOTAL SHARE OF SUSTAINABLE INVESTMENTS <i>Minimum SI: 10%</i>	25.6%	31.7%
Share of sustainable investments contributing to the environmental objective/Climate change mitigation	21.9%	30.1%
Share of sustainable investments contributing to the social objective/social SDGs	3.7%	1.6%

Since 30/12/2022, we have implemented the measurement of the share of our sub-funds' sustainable investments according to the methodology defined and available on the Amiral Gestion website, taking into account a set of eligibility criteria in order to concretise with the holder the

¹⁶ For more information, please refer to Section 5.3 of the Sustainability Report: <https://api.amiralgestion.com/documents/permalink/2391/doc.pdf>

¹⁷ Source: Amiral Gestion methodological note on sustainable investment; <https://www.amiralgestion.com/fr/investissement-responsable>

reality of the commitment made in the determination of a share of sustainable investments for our sub-funds.

As such, as at 29/12/2023, the sub-fund had a share of sustainable investments representing 25.6% of the net assets of the portfolio.

The principal adverse impacts correspond to the most significant adverse impacts of investment decisions on sustainability factors related to environmental, social and personnel issues, respect for human rights and the fight against corruption and acts of corruption.

- **To what extent have sustainable investments that the financial product has partially made not caused significant harm to a sustainable environmental or social investment objective?**

By construction, Sustainable Investment as defined by Amiral Gestion is determined by positive contribution criteria while ensuring that such investments do not adversely affect **environmental or social objectives**. Specific eligibility criteria for each of the social and environmental objectives are also determined for this purpose.

In addition, the sub-fund takes different steps in its investment process to demonstrate the consideration of adverse impacts characterised by a **DNSH SFDR** applicable to all sub-funds classified as SFDR 8 and SFDR 9, and integrating, in particular, the consideration since 2023 of 16 indicators covering the principal adverse impacts ('SFDR PAI') on sustainability factors.

- **How have adverse impact indicators been taken into consideration?**

ESG selectivity of the Sextant Grand Large sub-fund

After applying sector, normative and controversy-based exclusion policies, the selectivity rate of the Sextant Grand Large sub-fund stood at **4.9% as at 29/12/2023**.

It should be noted that the sub-fund has not committed to a minimum percentage reduction in the initial universe based on ESG characteristics.

Compliance of the sub-fund with the sector exclusion policy¹⁸



As of 29 December 2023, and for all of 2023, no company in the portfolio is directly or indirectly exposed to the sectors covered by its sector exclusion policy.

The fund's brown portion, i.e. its exposure to coal and fossil fuels, therefore amounts to **0.19% according to MSCI data, due to the investment in Franco-Nevada (0.19% revenue), which is indirectly involved in unconventional oil and gas via its royalties generated from fossil fuel producers and arising for Franco-Nevada from its property rights**. However, this does not constitute non-compliance with Amiral Gestion's portfolio exclusions and Fossil Fuel policy, as Franco-Nevada is indirectly exposed in the production of non-conventional fossil fuels.

Note that the sub-fund also has a special focus on investments in the alcohol and gambling sectors. As at 29/12/2023, the sub-fund has no exposure to shares or corporate bonds in the gambling sector.

¹⁸ The sector review is conducted internally using data from MSCI ESG. For coal and fossil fuel exposure, the data is supplemented with information from Urgewald's GCEL/GOGEL exposure lists.

¹⁹ Details of the exclusion rules applied are available in the Responsible Investment section of the Amiral Gestion website.

In the alcohol sector, a specific analysis of the positioning of the products and sales practices of the producers and retail sellers of alcohol was carried out in case of exposure exceeding 5% of revenue to verify the proper management of social risks by the company. As part of the application of our sector policy on this activity, the sub-fund invested in the company Dufry, a world leader in duty free, whose share of revenue related to the sale of alcohol represents 17%. The company has an ESG rating of 'A' at MSCI, positioning it in the highest average for its sector, with two minor controversies not related to improper commercial practices related to their alcohol sales activity.

Sub-fund not exposed to severe controversies²⁰

No portfolio companies are exposed to any controversies classified as level 5 (severe), in accordance with the fund's exclusion policy.

However, it should be noted that one company is under surveillance by the Amiral Gestion Controversy Monitoring Committee: **Meta Platforms** in the context of two controversies which led to it being given Watchlist status under the UN Global Compact, as described in the following section.

Moreover, in accordance with the methodology for classifying sustainable investments, no investment that aggregates total sustainable investments is exposed to controversies of a severity level of 3 (significant).

Overall balance sheet as at 29/12/2023

As of 29/12/2023, all investments classified as sustainable for the sub-fund comply with the criteria defined in the sustainable investment methodology, thus attesting that no significant harm to a sustainable investment objective has been identified from a social and environmental point of view.

- ***Was sustainable investment consistent with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights?***

Compliance of the sub-fund with the UN Global Compact and the OECD Guidelines for Multinational Enterprises

²⁰ Source: Sustainalytics - Analysis coverage rate: 82.62%

On a monthly basis, the companies in the Sextant Large Grand sub-fund's portfolio are reviewed in order to verify their compliance with the normative exclusion policy adopted by Amiral Gestion for all of its managed portfolios and in connection with the principles of the Global Compact and the OECD. This review is conducted internally using data from the extra-financial rating agency Sustainalytics.

The Sextant Grand Large sub-fund excludes from its portfolio companies that would be listed as non-compliant under the UN Global Compact. In the case of companies on the 'Watchlist,' they are placed under surveillance: an analysis of controversial practice is carried out, or dialogue and engagement activity is initiated; the result may lead to an exit from the portfolio.

In the event of exclusion related to our normative and sector exclusion policies, the sub-fund manager will apply the procedure provided for in the escalation procedure in the event of eligibility rules set by the sub-fund being broken.

Balance sheet as at 30/12/2022



- **100% of covered companies comply with the UN Global Compact and OECD Guidelines**
- Three companies in the portfolio have Watchlist status and are placed under surveillance by Amiral Gestion²¹: Meta Platforms*, Teleperformance**
- Divestment of a company with Watchlist status in 2023: Compagnie de l'Odet**

Analysis coverage ratio: 87%

*Meta Platforms²²

US-based Meta Platforms (formerly Facebook), one of GAFAM's web giants, was placed under surveillance in late 2022 following two controversies, the first over users' personal data management and the second over the adverse impact of its products on the mental health of adolescents, giving the company dual Watchlist status under the **UN Global Compact (Principle 1) and OECD Guidelines (Chapter IV & VIII) for violating international human rights** and infringing consumer interests.

As such, **the company was placed under surveillance at the meeting of the Controversy Monitoring Committee held on 12 October 2022.**

This surveillance and the analysis were communicated in the fund's SFDR report dated 30/12/2022. As a reminder:

- **The first controversy indicated unauthorised use of personal data by a third party between 2015 and 2018**, and frequently was the subject of allegations related to **inappropriate processing of the same data**. For example, following a class action before the courts following the Cambridge Analytica scandal (2018), Meta reached a settlement in its Cambridge Analytica lawsuit by agreeing to pay the \$5 billion fine decided in July 2019.

Corrective action: Meta introduced a new, much clearer privacy policy at the beginning of 2022, based on the recommendations of privacy protection experts. Also part of its enhanced vigilance measures, Meta announced at the end of November 2023 that it had dismantled a China-based network of nearly 5,000 fake Facebook and Instagram accounts attempting to influence

²¹ Decision of the Amiral Gestion Controversy Monitoring Committee of 12 October 2022

²² Source: MSCI ESG analysis, Sustainalytics Global Compact + controversies factsheet

online discourse on US politics. This type of operation was also carried out earlier on in 2023 on fake Russian and Iranian accounts²³.

- **The second controversy, dating back to 2016 but with new negative news in 2023**, highlighted the significant impact that the Facebook and Instagram platforms could have on:

- **respect for the human rights of users in developing countries and high-risk areas (Kenya, Myanmar, South Africa).** In December 2022, Meta was accused in a lawsuit in Kenya of having allowed the disclosure of harmful content, exacerbating the Ethiopian conflict between 2020 and 2022. In 2023, the WSJ accused Meta of contributing to the increase in Hindu nationalist violence and propaganda in India.

Corrective action: Since 2018, Meta has significantly adjusted its algorithms and means of control on several occasions, with particular regard to content moderation during periods of elections or conflict. As evidenced by the White House's decision to join Threads²⁴ (Meta) and leave Twitter (recently renamed X), Meta has now become the benchmark player for its ability to balance freedom of expression and content moderation on its platforms. Other media companies (Comcast, Walt Disney, Warner Bros) have followed suit and suspended their advertising on X and joined Meta's Threads. These moves are proof of the confidence that major US players have in Meta's data management policy.

- **the negative impact of its platforms on adolescents' mental health: Internal documents were leaked by a Wall Street Journal whistleblower indicating that Meta was aware of the negative impact of its platforms.**

Corrective action: The article in the WSJ was based on an interpretation of the Meta internal research that distorts the results of the survey. Sustainalytics' evaluation is mainly based on this article. Indeed, Meta said that contrary to the allegations of the Wall Street Journal, Instagram's research shows for 11 of the 12 well-being problems, more adolescents said that Instagram had made them better than worse. This research, like external research on these issues, revealed that the adolescents claimed to have had positive and negative experiences with social networks. Meta has **promoted local support lines on eating disorders and established a partnership with the National Eating Disorders Association (NEDA)** to help adolescents see themselves and their bodies in a more positive light. In addition, **they promoted verified accounts that share positivity and advice to feel better.**

In 2023, Amiral Gestion's ESG management and analysis teams continued to closely monitor news and practices related to these controversies, the quality of Meta's communication and the additional corrective action to which the company is committed. This close monitoring of the share was included on the agenda of 2 Controversy Monitoring Committees held on 25/07/2023 and 22/12/2023.

- **Data management:** Despite the measures taken in 2022, Meta received further fines from the DPC in 2021, 2022 and 2023 as a result of the Commission's investigations (Meta was fined €1.2 billion by the Irish Data Protection Commission (DPC) on behalf of the EU in May 2023). In

²³ Meta fait le ménage en Chine : un réseau de milliers de faux comptes démantelé ! (clubic.com)

²⁴ <https://www.zonebourse.com/actualite-bourse/La-Maison-Blanche-lance-un-compte-Threads-pour-Biden-et-Harris-45401833/>

addition, regulators in the US, UK, Australia and the EU are all considering stricter regulation targeting the company. Meta's recent introduction of paid subscription on the Facebook and Instagram platforms has made it possible to meet the new GDPR requirements specific to Europe. 'Pay or Okay' is seen by some as an obstacle to free user consent. However, it is important to remember that users remain in control of their own decisions, and, in particular, the decision to stop using Meta platforms. The use of the Facebook and Instagram platforms is still based on the user finding value in them. 'Pay or Okay', or 'Use something else' would seem more objective. We believe that paid subscription is not a limitation on free will, but rather a positive alternative for those who want an experience free of targeted advertising. By way of comparison, since 2023, the entertainment available on Netflix can also be purchased either at the price of a subscription or with advertising, just like Instagram.

In our comparative analysis of responsibility for and management of private data, it is interesting to note the different approaches adopted by Meta and TikTok, the latter belonging to ByteDance, a company based in China. In November 2022, TikTok admitted that its employees in China had access to the data of European users, including those in the European Union, Switzerland and the United Kingdom, raising concerns about the security and confidentiality of personal information. This revelation fuelled debates on data protection on an international scale, leading the US Congress to consider restrictive measures against TikTok in the United States. Concerns are not solely limited to the commercial use of this data, but also extend to the possibility of its use by Chinese government entities, raising critical questions concerning data governance and regulation on a global scale²⁵.

- **Impact of social networks on the mental health of adolescents:** despite corrective measures identified, Meta continues to be exposed in this controversy with **a lawsuit initiated by 40 US states in autumn 2023 for harming the mental health of young people**²⁶. **This lawsuit is the culmination of two years of investigations into the 'addictive' methods of the two social networks Facebook and Instagram.** The states, both Democrats and Republicans, claim that the Californian group has 'concealed the way in which these platforms exploit and manipulate the most vulnerable consumers', and 'overlooked the considerable damage' caused to the 'mental and physical health of our country's young people'. While these concerns are legitimate and need to be carefully monitored, there are several indications that Meta is seeking to address this complex social issue in a serious manner. Furthermore, as the case has not been tried, it would be premature to conclude that Meta has a harmful impact on young people's mental health without being able to put several studies into perspective. For example, a scientific study conducted by *The National Academies of Sciences, Engineering, and Medicine*²⁷ in 2023 shows both the negative and positive impacts of social networks. This second aspect cannot be underestimated, as it 1/ provides entertainment for the majority of young people and 2/ helps to improve the health of some young people who are isolated or looking for opportunities. To date, there is no scientific consensus on the overall negative contribution of social

²⁵ <https://www.lesechos.fr/tech-medias/medias/tiktok-reconnait-que-ses-employes-en-chine-exploitent-les-donnees-des-europeens-1875618>

²⁶ <https://www.msn.com/fr-fr/actualite/monde/des-etats-americains-accusent-meta-de-nuire-a-la-sante-des-enfants/AA1iNiJX?ocid=hwwminus&appid=hwbrowser&ctype=news>

²⁷ <https://www.nationalacademies.org/our-work/assessment-of-the-impact-of-social-media-on-the-health-and-wellbeing-of-adolescents-and-children>

networks to young people's health. Technological innovation comes with good points and bad. It is better to prevent the latter rather than reject the whole thing.

In addition, we noted that Meta took clearer initiatives in favour of adolescents' mental health in January 2024, recognising the growing importance of this issue. Although the current measures may be considered modest in absolute terms, they nevertheless mark a step in the right direction, and underline the attentiveness and responsiveness of Meta's management. This awareness shows that Meta is improving its products to retain the best of what these technologies have to offer, i.e. human connection and creativity. Among these measures to promote the mental health of adolescents, Meta can now facilitate parental control²⁸ via new tools, stop the propagation of photos and images without prior consent and hide the most inappropriate or sensitive content from adolescents on Facebook and Instagram.

However, we are keeping a particularly close eye on the accusation of addictive methods and the follow-up to the news, which is currently being monitored by the courts.

Amiral Gestion is actively involved in collaborative engagement concerning the Meta case

It is against this backdrop that on 11 April 2023, as part of the controversy surrounding the mental health of young people, Amiral Gestion joined a coalition of 27 investors on the subject of Responsible Tech (*Tech & Mental Health*) at the initiative of Sycomore AM and Axa IM²⁹. The aim of the coalition is to engage major technology companies in addressing issues relating to the mental health and well-being of end users by seeking to mitigate the potentially adverse impact of technology. The promotion of 7 good practices will be communicated in this context of engagement by our **Sextant Tech, Sextant Quality Focus and Sextant Grand Large funds, which are the main vehicles for engagement for Amiral Gestion. Details of the engagement are given in the report in the section dedicated to engagement.**

Conclusion of the Controversy Monitoring Committee

Given the signs of good faith shown to date by Meta in promoting virtuous practices on social networks, particularly for young people, and its new policy on data confidentiality, at the end of 2023 the Committee decided to keep the above-mentioned controversies affecting Meta Platforms at severity level 3. **In 2024, we will continue to monitor the above points closely in order to refine our position vis-à-vis the company, which remains under surveillance.**

****Teleperformance³⁰**

Teleperformance, the world leader in call centres, was placed under surveillance on 10 November 2022 in the wake of an event which caused the stock market to drop to record levels (-40%) for an extra-financial social event, giving the company Watchlist status under

²⁸ <https://about.instagram.com/blog>

²⁹ [https://www.lesechos.fr/finance-marches/gestion-actifs/les-investisseurs-font-pressure-pour-attenuer-les-effets-nocifs-des-technologies-1960914#utm_source=newsletter&utm_medium=email&utm_campaign=nl_lec_8h_premium&utm_content=20230711&xtor=EPR-5010-\[20230711\]](https://www.lesechos.fr/finance-marches/gestion-actifs/les-investisseurs-font-pressure-pour-attenuer-les-effets-nocifs-des-technologies-1960914#utm_source=newsletter&utm_medium=email&utm_campaign=nl_lec_8h_premium&utm_content=20230711&xtor=EPR-5010-[20230711])

³⁰ Source: MSCI ESG analysis, Sustainalytics Global Compact + controverses factsheet

the **UN Global Compact (Principle 3) and the OECD Guidelines (Chapter V) on freedom of association and recognition of the right to collective bargaining.**

As such, the **company has been placed under surveillance with engagement activity.** Indeed, the controversies raised on 10 November in a Time article noted the issue of exposure to psychosocial **risks of employees who manage the moderation of content, but also 'attempts to unionise workers have encountered intimidation and threats' (Colombia Is Investigating TikTok Partner Teleperformance | Time), on which the Colombian Ministry of Labour also launched the investigation concerning allegations of anti-unionism, leading to Watchlist status under the Global Compact because of controversies raised in Colombia but also in other Group subsidiaries (e.g. Albania, Poland).**

In addition, given the company's reputation for poor human capital management and labour law compliance, **there was a sizeable risk of further decline on the stock market in November.**

As a result of this event, the ESG management and analysis teams participated in crisis communication meetings for investors organised by the Teleperformance top management and documented the case follow-up.

In December 2022, Teleperformance and UNI Global Union signed a global agreement to strengthen the right of workers to form trade unions and engage in collective bargaining. In January 2023, the OECD's National Contact Point in France (NPS) formally terminated the Teleperformance procedure, citing implementation of the NPS's due diligence recommendations.

In light of the information provided by the company and the analysis carried out by the manager in charge of monitoring the company, **the trend seems rather favourable at this stage, with corrective practices that the company had begun to implement but were not known to the market.** However, we continue to observe and monitor the evolution and impact of the company's HR practices.

*****Compagnie de l'Odet/Bolloré Group: decision to divest all of our funds in 2023 on ESG grounds, including Sextant Autour du Monde**

As stated in the periodic report dated 30/12/2022, the French company Compagnie de l'Odet, a holding company holding 64% of the capital of the Bolloré Group (multinational transport, oil, logistics and communications company), has been given by Sustainalytics rating agency **Watchlist status under the UN Global Compact (Principle 1) and the OECD Guidelines (Chapter IV) for infringing the protection of international human rights.**

The Bolloré Group-Compagnie de l'Odet owns around 40% of SocFin, the company at the heart of the controversy. The company, which operates in Africa (Cameroon, Liberia, Nigeria and Sierra Leone) and Asia (Cambodia), has been accused of deforestation, mistreatment of local populations and, more generally, failure to respect human rights.

Amiral Gestion had already placed the company under surveillance from the end of 2021, with a 3-year observation period for expected changes in governance with the announced handover of the company reins to the Bolloré children and a reorganisation of the Group, which raised hopes of a change in CSR practices and the sale of SocFin.

In this respect, there have been significant positive developments, notably the sale of the Group's 100%-owned African business (mainly transport and port concessions), which had been the subject of regular controversy, with legal proceedings continuing. It should also be noted that the restructuring of the Group is continuing as part of the change of generation at the head of the Group, with the utmost respect for minority interests, with the sale of the freight division in particular. Conversely, SocFin was not sold and MSCI downgraded the controversy to severity level 5 at the end of 2022, even though the agency considered it to

be 'non-material' at Group level. Lastly, the company's communication on this matter has been almost non-existent, with ESG ratings still very low from extra-financial rating agencies such as MSCI, which led the Amiral Gestion Controversy Monitoring Committee, at the end of its meeting on 21 March 2023, to step up the monitoring by avoiding increasing existing positions in several funds, including Sextant Grand Large, and to consider a reduction or even an exit if the situation did not improve, with further reviews on 23/06/2023 and 27/09/2023.

At the Controversy Monitoring Committee meeting on 23/06/2023, we took the view, on the one hand, that an exit dynamic should be implemented immediately but gradually for all funds, without the possibility of buying back shares in accordance with the divestment procedure, and, on the other hand, to enable a final analysis to be made between now and the September meeting on the relevance of reclassifying the severity level of the controversy from category 5 to category 4, depending on the information that may be expected from the Bolloré Group/Odet on the disposal of its interests in SocFin and the progress of the legal proceedings.

In this context, between 1 March 2023 and 1 July 2023, Amiral Gestion sold 22% of its cumulative positions in Bolloré/Odet group securities.

At its meeting on 27/09/2023, the Controversy Monitoring Committee took the view that, despite the positive signs, there was no concrete evidence to suggest that the controversy severity level should be downgraded to level 4 for Bolloré and Odet shares, as there had still been no announcement of the sale of shares in SocFin, the company that is exposed to the main controversy. The Committee also considered that even though the Bolloré/Odet group had sold its African activities, it still held a significant share of SocFin's capital, which made it accountable for the decisions taken (and being sued for this) as a member of the governance bodies through its representatives (i.e. Vincent Bolloré and Hubert Fabri). In this respect, the announcement in 2023 that SocFin is to be delisted may be interpreted as a prerequisite to the sale, but it further reduces transparency on this business activity. In addition, the change of generation has progressed but is still incomplete, with Vincent Bolloré retaining an active presence in the Group, particularly at Odet.

As a result, the Committee decided to divest all remaining positions before the end of 2023 in the case of Bolloré shares and during 2024 in the case of Odet shares, within a reasonable timeframe determined by market conditions and liquidity.

For the Sextant Grand Large sub-fund, shares in the Bolloré Group were sold before 29/09/2023, while shares in Compagnie de l'Odet were sold on 5 January 2024. As at 6 January 2024, the sub-fund no longer held any securities from these issuers.

In total, by 1 October 2023, Amiral Gestion had sold 74% of its Bolloré-Odet shares compared to the beginning of March, all of the Bolloré Group shares were sold before 1 October 2023 and all of the final Compagnie de l'Odet shares still invested in the Sextant Grand Large fund were sold on 6 January 2024.

Detailed description:

The EU Taxonomy lays down a principle of 'not causing significant harm', according to which investments aligned with the taxonomy should not materially prejudice the objectives of the EU Taxonomy and should be accompanied by specific EU criteria.

The principle of 'not causing significant harm' applies only to investments underlying the financial product that take account of EU criteria for environmentally sustainable economic activities. Investments underlying the remaining portion of this financial product do not take account of EU criteria for environmentally sustainable economic activities.

How has this financial product taken into account the principal adverse impacts on sustainability factors?

Since 31/12/2023, the Sextant Grand Large sub-fund has taken into account the principal adverse impacts ('SFDR PAI') on sustainability factors.

In this context, the sub-fund is committed to monitoring the ESG performance of 16 SFDR PAI (14 mandatory and 2 optional) under Appendix 1 of the SFDR RTS. Amiral Gestion's PAI policy, including the overall approach and the sources of each indicator, is available on its website, under the heading 'Responsible Investment': <https://www.amiralgestion.com/fr/investissement-responsable>.

Information on the consideration of the principal adverse impacts on the entire portfolio will be provided in the sub-fund's annual periodic document which will incorporate the reporting format dedicated to the PAI and materialised by Annex 1 of the SFDR RTS available on the Amiral Gestion website on the page dedicated to the sub-fund³¹.

A dialogue and engagement initiative with companies whose indicators would be underperforming compared to the reference universe selected for the sub-fund may be initiated from 2024 in order to continuously improve the performance of the portfolio and reduce the adverse impacts of its underlying investments on the sustainability factors.

The list includes investments which constitute the **largest proportion of investments** of the financial product during the reference period, i.e.

What have been this financial product's main investments³²?

Sextant Grand Large			
Largest investments as at 29/12/2023	Sectors	% of assets	Country
Treasury bills	Institutional	7.3%	France
Meta	Communication	2.9%	US
MAP Aktif Adiperkasa	Consumer Discretionary	2.4%	Indonesia
Open Up Group	Industry	2.0%	Japan
Viel et Compagnie	Financial Services	1.9%	France
Ixios Gold F	Fund	1.9%	Paris
Vivendi	Communication Services	1.9%	France
Kontron	Information Technology	1.9%	Austria
Compagnie de l'Odet	Industry	1.8%	France
Franco-Nevada	Materials	1.6%	Canada
TechnipFMC	Energy	1.5%	United Kingdom
Compagnie Financière Richemont	Consumer Discretionary	1.5%	Switzerland
Sextant Autour du Monde	Fund	1.4%	France
Groupe Crit	Industry	1.3%	France
VusionGroup	Information Technology	1.2%	France
TOTAL		32.7%	

³¹ [SICAV Sextant – Amiral Gestion](#)

³² The main investments correspond to the share invested on 29/12/2023, representing more than 30% cumulatively. Cash and cash equivalents are not included in this table, even if they represent a significant proportion of the portfolio's capital.

What was the proportion of sustainability investments?

The asset allocation indicates the share of investments in specific assets.

- **What was the asset allocation?**

*Sextant Grand Large
(Portfolio as at 29/12/2023)*



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

Category #2 Other includes the remaining investments of the financial product that are not aligned with environmental or social characteristics or considered sustainable investments.

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

- Sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- Sub-category **#1B Other E/S characteristics** covers investments aligned with environmental or social characteristics that are not classified as sustainable investments.

- ***In which economic sectors have investments been made?***

The main contributing sectors **based on the sub-fund's 25.61% share of sustainable investments** are presented below by means of the lines making the greatest contribution.

Sextant Grand Large			
10 top lines contributing to the sustainable investment share as at 29/12/2023	Sector	% of assets	Country
Kontron	Information Technology	1.9%	Austria
Vivendi	Communication Services	1.9%	France
Compagnie Financière Richemont	Consumer Discretionary	1.5%	Switzerland
TechnipFMC	Energy	1.5%	United Kingdom
VusionGroup	Information Technology	1.4%	France
Sto SE	Industry	1.2%	Germany
ALTEN	Information Technology	1.2%	France
Kloeckner & Co	Industry	1.1%	Germany
Admiral Group	Finance	1.1%	United Kingdom
Sopra Steria	Information Technology	1.0%	France

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



N.B. : The data presented in this section are in line with the expectations of Section 29 of the French Energy and Climate Law regarding content related to Taxonomy Alignment.

To date, the Sextant Grand Large sub-fund is not committed to having a minimum green share. It has also been set at 0%.

As things stand at present, the compulsory communication of alignment data to the green taxonomy still only partially occurs on the market: the Taxonomy Regulation will apply to companies in a progressive manner according to a timeline extending between 2022 and 2027, depending on their size.

However, the sub-fund reports its green share below ex post, on the basis of data reported or estimated by Sustainalytics agency currently available and which, in some cases, is not aligned with the regulatory requirements of the equivalent data.

● **Has the financial product invested in fossil gas and/or nuclear energy activities that comply with the EU Taxonomy³³?**

Yes:

In fossil gas In nuclear energy

No

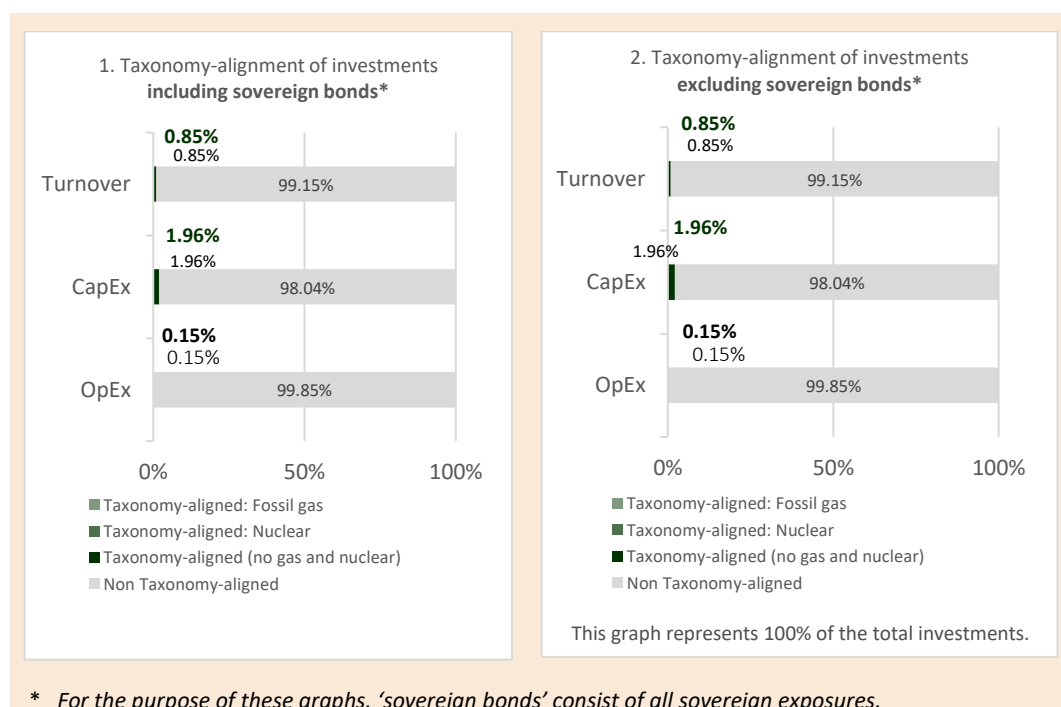
³³ Fossil gas and/or nuclear activities will only comply with the EU Taxonomy if they contribute to limiting climate change ('mitigation') and do not cause significant harm to any objective of the EU Taxonomy - see explanatory note in the left margin. All of the criteria applicable to economic activities in the fossil gas and nuclear energy sectors that comply with the EU Taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

Sextant Grand Large
Share of investments aligned with the taxonomy as at 29/12/2023

The two charts below show, in green, the percentage of investments aligned with the EU Taxonomy. Given that there is no appropriate methodology for determining the alignment of sovereign bonds* with the taxonomy, the first chart shows the financial product's alignment with the taxonomy for all investments within it, including sovereign bonds, while the second chart shows the financial product's alignment with the taxonomy solely with respect to investments other than sovereign bonds.

Activities aligned with the taxonomy are expressed as a percentage:

- **Revenue**, to reflect the share of income from the green activities of the companies benefiting from investments;
- **Capex (CAPEX)**, to show green investment by investment companies for a transition to a green economy;
- **Operating expenses (OpEx)**, to reflect the green operations of the companies benefiting from investments.



Sustainalytics agency estimated data share: 0% / Companies' reported data share: 100 %

Sextant Grand Large
GREEN SHARE: 0.85%

On the basis of this data, which is based on the green share of revenue, **the portfolio shows a positive green share of 0.85%**, declining since 2022: the sub-fund's green share achieved a taxonomy alignment of 1.45% as at 30/12/2022.

The main contributors to the taxonomy across the portfolio based on the revenue share alignment are listed below:

Sextant Grand Large			
Top companies contributing to the Green Share as at 29/12/2023	Sector	% of revenue	Type of eligible activity
Instalco AB	Industry	5.5%	Enabling
Richelieu Hardware	Industry	0.8%	Enabling
Econocom Group	Information Technology	0.7%	Enabling
Sopra Steria	Information Technology	1.0%	Enabling

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

Of the 0.85% of portfolio investments aligned with the taxonomy on the revenue share, **0.8% are enabling activities captured by the share of aligned revenue**, a smaller share in transition activities.

Share of investments by business type - Sextant Grand Large				
Source: Sustainalytics		Contribution activity ³⁴	Transition activity	Activity enabling
2023	Aligned CAPEX share	1.8%	0.0%	0.2%
	Aligned OPEX share	0.0%	0.0%	0.2%
	Aligned share of revenue	0.0%	0.1%	0.8%
	Coverage	32.2% ³⁵		
2022	Aligned CAPEX share	0%	0%	0%
	Aligned OPEX share	0%	0%	0%
	Aligned share of revenue	0.6%	0%	0.6%
	Coverage	58.76 %		

³⁴ Low-carbon activities (e.g. generation of electricity from solar or wind energy)

³⁵ It should be noted that the coverage ratio has fallen due to the data reported by the companies exclusively taken into account in this calculation, in accordance with the regulator's recommendations for the 2023 report. In the 2022 report, the data estimated by the Sustainalytics agency was used, as companies were not yet reporting their green share.

- **How did the percentage of investments aligned with the EU Taxonomy develop compared to previous reference periods?**

Refer to the Monitoring Sextant Grand Large's climate metrics and environmental footprint' table above.



The symbol represents sustainable investments with environmental objectives that **do not take into account** the criteria applicable to environmentally sustainable economic activities under the provisions of Regulation (EU) 2020/852.



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

21.9%

In accordance with the Amiral Gestion methodology on sustainable investment and the corresponding eligibility criteria for the substantial contribution to the climate change mitigation environmental objective³⁶, **as at 29/12/2023, the Sextant Grand Large sub-fund had a total 21.9% of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.**

Eligible companies include Kontron (1.9%), Vivendi (1.9%), Compagnie Financière de Richemont (1.5%), VusionGroup (1.3%) and ALTEN (1.1%).

What was the share of sustainable social investment?

3.7%

In accordance with the Amiral Gestion methodology on sustainable investment and the eligibility criteria for the net positive contribution to the social objective on the corresponding social SDGs³⁷, **as at 29/12/2023, the Sextant Grand Large sub-fund had a total 3.7% of sustainable investments with a social objective.**

Eligible companies include TechnipFMC (1.5%), Sto (1.2%), Bénéteau (0.7%) and Marr (0.3%).

It should be noted that the sub-fund is not committed to having a minimum share of socially sustainable investment.

What were the investments included in the '#2 Other' category, what was their purpose and were there minimum environmental or social safeguards?

Investments in the '#2 Other' category represented **5.9% of the total assets** in the actual portfolio as at 29/12/2023 and represented cash and cash equivalents.

This cash is used to manage the portfolio's subscription and redemption flows. Cash and cash equivalents may not be subject to the minimum social and environmental safeguards of the sub-fund.

What measures have been taken to respect environmental and/or social characteristics during the reference period?

³⁶ <https://api.amiralgestion.com/documents/permalink/2357/doc.pdf>

³⁷ Source: MSCI ESG - Impact Metrics Research

As the sub-fund is committed to promoting environmental and social characteristics, and in addition to the responsible investment practices mentioned above, it incorporates a **shareholder responsibility approach that results in the exercise of its voting rights at the shareholders' Annual General Meetings of the companies with which we invest in shares and the practice of ESG engagement dialogue** to encourage companies to progress in terms of ESG and climate transparency and in terms of their underlying practices.

The 2023 report on the voting and engagement activity of the sub-fund is provided below.

Voting report

	2023	2022
Number of votable AGMs	63	65
Percentage of AGMs voted	100%	100%
Number of resolutions passed	860	886
Percentage of resolutions voted 'abstention' or 'against'	16%	20%
Number of shareholder resolutions filed	40	11
Number of shareholder resolutions supported by Amiral Gestion	30	6
Opposition rate for dividend resolutions	0%	0%
Opposition rate for executive remuneration resolutions	19%	19%
Opposition rate for resolutions on the appointment of directors	22%	29%
Types of resolutions most frequently recommended to vote against	Capital increases: 37%	Strategic transactions: 55%
	Takeover bids: 75%	Capital increases: 55%
	Strategic decisions: 20%	Executive remuneration: 19%
Companies with the highest average percentage of resolutions approved	ALTEN, CRIT Group, GUILLIN Group, Instalco, Micron Technology, Open Up Group, PCA CORPORATION, Recticel, Richelieu Hardware, VusionGroup, SME Credit Realisation, Synergie, Teleperformance, The Nature Holdings, Trigano, Wavestone, Westwing: 100%	AKWEL, ALTEN, BeNext-Yumeshin, Danieli, Dole, Korea Investment, NovaGold, PCA CORPORATION, Ping An Insurance, PT MAP Aktif, Shin Maint, Ubisoft, Unibail: 100%
Companies with the lowest average percentage of resolutions approved	Mitsubishi Logisnext: 23%, Kontron: 25%, NetEase: 38%, Odet, Bolloré: 50%, Alphabet: 54%, Jacquet Metal: 60%	Sea Ltd: 0%, Mitsubishi Logisnext: 20%, Hunter Douglas: 25%, Moderna, NetEase: 33%, Bolloré: 46%, Companhia Brasileira de Distribuicao: 50%, Jacquet Metals, Odet: 55%, Picanol, The Nature Holdings, Royal Boskalis: 56%, Gérard Perrier: 60%

The shareholder commitment that Amiral Gestion has implemented, bringing together our ESG engagement dialogue and proxy voting initiatives, is part of our approach to investment for all of our funds, but also in seeking ESG impacts by encouraging companies to improve their ESG practices, as per our Responsible Investment Policy and commitments as signatories to the Principles for Responsible Investment (PRI).

During 2023, the managers carried out dialogue and engagement activities:

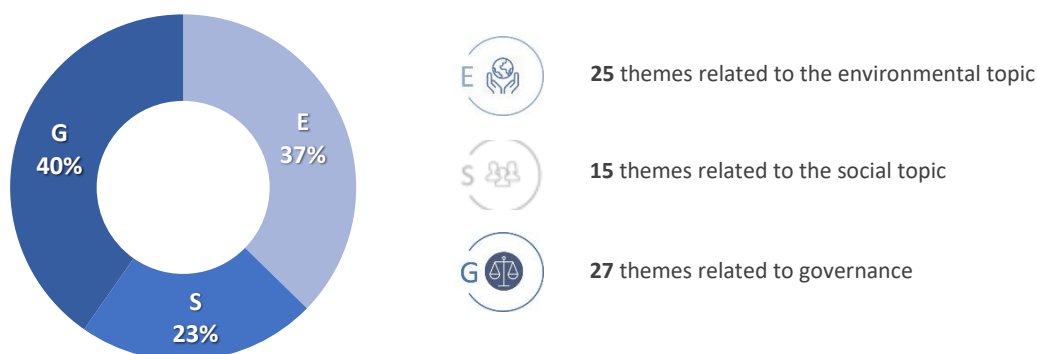
- **Individual:** exchanges between the representatives of the companies involved and Amiral Gestion managers
- **Collaborative:** exchanges between committed company representatives and a group of investors of which Amiral Gestion is part

Summary of the dialogue and engagement approaches for 2023:				
23 Companies	19% within the portfolio 29/12/2023	Individual and collaborative engagement	E	AKWEL; Bénéteau; Bilfinger; Birkenstock; Gerard Perrier; GUILLIN Group; Kontron; Jacquet Metals; Sto AG; Trigano
			S	AKWEL; Banijay; Birkenstock; Bénéteau; Gerard Perrier; GUILLIN Group; HelloFresh; Synergie
			G	Avant Corporation; AKWEL; Banijay; Bénéteau; Birkenstock; Casino; Cegedim; Econocom; Gerard Perrier; GUILLIN Group; HelloFresh; Kontron; MTG; PCA; SES Imagotag; Solocal; Wavestone
			ESGT*	Banijay; Birkenstock; Viel et Cie

*ESG Transparency


Breakdown of individual dialogue and engagement approaches by theme:


These dialogue activities focused on various environmental, social, governance and transparency issues:




Examples of dialogue initiatives - ESG engagement conducted in 2023:

Jacquet Metals

Pillar			Environment
<p>We congratulated the company on publishing its first carbon footprint in the EFPS 2021, and it has assured us that it will appear again in its EFPS 2022. Following this exchange, we asked the company about its potential participation in the next CDP campaign, now that it has adopted more significant measures for its environmental impact. When it took part in the Disclosure 2022 campaign, Amiral Gestion took on the role of lead, and will renew this commitment for the 2023 campaign.</p> <p>Jacquet Metals is the leading distributor of special steels (service company). We understand that the CDP questionnaire is a fairly onerous exercise for Jacquet Metals. We fully understand the obstacles to company participation, but we have stressed the importance of the CDP, which is becoming the standard in the marketplace because of the centralised environmental transparency it provides, and which feeds data providers and investors. Transparency is becoming central, as shown by the regulations (CSRD) for companies and investors (SFDR), and is necessary to redirect financial flows towards a trajectory compatible with a development model that is decarbonised and resilient to climate change (in line with the Paris Agreement).</p> <p>This is why environmental transparency could eventually become an issue for financing conditions, with the banking world paying particular attention to carbon considerations in investment decisions.</p>			

Akwel		
Pillar		Social
<p>We engaged with the company to inform it of our focus on the issues of gender equality and the representation of women in the management workforce. For the time being, the company is yet to disclose the proportion of female employees within its management structure. However, a number of listed companies operating in activities where women are underrepresented have defined policies and associated objectives to increase the proportion of women within their management structure and/or top management teams. We discussed this with the company, and asked whether such policies and objectives could also be defined in the future.</p> <p>We have also expressed our concern about mechanisms that encourage a better sharing of value added. In this respect, we encourage the companies we work with to set up schemes such as employee share ownership plans. As well as encouraging a better sharing of value, this type of scheme also seems to us to be a favourable tool in terms of social cohesion. We approached Akwel to obtain more transparency on the share of capital that may be held at this stage by the group's employees. We also questioned the company to find out whether it had or planned to set up such an employee share ownership scheme. We are awaiting feedback from the company on these matters.</p>		

Ekinops		
Pillar		Governance

At the AGM on 24 May 2023, a number of resolutions were rejected, including those concerning a free share plan and capital increases without pre-emptive subscription rights. We had warned the company that we would be voting against several of them, and we had discussed the matter with them.

We spoke to the CFO to explain our position and to suggest that in future we discuss the matter further prior to the AGM, before the company publishes its draft text of the resolutions submitted to the AGM.

The rejection of these resolutions has no major impact on the Group, but we hope that it will raise awareness and lead to improvements in certain governance practices, in particular, the tendency to make many dilutive share plans, which is against our interests as minority shareholders. In addition, we have noticed in the past that following these share plans, managers have been led to sell a large proportion of their shares on the market.

In December, we again held discussions with the company at a roadshow on governance to prepare for the 2024 AGM. In particular, we made recommendations to the company on the remuneration of the CEO and the free share plans (absolute value, performance conditions).

Participation of Amiral Gestion in the ‘Tech & Mental Health’ coalition

As part of the controversy surrounding the mental health of young people (see dedicated section in the report), on 11 April 2023 Amiral Gestion joined a coalition of 27 investors on the subject of Responsible Tech (Tech & Mental Health) at the initiative of Sycomore AM and Axa IM³⁸. **The aim of the coalition is to engage major technology companies in addressing issues relating to the mental health and well-being of end users by seeking to mitigate the potentially adverse impact of technology.**

These issues are rarely addressed by companies, who do not always respond to individual investor requests. The idea is to multiply our impact through this coalition so that we can concretely engage with them to encourage them to adopt good practices, including:

- Define a policy and put in place measures to mitigate the risks of addiction and the potential adverse effects on the mental health and well-being of the end user.
- Commit to ensuring the safety of children online in codes of conduct, human rights policies or risk assessment mechanisms. For example, set up a dedicated website detailing their child protection policy.
- Set specific targets and communicate progress.
- Define short- and medium-term objectives (even if they are not quantitative because of the subject matter), enabling shareholders to monitor the improvements and progress made by companies in this area.
- Develop a system for reporting harmful content online, cooperate with the authorities to report online abuse and forge partnerships with third parties in the field of online safety.
- Governance, transparency and disclosure as part of the control of their product content.
- Support educational initiatives on online safety and those related to technology, mental health and well-being.

In this context, **the Sextant Tech, Sextant Quality Focus and Sextant Grand Large funds are the main vehicles for engagement for Amiral Gestion via 3 managers who, with the ESG team, will monitor the engagement initiatives carried out as Support Investor for Meta (Lead Investor in the process of being arbitrated), Ubisoft (Lead Investor: AXA IM) and ALPHABET (Lead Investor: Boston Common AM).**

For the Sextant Grand Large fund, this concerns its investment in Meta, given its exposure to controversy and its UN Global Compact Watchlist status³⁹

³⁸ [https://www.lesechos.fr/finance-marches/gestion-actifs/les-investisseurs-font-pression-pour-attenuer-les-effets-nocifs-des-technologies-1960914#utm_source=newsletter&utm_medium=email&utm_campaign=nl_lec_8h_premium&utm_content=20230711&xtor=EPR-5010-\[20230711\]](https://www.lesechos.fr/finance-marches/gestion-actifs/les-investisseurs-font-pression-pour-attenuer-les-effets-nocifs-des-technologies-1960914#utm_source=newsletter&utm_medium=email&utm_campaign=nl_lec_8h_premium&utm_content=20230711&xtor=EPR-5010-[20230711])

³⁹ See the summary of our analysis in the dedicated section of this report

In preparation for this engagement with Meta, which is expected to materialise in 2024, we are deepening our fundamental ESG analysis of Meta internally, and in the context of the controversy:

- We are seeking to identify whether other scientific studies have been published on the impact of networks on the mental health of adolescents.
- We are carrying out a more detailed comparative analysis of the protective measures of Snapchat, Instagram and TikTok + the content of the Parent's Guides.
- In the latest CSR reports and the functionalities of the applications of these 3 players, we are identifying practices that would be in line with the coalition's recommendations.

The benchmark is a measure of whether the financial product is achieving the sustainable investment objective.

How has this financial product performed in relation to the sustainable benchmark?

- **How does the benchmark differ from a broad market index?**
Not applicable
- **How did this financial product perform against sustainability indicators to determine the benchmark's alignment with the sustainable investment objective?**
Not applicable
- **How did this financial product perform in relation to the benchmark?**
Not applicable
- **How did this financial product perform in relation to the broad market index?**
Not applicable

**ADDITIONAL APPENDIX
CONSIDERATION OF SUSTAINABILITY RISKS
IN RISK MANAGEMENT⁴⁰**

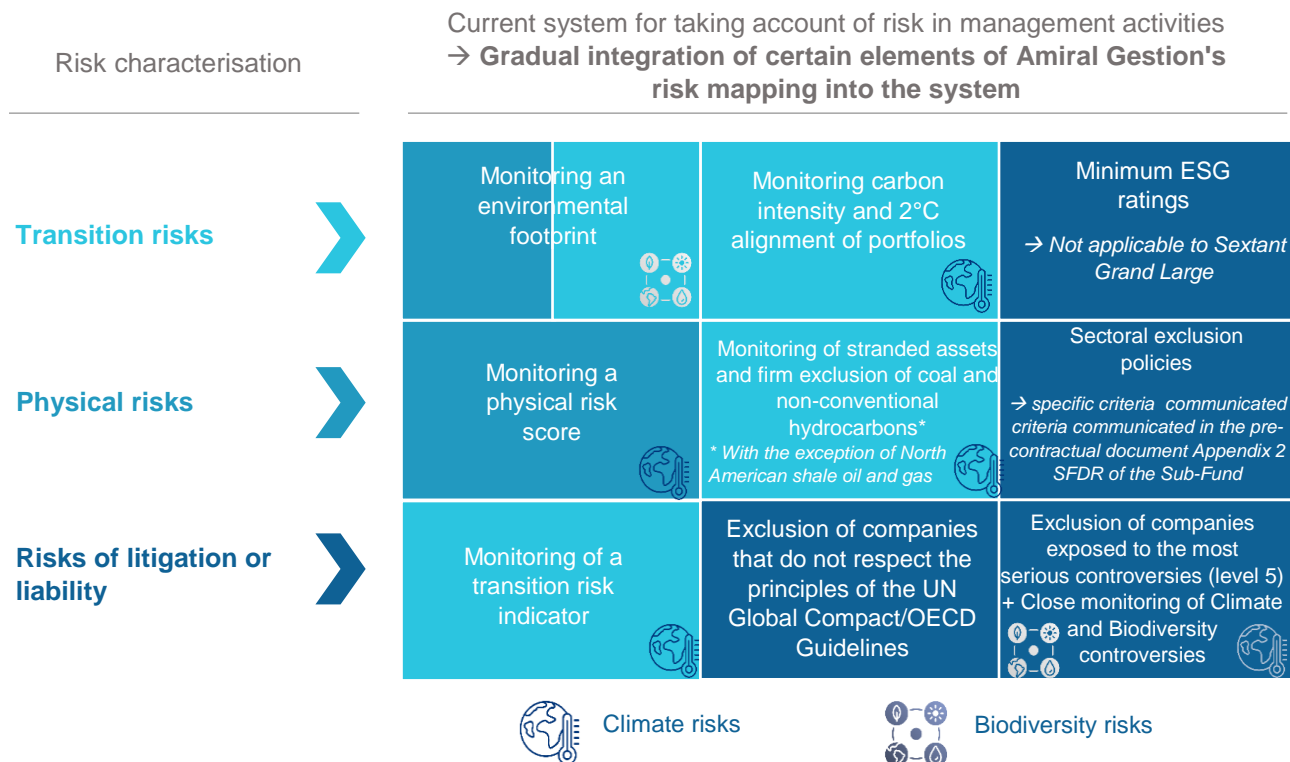


The Sextant Grand Large sub-fund incorporates various measures into its investment process⁴¹ aimed at controlling its sustainability risks, including sector, normative and controversy-based exclusion policies, and the integration of environmental, social and governance (ESG) criteria into the fundamental analysis applied to its equity investments. These measures involved in the investment process limit our exposure to sustainability risks. The reduction process is not formalised in the strict sense of the term, but it does in fact take place in the course of management activities, due to the ex ante constraints and three-level controls carried out⁴².

While seeking to control the main ESG risks at management activity level, and given the systemic nature of certain ESG risks such as global warming and biodiversity loss, **we are actively working on gradually integrating the most significant sustainability risks into the overall Amiral Gestion risk management system.**

i. Identification, assessment and prioritisation of ESG risks, including those relating to climate and biodiversity

The most significant sources of ESG risk were identified as early as 2020 as part of the process to define the Amiral Gestion Responsible Investment (RI) strategy. It has been enhanced as our RI expertise has grown, so that we now have a series of filters and metrics⁴³ used by the management teams in their stock selection, and in part by the Risk Department to monitor the effective application of certain constraints governing the ESG risks of each portfolio. The diagram below shows the overall system for taking into account the main



⁴⁰ Pursuant to Provision III.8° of the Decree implementing Article 29 of the French Energy and Climate Law

⁴¹ These measures are detailed in the sub-fund's pre-contractual document (Appendix 2 SFDR), which is available on the Amiral Gestion website: <https://www.amiralgestion.com/fr/sextant-grand-large>
This control system is described in Section 6 of the Amiral Gestion Sustainability Report: <https://api.amiralgestion.com/documents/permalink/2391/doc.pdf>

⁴³ It should be noted that these filters and metrics are currently used by the management teams, some of which are monitored by the Risk Department, but they have not yet been incorporated into the overall risk mapping. This last point is one of our objectives for 2024.

sustainability risks at the level of Amiral Gestion, using an approach broken down for each portfolio according to the areas of its investment process.

- **Litigation and liability risks** are mainly managed through sector- and normative-based exclusions, as well as through the close monitoring of controversies, leading to exclusions in the most serious of cases. The exclusions applied to Sextant Grand Large are described in the sub-fund's pre-contractual document (Appendix 2 SFDR).
- **Physical and transition risks** place particular emphasis on threats to the climate and biodiversity.

- o **Focus on biodiversity risks:**



- To date, exposure to biodiversity risks has mainly been monitored through: i) the composite environmental footprint, which partly captures impacts on biodiversity, ii) a dedicated indicator⁴⁴ as part of the monitoring of the principal adverse impacts (PAI) of the sub-fund's investments. These two metrics are presented on pages 5 and 9, respectively, for Sextant Grand Large.

- o **Focus on climate risks:**



- Our exposure to stranded assets⁴⁵ is monitored on an ongoing basis to regularly update the criteria in our sector policy. In 2022, we decided to exclude thermal coal and unconventional hydrocarbons from all of our investments⁴⁶.
- As international targets for reducing carbon emissions pose a risk to industries that are unable to adapt to these new paradigms, we monitor the carbon intensity and 2°C alignment of our investments, using metrics presented in Section 5 for this sub-fund.
- Physical and transition-related risks are identified and treated as market risks. They are assessed by monitoring two indicators, the results of which are presented on page 5 for Sextant Grand Large:
 - ✓ Exposure to transition risks up to 2030, designed to measure the risks associated with an increase in the price of emitting a tonne of carbon. This metric is expressed as a % of EBITDA representing the additional costs associated with these risks.
 - ✓ Exposure to the physical risks associated with climate change (water stress, fires, floods, heatwaves, cold snaps, hurricanes, coastal flooding, etc.), summarised in a score out of 100.

Controversies relating to climate change and biodiversity are also closely monitored, regardless of their severity level, to enable the management teams to keep an active watch on these two issues.

⁴⁴ PAI #7, representing the proportion of portfolio companies that have declared, or for which it is estimated, that their activities have an impact on protected areas and/or areas rich in biodiversity.

⁴⁵ Stranded assets are sectors or activities that may be subject to unanticipated or premature depreciation or transformation into "liabilities" as a result of the transition to a low-carbon economy or towards the sustainable investments promoted by the EU under the SFDR and Taxonomy regulations.

⁴⁶ With the exception of North American shale oil and gas. The exclusion criteria are detailed in the sub-fund's pre-contractual document (Appendix 2 SFDR), which is available on the Amiral Gestion website: <https://www.amiralgestion.com/fr/sextant-grand-large>

ii. Review of the risk management framework and ESG risk reduction action plan

In addition to identifying and taking ESG risks into account in investment activities, our ambition is to achieve a structured integration of ESG risks in the global risk mapping and to define a structured reduction plan applicable to all Amiral Gestion investments by the end of 2024. To achieve this, we have defined a road map for an annual review of the risk management framework, including the following steps:

- a. **Refine our analysis of material sustainability risks** to target, more precisely, the criteria that carry significant risks, by deploying our new fundamental ESG analysis approach based on the double materiality⁴⁷ of ESG issues specific to each sector, which will enable us to draw up a sector-specific matrix to facilitate the selection of elements to be included in the risk mapping.
- b. **Quantitatively assess the financial impact of sustainability risks**, including, if possible, an estimate of the proportion of assets exposed in the short/medium/long term, and the impact on portfolio valuations. This quantification, which began with our environmental footprint and our physical and transition-related risk scores, will be rigorously pursued⁴⁸, but initially based on a limited number of risk factors, given the difficulty in obtaining certain data. Accessing real, comparable data is complex, especially for small and mid caps and companies based in emerging countries.
- c. **Define as many material criteria as possible within our risk mapping with the aim of reducing them**, prioritising those whose impact can be quantified in order to implement the necessary measures to reduce them. Our *ultimate* aim will be to put in place a set of **quantitative alert thresholds for risk factors**, enabling managers to conduct either a management activity or a more in-depth analysis and initiate a shareholder engagement activity.



⁴⁷ Impact of companies' ESG practices on the financial performance of the portfolios, and the impact of investments on the environment and society. This new methodology is presented in Section 1 of the Amiral Gestion Sustainability Report: <https://api.amiralgestion.com/documents/permalink/2391/doc.pdf>

⁴⁸ Quantifying risks in this way will require a very precise characterisation of the risks according to criteria such as: the sectors and geographical areas concerned, their occurrence, whether they are recurrent or one-off, current or emerging, endogenous or exogenous to the company, the time horizon, etc.

WARNING - February 2024

This document is issued by Amiral Gestion.

This document has no contractual value and is intended for information purposes only. Any reproduction or use of all or part of its content is strictly forbidden without authorisation from Amiral Gestion. The information contained in this document does not constitute an offer or solicitation to act in any jurisdiction in which such offer or solicitation is unlawful or in which the person making such offer or solicitation is not authorised to act. This document does not constitute and should not be construed as investment, tax or legal advice, or a recommendation to buy, sell or continue to hold an investment. Amiral Gestion cannot be held responsible for any investment or divestment decision taken on the basis of the information contained in this document. This document has not been reviewed or approved by any regulator in any jurisdiction.

Certain data points have now been calculated using the ESG Connect tool since January 2024, applying methodologies designed by Amiral Gestion and based on data supplied by several extra-financial data providers. There may be differences in the margin in comparison to our internal calculations; the complexity of the underlying databases and reference systems may explain these temporary differences, but they do not call into question the general conclusions or the compliance of our funds, sub-funds and mandates with their pre-contractual commitments.

The figures, comments, projections and other items contained within this document are based on data made available by various sources at a given time, and may no longer be relevant on the day the investor reads them. Amiral Gestion cannot be held responsible for the quality or accuracy of the information and economic data provided by these third parties. In particular, given the limited availability, quality and consistency of the information provided by extra-financial data providers, the estimates provided by Amiral Gestion should be read with caution.

THIS DOCUMENT IS ISSUED BY:

Amiral Gestion

A French simplified joint stock company (société par actions simplifiée) with capital of EUR 629,983

Portfolio management company approved by the AMF under number GP-04000038

Insurance brokerage company registered with ORIAS under number 12065490

<https://www.amiralgestion.com>