

ANNEXE IV

TEMPLATE PERIODIC DISCLOSURE FOR THE FINANCIAL PRODUCTS REFERRED TO IN ARTICLE 8, PARAGRAPHS 1, 2 AND 2A, OF REGULATION (EU) 2019/2088 AND ARTICLE 6, FIRST PARAGRAPH, OF REGULATION (EU) 2020/852

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

Yes

It made **sustainable investments with an environmental objective**: ___%

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

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

It made **sustainable investments with a social objective**: ___%

No

It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 29.3% of sustainable investments

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

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

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



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

The responsible investment strategy is based on ESG criteria highlighting the environmental and/or social characteristics promoted by this financial product, such as companies taking into account environmental risks, reducing the environmental impact of companies in terms of air pollution, improving working conditions, promoting gender equality, protecting employees.

The benchmark for the financial product is the MSCI Emerging Markets. The index does not promote specific environmental and social characteristics.

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

Within the framework of this financial product, research on environmental and social criteria is carried out through official publication of the companies, exchanges between the fund's management teams and the management teams of these companies, as well as with the support of rating agencies such as Sustainalytics and S&P Global (ex. Trucost). All companies promoted by the financial product are rated and analysed internally.

The company's activity is the starting point for the environmental analysis. Due to its investment theme (detailed in the section "What investment strategy does this financial product follow?"), the financial product invests in companies with low environmental impact.

The main environmental indicators are the following:

Carbon intensity or WACI (Weighted Average Carbon Intensity): this indicator measures CO2 emissions in relation to the company's turnover. Our calculations are based on data from S&P Global (formerly Trucost).

In 2022, GemEquity's portfolio WACI was 256 tonnes of CO2 per million euros of turnover and 81.3% of GemEquity's portfolio companies had a WACI 20% below the benchmark level.

Net Zero CO2 Emissions target: with the signing of the Paris Agreements, a number of countries have committed to reduce and eventually neutralise their country's CO2 emissions. A growing number of companies are following these recommendations.

By 2022, 48% of GemEquity's portfolio has a Net Zero target.

Scope 1 & 2 GHG emissions: CO2 emissions are divided into 3 measurability groups. Scope 1 includes greenhouse gas emissions directly related to the manufacturing of products or services. Scope 2 groups together the greenhouse gas emissions linked to the energy consumption required to manufacture the product or service.

By 2022, 85% of GemEquity's portfolio disclosed Scope 1 & 2 emissions.

Energy consumption and production: while analysing the company, the management teams consider for the rating the source of energy used in the production process and/or the contribution of renewable energy to the products.

The main social indicators are the following:

Training rate: the financial product promotes the continuous education of employees and their well-being. Thus a training rate of at least 20 hours per year per employee is required for a company to qualify as a sustainable investment.

En 2022, les entreprises du portefeuille de GemEquity fournissaient en moyenne 31h de formation par employé.

Gender parity: the financial product is committed to promoting the participation of women in the workplace. Thus, a company is considered a sustainable investment when the number of women employees exceeds 20% of the salary base. Also, we monitor the share of women on the board of directors and for any company where the share of women is less than 10%, we commit to vote against the appointment of a male member at the General Meetings.

In 2022, the share of female employees in GemEquity's portfolio companies averaged 36% and the share of women at board level averaged 18.7%. **Human rights:** with the support of the Sustainalytics platform, the financial product excludes any company with a Level 5 in human rights controversy.

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

Environment :

Carbon intensity or WACI (Weighted Average Carbon Intensity):

In 2022, GemEquity's portfolio WACI is 256 tonnes of CO2 per million euros of turnover and 81% of GemEquity's portfolio companies have a WACI that is 20% lower than the benchmark level. In December 2021, GemEquity's WACI was 189 tonnes of CO2 per million euros of turnover. This increase compared to 2021 can be explained by the health context which has led to a decrease in global trade, as in 2020 GemEquity's WACI was 287 tonnes of CO2 per million euros of turnover. This decrease compared to 2020 shows the progress and improvement of companies in managing their CO2 emissions. Indeed, our regular exchanges with companies have shown us a real willingness on the part of companies to quantify, control and reduce, to the extent of their objectives, their emissions.

Social :

Training rate:

In 2022, GemEquity's portfolio companies carried out an average of 31 hours of training. In 2021 and 2020 the average number of hours of training for employees was 26 hours and 31 hours respectively. The upward trend in training hours is due to the increasing implementation of innovative training on a variety of topics and in a variety of formats for most of the companies we deal with.

Gender parity :

In 2022, the share of women at board level in GemEquity portfolio companies is 18.7% on average. In 2021, the share of female board members in GemEquity was 14.7% and 13.1% in 2020. This is a good improvement and we hope that the trend will continue in the future. As a reminder, we are committed to voting against the appointment of a male director at General Meetings when the share of women on the board is below 10%.

December 2021

	Indicator	GemEquity	Benchmark
E	Carbon intensity - WACI (tons CO2/M euros of revenue)	189	382
	<i>% companies covered</i>	100%	95%
G	Women on the Board	14,7%	11,8%
	<i>% companies covered</i>	100%	62%
	Indicator	GemEquity	Benchmark
E	Carbon intensity - WACI (tons CO2/M euros of revenue)	28	272
	Carbon Footprint C/R (tons CO2/M euros of revenue)	115	608
	<i>% companies covered</i>	100%	95%
S	Training hours per employee	26	34
	<i>% companies covered</i>	71%	45%
G	Board independence	50,2%	46,4%
	<i>% companies covered</i>	100%	87%
Human Rights	% fund under controversies	Categories 4/5: 0%	

June 2020

	Indicator	GemEquity	Benchmark
	Carbon intensity - WACI (tons CO2/M euros of revenue)	157	465
	<i>% companies covered</i>	100%	90%
	Women on the Board	12,50%	12,40%
	<i>% companies covered</i>	100%	90%
	Indicator	GemEquity	Benchmark
E	Carbon intensity - WACI (tons CO2/M euros of revenue)	160	500
	Carbon Footprint C/R (tons CO2/M euros of revenue)	393	675
S	Training hours per employee	40	52
	<i>% companies covered</i>	70%	36%
G	Board independence	48%	46,90%
	<i>% companies covered</i>	100%	90%
Human Rights	% fund under controversies	3,4 % controversies 4 (1 title)	

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

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

The sustainable investment objectives that the financial product partially intends to achieve are to contribute to the achievement of the United Nations Sustainable Development Goals (SDGs). The focus is on five goals in particular. The adoption of the SDGs is systematically recommended to emerging companies. The latter are assessed on the scope of their commitment based on internal rating but also with the analysis of specialised partners (Sustainalytics and S&P Global). The SDGs are taken into account both at the operational level (company commitment) and the revenue streaming level (business impact).

At the operational level, more than 72% of the portfolio contribute to every following SDGs:

- SDG 3 : Good wealth and well-being
- SDG 7 : Affordable and clean energy
- SDG 8 : Decent work and economic growth
- SDG 12 : Responsible consumption and production
- SDG 13 : Climate action

The fund also aims to encourage and strengthen companies' commitment to sustainability. For example, on the social aspect, the promotion of gender parity is considered a cornerstone, as well as the reduction of GHG emissions regarding environmental commitment.

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

To ensure that the sustainable investments of the financial product will not significantly harm an environmental or social objective (DNSH), Gemway Assets has established a list of normative and sectoral exclusions: tobacco production, weapons, anti-personnel mines, unconventional fossil fuels, pornography, genome technology, coal exploration.

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

As Gemway Assets is a management company with less than 500 employees, the consideration of PAIs is on a voluntary basis. The management company is therefore not required to consider negative sustainability impacts. Where the company chooses not to follow the provisions of the regulation, it is required to explain why implementation is not relevant to its scale under the "Comply or Explain" principle.

In this context, the Fund is not required to consider negative impacts at present. Given the geographical area concerned, i.e. emerging markets, information is not available with the same transparency as in the area where disclosure legislation is in force. However, the management company engages not to invest directly in coal exploration companies. Companies involved in the exploration and production of non-conventional fossil fuels are also excluded, with a tolerance threshold of maximum 5% of turnover.

The financial product collects and monitors more than 10 environmental and social indicators such as Scope 1, 2 and 3 greenhouse gas emissions; carbon footprint; carbon intensity; hazardous waste; water consumption; water recycling; violations of the UN Global Compact principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises; gender pay gap; and supplementary health cover.

The financial product also commits to keeping the carbon intensity measured by the WACI 20% below that of the benchmark.

• **Were sustainable investments aligned with the OECD Guidelines for Multinational**

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

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

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

Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The portfolio managers monitor the alignment of the companies in which the financial product invests with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the ten principles of the UN Global Compact. The financial product is based on data published by the supplier Sustainalytics.

The financial product has not established a minimum threshold. However, at the end of December 2022, 78.6% of the financial product is aligned with the ten principles of the UN Global Compact (source: Sustainalytics).

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: **Chinese sustainable consumption**



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

This financial product does not consider principal adverse impacts on sustainability factors.



What were the top investments of this financial product?

The ten main investments of GemEquity at the end of December 2022 are :

Largest investments	Sector	% Assets	Country
TSMC	Semiconductors	6.8%	Taiwan
Alibaba	Software & Services	6%	China
Samsung Electronics	Semiconductors	5%	South Korea
Tencent	Software & Services	4%	China

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AIA Group	Insurance	4%	Hong Kong
JD.com	Retailing	3.5%	China
ICICI Bank	Banks	3%	India
Saudi Aramco	Energy	2.5%	Saudi Arabia
Mercado Libre	Software & Services	2.5%	Latin America
PT BCA	Banks	2.5%	Indonesia



What was the proportion of sustainability-related investments?

GemEquity is at 29.3% invested in sustainable companies as per our definition (20% minimum women in the workforce, at least 20 hours training; companies releasing Scope 1+2; WACI 20% below the benchmark and Net zero target).

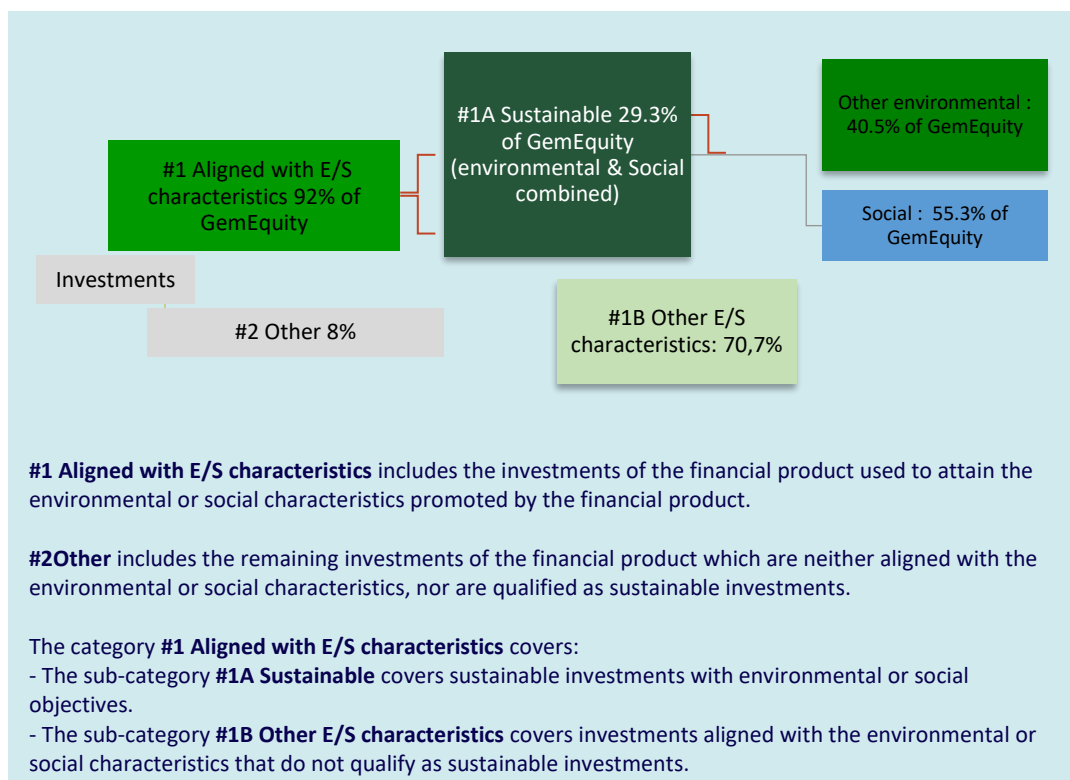
- **What was the asset allocation?**

The whole portfolio undergoes ESG analysis through normative and best in class exclusion. We consider that **GemEquity is 92% aligned** according to the ESG process in place – i.e. in investments that are aligned with the promoted environmental and social characteristics (#1 Aligned with E/S characteristics).

We consider that investees involved in fossil fuel and mining are not aligned (#2Other), ie 8% of the portfolio.

GemEquity is at 29.3% invested in sustainable companies (#1A Sustainable) as per our definition (20% minimum women in the workforce, at least 20 hours training; companies releasing Scope 1+2; WACI 20% below the benchmark and Net zero target). If we consider only social criterias, 55.3% of GemEquity is sustainable investment with social objective. And 40.5% of GemEquity is sustainable investment with environmental criteria.

Asset allocation describes the share of investments in specific assets.



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

The main economic sectors in which the investments were made are the following sectors:

- Energy
- Metals & Materials
- Industry
- Banks
- Other Financial Services
- Technology
- Media & Internet
- Sustainable Consumption
- Consumer Staples
- Health



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

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

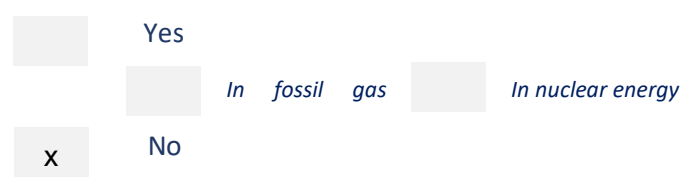
- ***Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?***

Taxonomy-aligned activities are expressed as a share of:

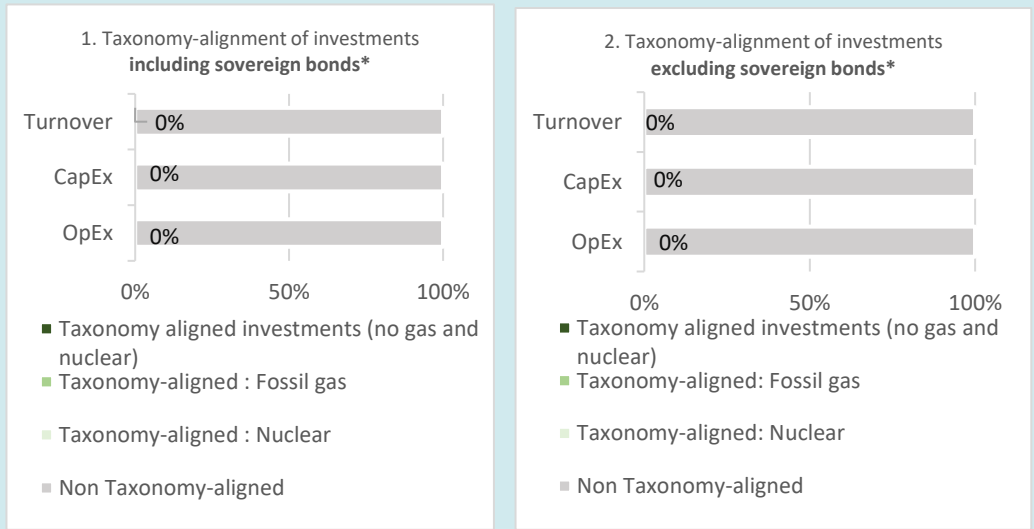
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

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

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



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



*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

- **What was the share of investments made in transitional and enabling activities?**
Not applicable
- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
Not applicable



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

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 15%. **In 2022, other environmental investments represented 40.5% of GemEquity.**



What was the share of socially sustainable investments?

The minimum share of socially sustainable investments is 15%. **In 2022, socially sustainable investments represented 55.3% of GemEquity.**



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

Investments under "#2 Other" are related to fossil fuels and mining as well as cash. As the entire portfolio is subject to a best-in-class approach, companies invested in these two sectors are also selected according to ESG criteria. Environmental and social analyses are particularly rigorous in these sectors.



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

ESG meetings

In 2022, we conducted about 26 interviews focusing exclusively on ESG issues. For this purpose, we use a proprietary questionnaire, adjusted according to the company's activity and the current level of transparency. Nevertheless, issues such as gender equality and governance issues remain the focus of our discussion.

Voting engagement

In 2022, Gemway Assets exercised its voting rights in 105 general meetings, representing 68% of all possible general meetings. This figure is well above our commitment (50%). This level of commitment is particularly significant in the emerging equity asset class.



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

Not applicable

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

Not applicable

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

Not applicable

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

Not applicable

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

Not applicable

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