Responsible Investment Report

2025

REPORT PREPARED IN COMPLIANCE WITH
THE ENERGY AND CLIMATE LAW

LBPAM

LA FINANCIÈRE
DE L'ÉCHIQUIER

Contents

Editorial

Emmanuelle Mourey
Chairwoman of the Executive Board of LBP AM

The LBP AM Group is driven by strong convictions: environmental transition is an essential pathway, and integrating sustainability and transition-related issues is a prerequisite for long-term investment performance.

The Group remains committed to this course in a complex and unstable environment marked by multiple crises, where geopolitical, climate-related and technological risks are becoming increasingly interconnected and intense.

In 2025, LBP AM and LFDE continued to enhance their ESG practices in pursuit of this vision, while adapting some of their products to fit evolving regulatory and market requirements.

To effectively embed the transition towards a low-carbon economy within investment strategies, we rolled out a large-scale, innovative corporate transition plan assessment tool. Its strength lies in its ability to analyse, on a systematic and recurring basis, the transition plans of thousands of companies. Through this initiative, the Group further strengthened and expanded its expertise in the large-scale integration of climate considerations.

We also continued to enhance our proprietary GREaT methodologies across all listed and private asset classes, refining their ability to assess and report the most material sustainability and impact-related risks and opportunities associated with investments.

In addition, we further expanded our responsible investment framework. In a context of heightened geopolitical tensions, the LBP AM Group introduced a dedicated defence sector policy. This policy complements and deepens the work previously undertaken on human rights and international ethical standards through a sector-specific lens.
The entry into force of the new version of the French SRI Label on January 1, 2025, led, among other developments, to a strengthening of the selectivity requirements applied to LBP AM and LFDE's labelled funds, which continue to offer the broadest SRI-labelled fund range on the French market. It also provided an opportunity to optimise our range in response to increasingly diverse ESG expectations from clients and paved the way for the implementation of the European ESG fund naming rules.

This report, which demonstrates the consistency of our responsible investment approach and the resources dedicated to its implementation, presents our objectives and the results achieved in 2025.
It also reflects the resources dedicated in support of our ambition to be a leading sustainable finance player in France and Europe, combining a long-term vision, a broad range of expertise and investment solutions tailored to the diverse needs of our clients, and an active role within the financial ecosystem to promote more sustainable investment practices.

« The Group remains committed to this course in a complex and unstable environment marked by multiple crises, where geopolitical, climate-related and technological risks are becoming increasingly interconnected and intense. »

Editorial

Presentation of the LB AM Group

The LBP AM Group is a leading asset manager in France and Europe for European listed and private assets. For three decades, the Group has been recognised for its responsible investment approach, supported by more than 15 responsible investment professionals, a rigorous and systematic integration of sustainability factors across all investment activities, and strong ESG commitments implemented through dedicated policies.

The Group's current shareholding structure is as follows:

75% held by La Banque Postale

25% held by Aegon Asset Management.

LBP AM's acquisition of LFDE - one of France's leading entrepreneurial asset management companies - completed in July 2023, created a new leader in conviction-driven asset management in France and Europe.
As of December 31, 2025, the LBP AM Group's consolidated assets under management and distribution amounted to €75 billion, of which more than 81% were classified as SFDR Article 8 or Article 9.

A STRONG SHAREHOLDING AND PARTNERSHIP ECOSYSTEM

1 This report focuses on assets under management rather than assets solely distributed.

Investment expertise

A broad range of products and solutions to meet investors' needs and expectations

European private markets

€9bn[2]

- Recognised expertise in European private debt across three complementary pillars: infrastructure, corporate and real estate
- A dedicated Capital Solutions division dedicated to designing and distributing private-markets' multi asset solutions

Infrastructure debt · Corporate debt · Real estate debt · Capital solutions

Multi Asset, Rates & Credit Specialties

€21bn

- A broad offering designed to meet different investment objectives and risk-return profiles
- Long-standing track-record in sophisticated and bespoke investment solutions

Convertible bonds · Absolute return rates & credit · Multi-asset allocation

Quantitative Solutions

€17bn

- Combining human intelligence and technology
- Structured portfolio management solutions designed to achieve tailored investment objectives

Smart beta · Structured management · Short-term solutions

Conviction by La Financière de l'Échiquier

€28bn

- 35 years track-record in selecting companies globally
- Leading European expertise in conviction-based investment management

Equities · Credit & multi-asset direct investments

2 AUM including Aegon AM's Dutch Mortgages distributed by LBP AM: €4 billion on 31/12/25

BACK TO TABLE OF CONTENTS

Key facts 2025

01

Publication of a defence sector policy

Published in 2025, the LBP AM Group's defence sector policy sets out the responsible investment principles applied to the defence industry.
The policy is designed to oversee investments in this sensitive sector through a framework of exclusion, analysis and monitoring criteria, while remaining aligned with international standards and the Group's ESG commitments.
It adopts a nuanced approach, distinguishing between activities considered incompatible with the Group's principles and those that contribute to the legitimate security needs of sovereign states. The policy is supported by enhanced due diligence and dedicated controls aimed at ensuring that investments in the defence sector remain consistent with sustainability objectives.
Through the publication of this policy, the LBP AM Group strengthens the transparency of its practices and clarifies its position regarding a sector at the heart of today's geopolitical challenges.

02

Implementation of the 3rd version of the French SRI label

The French Government's SRI label serves as a quality mark demonstrating the effective integration of ESG criteria into investment processes.
LBP AM has applied the label extensively since 2018, while LFDE also offered a range of conviction-based labelled products.
The transition to the 3rd version 3 of the label, which came into effect in 2025, resulted in enhanced requirements in three key areas:

- shareholder engagement and controversy management;
- strengthened SRI selectivity requirements;
- greater emphasis on environmental and energy transition issues.

Building on its responsible investment products, policies and proprietary tools, the LBP AM Group successfully implemented a major operational and commercial programme to comply with these new requirements and maintain a comprehensive range of labelled products.
At the end of 2025, the LBP AM Group remains the leading asset manager in terms of the number of SRI-labelled listed-asset funds in France.

03

Methodological enhancements

Several significant improvements were introduced to the Group's ESG methodologies in 2025.
For listed assets, the proprietary multi-source ESG model was enhanced through the integration of ISS ESG indicators, completing data from MSCI ESG Research and EthiFinance. This further strengthened thematic coverage while leveraging the analytical strengths of each provider. The methodology now also incorporates two proprietary thematic models:

- Transition Plan Score (TPS), assessing the quality of corporate transition plans;
- Biodiversity Impact Reduction Disclosure (BIRD), assessing the quality of biodiversity impact mitigation policies;

In addition, the assessment of ESG materiality is now performed at a more granular level.
Methodologies used for corporate, infrastructure and real estate private debt investments were also updated. These developments included the introduction of environmental and social risk mapping frameworks, enabling enhanced due diligence on material sustainability risks and greater adaptation of assessment processes to the characteristics of each asset class.

Responsible investment at LBP AM and LFDE recognised and awarded

In 2025, the responsible investment practices of LBP AM and LFDE were assessed and rewarded across several complementary dimensions:

Responsible investment strategy

- PRI scores of 95/100 and 97/100 for the responsible investment policies of LBP AM and LFDE respectively

Responsible investment brand

- LBP AM and LFDE were ranked "Avant-Gardists" in the 2025 edition of the Responsible Investment Brand Index (RIBI). **LBP AM remained among the Top 10 French asset management companies.**

Responsible investment performance

- Grand Prix des Sicav – Mieux Vivre Votre Argent 2025: Excellence Label for LBP AM ISR Actions Euro Focus Emergent E, Performance Label for Tocqueville Euro Equity ISR, Consistency Label for LBP AM ISR Diversifié Plus R
- Globes de la Gestion – Gestion de Fortune: Second Prize in the Absolute Return category for LBP AM ISR Absolute Return Credit
- Palmarès des Fournisseurs 2025 – Gestion de Fortune: LFDE ranked as the 3rd SRI asset manager

Climate action

- La Banque Postale Group maintained its CDP A rating in 2025, a score that substantially reflects the climate strategy implemented by the LBP AM Group.

Transparent voting and engagement practices

- The LBP AM Group received a special commendation from the ICGN jury for its shareholder engagement report.

01

Responsible investment approaches

Committed to responsible investment management for nearly three decades, the LBP AM Group places responsibility at the heart of its strategy, as evidenced by its mission statement “Enhancing financial, natural and human capital and supporting our clients' sustainable transitions”.

In the early 2010s, LBP AM and LFDE took a decisive turn in their commitment to responsible investment by becoming signatories of the PRI. These commitments materialised in 2018 with distinct but foundational decisions on ESG-related client commitments: the creation of an asset management company dedicated to responsible investment for LBP AM, aligning its open-ended funds with the SRI label, and the launch of a diversified range supported by ESG minimum requirements for LFDE. In 2021, both companies set a new strategic course towards the carbon neutrality of their portfolio.

In 2023, they joined forces to pursue their shared ambition of becoming a leading European player in responsible investment, based on their common convictions and respective expertise. This is why the ESG convergence process, launched in 2024, was one of the first steps in this strategic alignment.

This chapter provides a detailed presentation of the LBP AM group’s responsible investment policy. It explains how these commitments are embedded in the corporate governance of LBP AM and LFDE, as well as in their tools, products, areas of expertise, and day-to-day operations.

> **“Enhancing financial, natural and human capital and supporting our clients' sustainable transitions”.**

1.1 Responsible investment policy

1.1.1 Our responsible investment convictions

The LBP AM Group is guided by strong convictions: the energy and environmental transition is an unavoidable pathway, and the integration of sustainability issues is not an option but a necessity for long-term investment performance.
This vision underpins the Group's responsible investment objectives, firmly rooted in a double materiality approach:

- Protecting investment value through active sustainability risks management
- Contributing to the transition of the economy towards more sustainable practices and assets

As a specialist in responsible investment, the LBP AM Group thus occupies a distinctive position among European asset management companies, seeking a rare balance between a commitment to sustainability and high financial performance, two dimensions that are far from being opposed but rather reinforce each other.

To achieve this, approaches and practices are based on a solid foundation:

- Expert teams,
- Cross-functional, ambitious and transparent ESG policies,
- Robust tools and innovative methodologies tailored to each asset classes.

This positioning is based on the following three levers and is reflected in a comprehensive and diversified offering of open-ended funds and expertise that we use to build tailor-made solutions for our clients' sustainability needs.

Focus

Double materiality

The principle of double materiality is an essential analytical framework for socially responsible investment (SRI) strategies. It is based on two complementary dimensions:

- **Financial materiality,** which aims to identify the impacts of environmental, social and governance (ESG) issues on the economic situation, performance and valuation of the companies in which the portfolios are invested;

- **Impact materiality**, which examines the effects that corporate activities may have on the natural, social or societal environment, whether in terms of risks or externalities.

Focus

Financial and ESG performance

Numerous academic studies have examined the relationship between ESG integration and the financial performance of companies and investment portfolios.

For example, the study "ESG Ratings in Global Equity Markets" (MSCI, 2025) analyses the transmission mechanisms between ESG ratings, corporate financial performance and stock market returns. Its findings show that highly rated companies display lower earnings volatility, which also translates into lower share-price volatility.
The study further demonstrates that, in a universe in which expositions to different style factors are controlled, ESG indices outperform their non-ESG counterparts. In other words, companies with stronger ESG ratings have outperformed lower-rated peers, regardless of geography, market capitalisation or other company-specific characteristics. The study suggests that this outperformance is primarily explained by stronger business fundamentals rather than higher valuation multiples. These results confirm previous studies on most material ESG information for companies: resources management, business conduct, talent attraction, innovation...
To assess the financial impact of its own responsible investment methodology, **the LBP AM Group has developed a framework designed to measure the effects of different ESG selectivity approaches across major benchmarks and flagship investment products over various time horizons.**
The results indicate that ESG selectivity primarily affects tracking error and therefore generates deviations from traditional benchmarks. However, no systematic or directional relationship has been identified between ESG selectivity and financial performance across investment universes.
More specifically, over the three-year period analysed, the systematic integration of ESG factors through the Group's responsible investment framework did not hinder value creation and, in certain investment universes, contributed positively to performance.
In equity portfolios, the analysis suggests that the majority of relative risk originates from other portfolio management decisions, which remain the primary drivers of investment returns.

3 https://www.msci.com/research-and-insights/paper/msci-esg-ratings-in-global-equity-markets-a-long-term-performance-review

1.1.2 Three responsible investment levers

01

The analysis and integration of sustainability issues, according to the proprietary GREaT methodology

The objective: identify companies that manage sustainability responsibly and offer products or services that help address key societal challenges, particularly a just transition, and those with less robust practices in these two areas. To do this, the proprietary GREaT analysis methodology is based on four pillars:

- **G** responsible Governance,
- **R** sustainable management of natural and human Resources,
- **E** Energy transition,
- **T** Territorial development.

The GREaT approach has been applied to all asset classes and enables the sustainable development practices of nearly 12,000 companies to be rated.

These analyses are incorporated into the investment selection process through contractually formalized quantitative thresholds, in accordance with the French market authority (AMF) rules on ESG communication for open ended funds.

The methodology may be supplemented by more detailed thematic assessments, including governance analysis (LFDE), biodiversity analysis (LBP AM and LFDE), compliance with international ethical standards (LBP AM and LFDE).

02

Engagement with companies to encourage them to improve their practices in these four areas

The LBP AM Group's engagement policy is one of the levers for implementing responsible investment. This year-round dialogue aims to deepen the understanding of companies' sustainability practices and encourage progress in specific areas.

Meetings with companies are closely linked to LBP AM and LFDE voting decisions at general meetings. These are based on a proprietary voting policy and are disclosed all year round.

The engagement policy is consistent with thematic ESG policies, which define the objectives, principles, action methods, priorities and expectations for the companies in which we invest:

- LBP AM group voting policy
- Coal Policy (set out in the exclusion policy)
- LBP AM oil & gas policy
- LBP AM biodiversity policy
- LBP AM human right policy
- LBP AM defence policy

The engagement policy also sets out the framework for dialogue with other categories of stakeholders.

03

Exclusion of companies that are not on a sustainable path

The LBP AM Group has established an exclusion policy to limit the exposure of LBP AM and LFDE to issuers whose activities, policies or practices (i) are not compatible with their vision of a responsible economy, and (ii) they consider unlikely to change. It applies to all open-ended funds managed by LBP AM and LFDE. For dedicated funds and institutional man dates, the policy applies in whole or in part, depending on the investors' choice. It is based on the four main types of exclusion listed below.

This policy is supplemented by additional exclusions applied to a number of products, in particular funds with SRI labels.

Main types of exclusion

Instrument

Speculative instruments on agricultural commodities

Norm-based

Companies for which there is an unacceptable risk that they cause, contribute to or are linked to parti-cularly serious violations of LBP AM's fundamental ethical standards, or which are subject to serious, proven and repeated controversies, for which exclusion is the most effective lever to reduce the risk of continued and future violations of standards.
Companies excluded on the basis of normative provisions relating to governance of anti-money laundering and terrorist financing.
Companies excluded on the basis of normative provisions relating to anti-money laundering and counter-terrorist financing.

Materiality

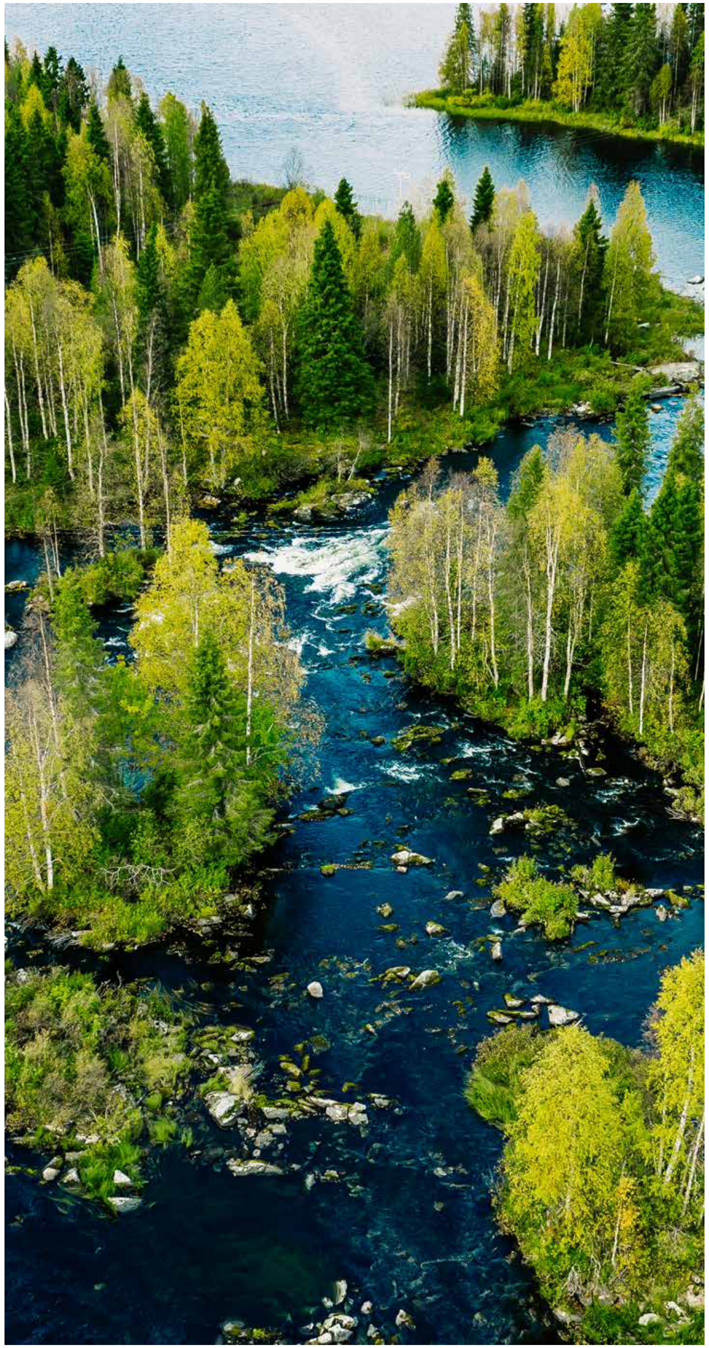
Companies whose practices, particularly in terms of social responsibility, environmental responsibility and good governance, present a risk of severe financial impact for the company, with a view to managing sustainability risk.

Activities

Companies whose products or services, or the way in which they manage these activities, present risks of serious human rights or environmental harm and/or are not aligned with LBP AM's ESG performance objectives in the following areas:

- **Controversial weapons**
- **Gambling**
- **Tobacco**
- **Thermal coal**
- **Oil and gas**
- **Pesticides**
- **Biodiversity** (within high-impact sectors)
- **Deforestation** (within high-impact sectors)
- **Pornography**

« The LBP AM Group has established an exclusion policy to limit the exposure of LBP AM and LFDE to issuers whose activities, policies or practices are not compatible with its vision of a responsible economy »



1.1.3 LBP AM and LFDE fund range: a minimum ESG foundation and enhanced selectivity to meet all needs

Since 2018, LBP AM and LFDE have made distinct yet fundamental choices regarding the integration of sustainability considerations across their product ranges. LBP AM positioned itself as an asset manager dedicated to responsible investment by aligning its open-ended funds with the French SRI Label, while LFDE developed a broad range with several levels of sustainability integration. Today, both approaches converge around a product range offering varying degrees of ESG intensity, designed to apply the highest sustainability standards across each level of ESG integration.

To meet the varying ESG expectations of its clients, the LBP AM Group has implemented a consistent ESG classification framework across its fund range. This segmentation is structured around four categories, ranging from minimum common requirements to the most demanding ESG approaches:

- **ESG foundation**, applying the Group's sector-based and norm-based exclusions as well as ESG analysis designed to support funds managers in managing sustainability risks,
- **Selectivity funds**, incorporating formalised quantitative rules ensuring that ESG analysis is taken into account in portfolio construction
- **SRI-labelled funds**, which hold the French SRI Label under its latest version
- **Impact and thematic ESG funds**, consisting of Article 9 funds that either seek to generate a positive impact on a specific sustainability issue (climate, biodiversity, health, etc.) or select companies aligned with a dedicated sustainability theme (energy transition, human rights, etc.).

The LBP AM Group also offers tailor-made responsible investment solutions to support its institutional clients in the implementation of their own increasingly sophisticated ESG strategies.

◆ *Focus*

The LBP AM Group and the French SRI Label

As part of its strategic commitment to responsible investment and its objective of promoting sustainable finance among retail investors, the LBP AM Group has historically sought to make all its eligible open-ended funds SRI-labelled. Backed by a comprehensive and demanding framework and certified through independent audits, the French SRI Label provides assurance that the ESG criteria applied by funds have a real, systematic and significant impact on investment decisions.
Its widespread adoption has driven substantial mobilisation and investment efforts by management companies to implement robust and auditable responsible investment practices. LFDE has also offered SRI-labelled funds since 2010.

The French SRI Label framework was first strengthened in 2020, reflecting developments in market practices, and then again in 2024, transforming the label from a minimum quality standard into a genuine hallmark of best practice. With the latest version of the French SRI Label, which came into effect on January 1, 2025, the framework has retained its general ambition while significantly strengthening requirements relating to selectivity, shareholder engagement and controversy management.

The new framework also places greater emphasis on supporting the energy transition by requiring a systematic assessment of investee companies' transition plans, a minimum level of investment in companies with robust transition plans and, finally, the exclusion of fossil fuel issuers whose activities are deemed incompatible with the recommendations of the International Energy Agency.

Building on investments already made by LBP AM and LFDE, the LBP AM Group has been able to support its clients in assessing the forward-looking impact of the different components on portfolios. Clients can position themselves according to their appetite for the label while also benefiting from further developments to the proprietary GREaT platform, enabling the operational implementation of the new label requirements.

At the end of 2025, the LBP AM Group offers 93 SRI-labelled funds, the deepest range of labelled products to date. LFDE provides a broad range of stock-picking strategies (blend, growth, value, technology, healthcare, Europe, US, thematic environmental and social strategies, etc.), while LBP AM offers quantitative strategies (including low-volatility approaches) across all geographical regions (France, Europe, US, Asia and Emerging Markets), as well as credit, convertible bond, diversified, multi-management and absolute-return strategies.

Find out more

SRI label website: SRI label – For sustainable and responsible investments

ESMA fund naming guidelines

New European requirements governing the naming of sustainable funds came into effect in 2025. The European Securities and Markets Authority (ESMA) introduced strict consistency rules between a fund's name and its ESG policy to ensure that fund names are not misleading for investors and to reduce greenwashing risks.

Terms used in fund names are now associated with specific obligations for asset managers. For instance:

- Funds using an **ESG-related term** in their name must maintain at least 80% of assets under management invested in holdings that meet ESG criteria
- The term **Impact** must explicitly refer to the generation of a positive social or environmental impact
- The term **Transition** must relate to investments in securities supporting a measurable environmental or social transition
- **Mandatory exclusions aligned with those applied by Paris-Aligned Benchmarks (PAB) or Climate Transition Benchmarks (CTB)** must be implemented, depending on the terminology used

The implementation of these guidelines for the LBP AM Group resulted in a cross-functional regulatory project that built upon two previous major initiatives: the rollout of the latest version of the French SRI Label in 2024 and the development of an ambitious Group-wide climate transition plan. The introduction of the ESMA fund naming rules therefore had only a limited impact on the Group's funds, reflecting the robustness of LBP AM's responsible investment practices.

1.2

Corporate governance designed for responsible investment

1.2.1 Dedicated decision-making bodies to support our responsible investor approach

The definition and implementation of the responsible investment policy are overseen, at both LBP AM and LFDE, through a cross-functional governance framework operating at the highest level of the organisation and led by senior management.

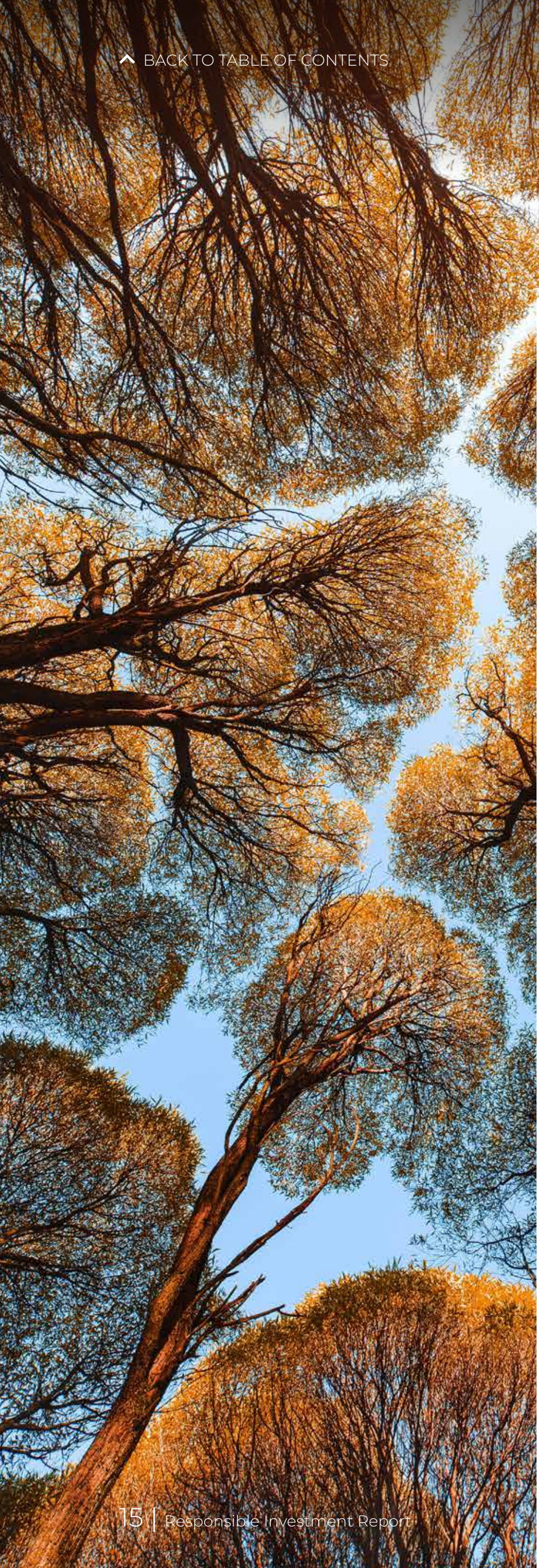
Chaired by Emmanuelle Mourey, the Executive Board of LBP AM is composed of members with extensive experience in asset management and, more specifically, within responsible investment-focused asset management companies. In addition, these members play an active role in professional associations and bodies (AFG) or committees (AMF) that contribute to the evolution of ESG regulations and European practices. LFDE has an Executive Committee comprising nine members and a Board of Directors composed of six members with extensive experience in asset management.

This governance structure is anchored in several dedicated committees with complementary missions.

The substainable finance committee

This committee brings together members of the LBP AM Executive Board and LFDE's Chief Executive Officer, alongside the heads of investment, research, risk and CSR teams, with the objective of defining the Group's sustainable finance strategy and overseeing its implementation.

Reporting to the LBP AM Chief Investment Officer, the committee is composed of 17 members and represents all key areas of expertise and business lines within the asset management companies.



It meets every three weeks and is responsible for steering and validating the Group's responsible investment policies.

It also approves decisions relating to the implementation of these policies, the adoption of new commitments by LBP AM and LFDE in the field of responsible investment, major methodological changes, and significant procedural or organisational changes.

The committee also serves as a platform for monitoring and sharing information on regulatory and market developments, as well as communicating the Group's responsible investment policies, actions and results. For operational matters, dedicated working groups may be established on an ad hoc basis. The supporting documents are prepared by the Head of the SRI Solutions team.

The GREaT committee

Chaired by the Chief Investment Officer, this committee brings together investment, research and risk representatives on a quarterly basis to validate the implementation of the exclusion policy, deliberate on management actions following enhanced norm-based due diligence, and oversee the deployment of the engagement policy.

The committee consists of two voting colleges representing LBP AM and LFDE respectively. The supporting materials are prepared by the Head of the SRI Solutions team. The Chief Operating Officer acts as secretary to the committee and is responsible for distributing meeting minutes and ensuring that decisions are operationally integrated into management and control systems.

The ISR Solutions teams within LBP AM and LFDE Research are responsible for continuously monitoring issuers based on policy criteria and preparing supporting documentation for deliberations. The Risk Management Department has the right to raise an alert in the event of disagreement with the Committee's decision, in order to refer the matter to the Executive Board for arbitration.

The governance committee

This thematic committee brings together ESG specialists, portfolio managers/analysts, and legal and risk managers one or more times prior to the annual general meeting season to review changes to the voting policy and its implementation. It is headed by the head of the SRI Solutions team.

The ESG regulatory steering committee

A dedicated supplement to the Regulatory Committee, this committee, chaired by the Secretary General, monitors regulatory developments and standards in sustainable finance and organizes the rollout of related transformation projects. It is prepared by the SRI Solutions team.

The ESG management committee

A weekly management meeting chaired by the Chief Sustainable Investment Officer, this committee brings together SRI analysts, portfolio managers and analysts to ensure the smooth flow of information on SRI strategy and methodological developments, prioritize and organize enhanced due diligence, and inform and organize engagement activities.

« In an increasingly complex world, we are convinced that regular exchanges between portfolio managers and ESG analysts lead to more robust investment decisions. Information shared through these committees strengthen ESG culture, help identify sustainability-related issues, risks and opportunities, and enhance the resilience of portfolios. »

Christine Lebreton
Chief Sustainable Investment Officer, LFDE

The supervisory board

The LBP AM Group Supervisory Board comprises 17 members of different nationalities (French, Dutch and British), with an average of more than 15 years' experience in finance, drawn from the La Banque Postale Group, Aegon AM, independent directors and employee representatives.

The Supervisory Board ensures in particular that LBP AM fulfils its role as a responsible asset manager. To do so, it can rely on members with significant experience in asset management, risk control and regulatory monitoring.

Board members are regularly informed by the Executive Board on environmental, social and governance issues. Presentations are provided annually on regulatory developments, LBP AM's engagement policy and its net-zero ambition. In 2025, the Supervisory Board notably reviewed the following topics:

- Monitoring of the responsible investment roadmap (LBP AM Net Zero strategy, changes to the French SRI Label, LBP AM carbon footprint)
- Proper application of LBP AM's voting policies

The supervisory board

9 La Banque Postale

3 Aegon Asset Management

3 staff representatives from LBP AM

2 independant members

BACK TO TABLE OF CONTENTS

1.2.2 Responsible investment embedded in remuneration policies

LBP AM and LFDE's remuneration policies set out how sustainability risks are incorporated into performance assessments.

Integration into performance objectives

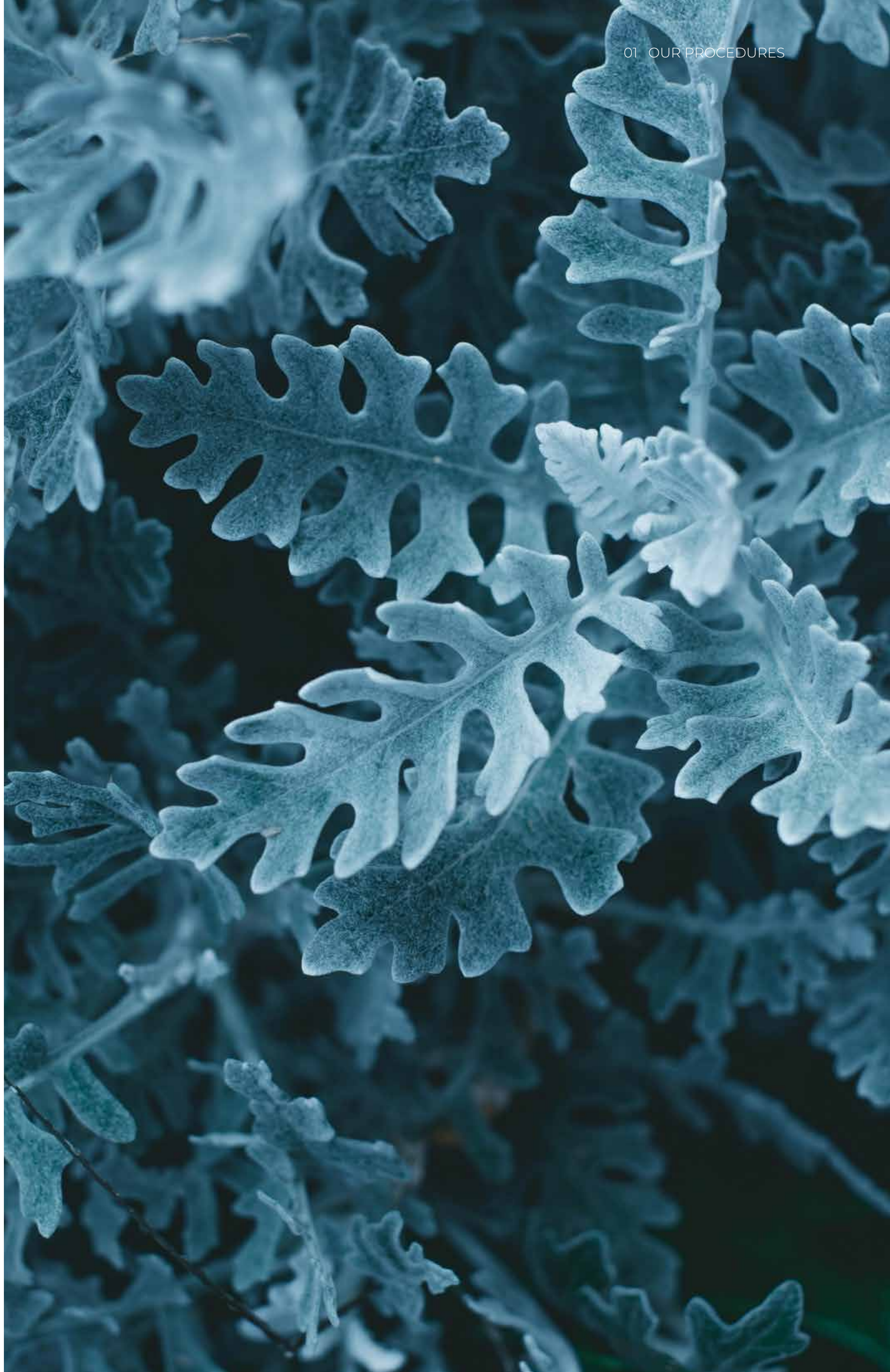
Since 2021, all LBP AM employees have been assigned a common objective linked to the company's overall performance, within which several extra-financial targets are defined, in line with the Responsible Investment and CSR strategic roadmap. In addition, each employee is assigned a specific non-financial objective related the ESG issues of their profession.

As a result, the variable component of remuneration includes a minimum of **5% of extra-financial objectives specific to each function**, which, combined with other corporate non-financial objectives, can represent up to **40% of the total performance assessment**, in accordance with the LBP Group's remuneration methodology.

For more information

LBP AM remuneration policy

LFDE Remuneration policy



1.3 Responsibility embedded day to day

1.3.1 Dedicated teams and a training policy designed to support our responsible investment approach

ESG expertise across all business lines

Responsible investment lies at the heart of the investment approach and is integrated across LBP AM and LFDE through a cross-functional organisation involving all business lines within the asset management companies. In 2025, ESG-integrated assets represented €61.4 billion out of the Group's €74.7 billion assets under management.

- **A dedicated responsible investment team**, the ISR Solutions team, based at LBP AM, is responsible for developing and implementing the cross-functional methodologies and responsible investment policies of both asset management companies.
  Their role: continuous development of ESG scoring methodologies, impact assessment frameworks and responsible investment policies (thematic policies, engagement and voting policies), management of responsible investment service provision, oversight of the deployment of voting, exclusion and engagement policies, coordination of cross-functional projects, particularly regulatory and data-related, stakeholders relations.

- **Fund managers and analyst-managers**, are at the core of responsible management, embodied by LFDE's CSIO (Chief Sustainable Investment Officer).
  Their role: Implementation of LBP AM and LFDE responsible investment strategies through systematic integration of ESG considerations into portfolio management and contribution to shareholder engagement efforts. The Chief Sustainable Investment Officer acts as a privileged point of contact, ensuring the proper implementation and dissemination of ESG management methodologies, strengthening issuer monitoring and communicating enhanced due diligence requirements and engagement actions to management teams. The role also includes leading the analysis and integration process of financial materiality.

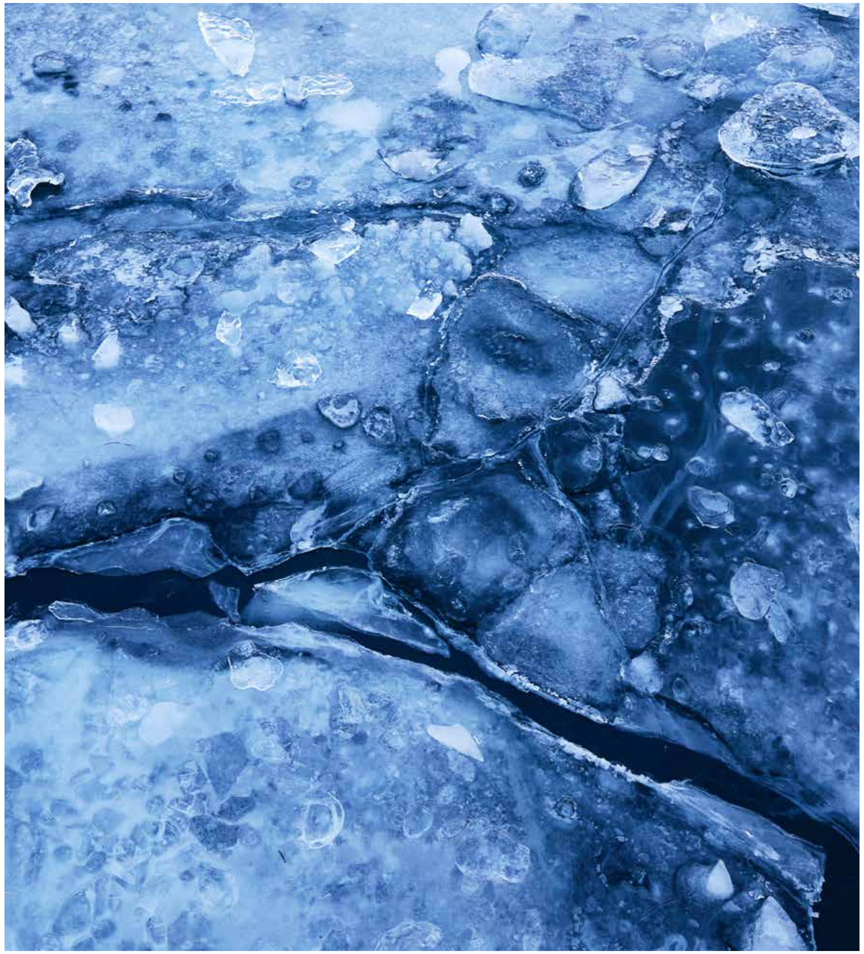
- **The Responsible Investment Research team** based at LFDE, works closely with portfolio management teams to support the implementation of engagement policies, qualitative ESG research and responsible investment methodologies.
  Their role: Supporting portfolio managers in qualitative ESG research, leading engagement activities and supporting the responsible investment process, independently validating bottom-up adjustments to GREaT ratings ("overrides").

- **The Research team** based at LBP AM, includes quantitative analysts as well as fundamental and sustainability analysts, combining financial and ESG expertise to support fund managers.
  Their role: Enhancing fundamental research methodologies to incorporate ESG risks and opportunities, producing research to support credit portfolio managers in generating investment ideas, contributing to quantitative research initiatives.

More broadly, responsible investment is embedded in the daily activities of all teams: fund selection, risk management, IT, structuring, sales, communication and HR. Every employee of LBP AM and LFDE contributes to the promotion of the firms' responsible investment approach.

At Group level, 13% of total FTEs are dedicated to implementing the ESG strategy (14% at LBP AM and 11.5% at LFDE, including shared services between the two management companies).

The success of this integration also relies on governance bodies and ESG committees, where analysts and portfolio managers regularly contribute to discussions on responsible investment methodologies and policies, on an ad hoc or ongoing basis.



CONTINUOUS LEARNING TO CONSOLIDATE OUR KNOWLEDGE AND UNDERSTANDING OF SUSTAINABILITY ISSUES

Across the LBP AM Group, commitment to and consistency on ESG issues are key pillars of the Group's HR and CSR strategy. To support this ambition, the Human Resources Department has implemented an awareness-raising and training programme for all employees, focused on key ESG topics.

The climate fresk
Since September 2021, all employees have taken part in the Climate Fresk workshop. In 2025, four sessions were organised across the Group, enabling 48 additional employees to benefit from this training.

IMPACT meetings
Launched in 2022, this awareness-raising programme takes place two to three times a year and focuses on major responsible investment and CSR topics. In 2025, the IMPACT sessions focused on biodiversity and digital eco-friendly practices, featuring contributions from experts and presentations of concrete initiatives implemented by the LBP AM Group.

Online learning
A dedicated training module on sustainable development topics is available through the MyLearning platform. Launched in 2024, MyLearning provides access to a wide range of learning resources (podcasts, e-learning modules and internal conferences) covering various sustainability-related topics. Employees can develop their knowledge at their own pace and according to their individual preferences.

These training and engagement initiatives form part of a broader action-oriented approach aligned with the Group's HR and CSR strategy and pursue three key objectives.

1. Ensuring that all employees understand sustainability-related issues.
2. Promoting employee ownership of the company's responsible investment principles, and helping them understand their practical implications.
3. Encouraging each employee to take concrete action, both professionally and personally. For example, the Group promotes eco-friendly behaviours through dedicated awareness campaigns and supports sustainable mobility through a subsidy for commuting.

In 2025, the ESG training budget amounted to €7,600 (€4,300 for LBP AM and €3,300 for LFDE), representing respectively 1.8% and 1.3% of the total training budgets dedicated to LBP AM and LFDE employees.

1.3.2 Custom-built management tools embedding responsible investment at the core of portfolio management

LBP AM and LFDE have integrated responsible investment analysis into the core of their management tools in order to support the implementation of their investment and portfolio management processes.

GREaT 360, A proprietary responsible investment management platform

At the heart of this framework, the proprietary GREaT 360 platform is a comprehensive decision-support tool that enables portfolio managers to directly oversee the responsible investment profile of their portfolios. The platform provides a wide range of functionalities supporting investment strategy design and portfolio management, while incorporating all ESG KPI-related exclusion, selection and monitoring parameters specific to each fund.

Phoenix: a shared engagement platform

GREaT 360 is complemented by the Phoenix platform, which enables portfolio managers and analysts across the Group to monitor issuers and engagement activities. The platform has undergone significant enhancements in 2024 and 2025 and has been enriched with numerous configurable features to support the deployment of the Group's engagement policy and facilitate reporting activities.

Plateform GREaT 360

DEEP DIVE	Tool for visualising, understanding and interpreting GREaT scores (overall ratings, pillar-level assessments and indicators).
SIMULATION	Tool used to simulate the impact of new transactions on sustainability metrics and applicable thresholds.
EXCLUSION	Tool for managing, visualising and measuring the impact of exclusion policies.
SRI LABEL	Decision-support and monitoring tool dedicated to compliance with the French SRI Label requirements.

SRI DataHub: the ESG data architecture

To address the growing volume of ESG data and the multiplication of data providers, the Group implemented an innovative solution in 2022 based on technology developed by MarkLogic, providing a single architecture for the integration and management of ESG data. The platform enables ESG data to be ingested, stored, harmonised and searched in a secure environment. The SRI DataHub supports the implementation of high standards across the entire data value chain, including data integration, harmonisation, reliability controls and enhanced accessibility for a broad range of uses.

In 2025, DataHub ISR was further enriched through the integration of new datasets from ISS ESG on private issuer ratings, raw ESG datasets, climate-related information and modern slavery indicators. The platform was also enhanced to identify, for each ESG datapoint used in a management tool or process, the reference value used by LBP AM applications. This contributes to continuous improvements in data quality by helping users navigate among thousands of available datapoints and facilitating comparisons between information sourced from multiple providers. Additional developments are planned to further strengthen consistency and reliability controls.

Collaboration with data providers and service providers

GREaT 360 relies on external data providers to support the implementation of exclusions, issuer assessments and regulatory KPI monitoring through the provision of raw ESG data. In 2025, ESG data service contracts represented approximately €796,000 for LBP AM and €210,000 for LFDE.

ISS ESG	ESG ratings, controversy monitoring, and information on issuer activities related to excluded/controversial activities (weapons, tobacco and gambling).
MSCI	Climate risk analysis models, ESG ratings and issuer controversy monitoring.
EthiFinance	ESG data specifically covering small and mid-cap companies listed on European markets.
CDP DISCLOSURE INSIGHT ACTION	Data on companies' Net Zero pathways and alignment
carbon4 finance / CDC BIODIVERSITÉ	Biodiversity footprint based on the BIA-GBS (Biodiversity Impact Analytics powered by the Global Biodiversity Score™) methodology
S&P Global	Data on companies' environmental impacts, particularly those associated with fossil fuel activities.
urgewald	Data on companies involved in coal-related activities and/or unconventional fossil fuels
CLARITY AI	Data relating to the EU Taxonomy and Principal Adverse Indicators (PAIs)
SUSTAINALYTICS	Pesticide-related data
Carbometrix	Data used for the development of decarbonisation plans and the calculation of financed emissions
greenly	Greenhouse gas emissions accounting and life-cycle assessment (LCA) data

1.3.3 Public and market initiatives

For more than 20 years, LBP AM and LFDE have committed with the financial community on responsible investment and the energy and environmental transition.

Objectives

Contributing to:

- I Advancing academic research,
- II Improving issuer transparency,
- III Promoting the development of responsible investment
- IV Helping shape future standards and best practices in responsible investment management
- V Supporting leading collaborative engagement initiatives that contribute to the implementation of our engagement policy.
- VI Financing projects and programmes with a positive social impact

« For more than 20 years, LBP AM and LFDE have committed with the financial community on responsible investment and the energy and environmental transition. »

Focus

LBP AM Group initiatives

Access to medicine foundation
The Foundation is an international investor network whose objective is to encourage the pharmaceutical industry to improve access to medicines for populations in low-income countries. Every two years, it publishes a ranking of the world's twenty largest pharmaceutical companies on the matter. The LBP AM Group also participates in collaborative engagement campaigns.

AFG
Emmanuelle Mourey, Chairwoman of LBP AM's Executive Board, has been a member of the Strategic Committee since December 2019. The LBP AM Group is also represented on the Responsible Investment and Corporate Governance Committee. Other Group representatives participate in additional AFG committees.

AMF
Helena Charrier, Head of ISR Solutions at LBP AM, is a member of the Climate and Sustainable Finance Consultative Committee and began a new term in 2025.

CDC Biodiversité
CDC Biodiversité finances the Nature 2050 programme, which aims to protect biodiversity and adapt natural environments to climate change. LBP AM contributes to biodiversity preservation and ecosystem restoration through a fixed-sum contribution to CDC Biodiversité.

CDP
CDP encourages greater disclosure of environmental impacts by investors, companies and governments. Three LBP AM equity funds received a Climate Disclosure Award through the initiative in 2019, 2020, 2021 and 2022. In 2025, the LBP AM Group also participated in the collaborative engagement campaign "Non-Disclosure Campaign".

Ceres
Ceres is a US-based organisation that has gathered since 2018 investors willing to combat deforestation, particularly that associated with cattle farming and soy cultivation in the Amazon. Through Ceres, LBP AM participates in collaborative engagement campaigns linked to several initiatives, including Land Use and Climate, Deforestation, Biodiversity and Valuing Water Initiative.

Clarity AI
LBP AM participated in a working group launched by a data provider bringing together asset managers from Europe and the United States to identify key challenges related to improving ESG data quality. LBP AM is also a member of Clarity AI's Asset Management Client Advisory Board. This forum enables the company to exchange views with clients on their experience of Clarity AI products and identify emerging client needs.

Climate Action 100+
Climate Action 100+, led in particular by the PRI and the IIGCC, seeks to encourage the world's largest greenhouse-gas emitters to align with the objectives of the Paris Agreement. By signing the initiative's charter, the LBP AM Group commits to supporting the energy transition through its funds' investments.

30% Club
LBP AM is a founding member of the French Club 30 initiative, launched in November 2020 to promote gender diversity within the governing bodies of SBF 120 companies. LBP AM participates in collaborative engagement campaigns conducted through the initiative.

Club des investisseurs de la défense
Created by the French Directorate General of Armaments, this initiative aims to help investors contribute to the financing and support of companies within the defence industrial and technological base.

Eurosif
Eurosif is the pan-European association promoting sustainable finance across the European Union, the European Economic Area and the United Kingdom. Eurosif's activities help shape public policy and support research initiatives designed to improve understanding of responsible investment and the barriers faced by sustainability-focused investors. The LBP AM Group notably participates in working groups dedicated to financial product classification.

FAIRR
This initiative seeks to encourage the agri-food industry to adopt better animal welfare and nutrition practices. The LBP AM Group participates in working groups on aquaculture, sustainable proteins, biodiversity and pollution, resistance to antimicrobials and antibiotics.

Finance For Biodiversity Foundation
Since 2020, the LBP AM Group has been a signatory of the Finance for Biodiversity Pledge and actively participates in working groups dedicated to biodiversity measurement, biodiversity engagement, biodiversity-related taxation and biodiversity public policy.

La Chaire FDIR
The FDIR Chair aims to foster collaboration between asset management professionals and researchers whose work contributes to the international standing of the Paris financial centre on responsible investment issues. LBP AM has held the Chairmanship of the Chair since 2016.

Forum pour l'investissement responsable (FIR)
The Forum for Responsible Investment (FIR) was established in 2001 to promote responsible investment in France. LBP AM joined the FIR in 2014. Helena Charrier (Head of SRI Solutions at LBP AM) was re-elected to the Board of Directors of the Forum for Responsible Investment in 2022, where she serves as one of the Vice-Chairs. The LBP AM Group is also represented on the Dialogue and Engagement Committee. The LBP AM Group participates in the FIR working group on climate-related say-on votes, as well as collaborative engagement initiatives on forced labour and child labour.

France Invest
France Invest is a professional association bringing together more than 400 private equity management companies. LBP AM is a member of the Sustainability Commission. The association and its members are committed to supporting start-ups, SMEs and mid-sized companies in their transition towards more responsible practices and business models.

Guidance on Responsible Investment in Defence-related Companies (GRID)
The objective of GRID is to develop, promote and support the adoption of internationally recognised, robust principles that help frame responsible investment in the defence industry, accompanied by practical implementation guidance.

ICCR
In 2025, the LBP AM Group participated in a campaign led by the Interfaith Center for Corporate Responsibility (ICCR) focusing on the social conditions of content moderation workers in the technology sector. The campaign resulted in the publication, in October 2024, of a report highlighting the social risks associated with large-scale data-processing technologies, particularly for workers responsible for classifying, filtering or evaluating content.

ICGN
ICGN is a global network of investors responsible for promoting the highest standards of corporate governance in order to create long-term value and contribute to the sustainability of economies, companies and the environment. LBP AM joined the network in 2023.

IFD
Formerly Finance for Tomorrow, IFD is a Paris Europlace initiative that promotes sustainable finance in France and internationally. Its objective is to redirect financial flows towards a low-carbon and inclusive economy, in line with the Paris Agreement and the Sustainable Development Goals. The LBP AM Group is a member of the initiative's Policy Committee and participates in working groups on Impact, Just Transition, Biodiversity and Deforestation.

IIGCC
The Institutional Investors Group on Climate Change is a network of investors focused on climate change issues, contributing to the development of market standards and collaborative engagement initiatives. Members of the LBP AM Group take part in consultations and working groups.

Peace Nexus
The Investor Engagement in Conflict-Affected and High-Risk Areas initiative, organised by PeaceNexus, Investor Alliance for Human Rights and Heartland Initiative, aims to engage selected companies operating in the information technology and renewable energy sectors in order to challenge them and encourage them to adopt a range of measures and procedures that effectively reduce the risks of adverse impacts on human rights and conflict dynamics associated with their operations in these regions.

Chemsec
Led by the Swedish NGO ChemSec, this initiative brings together more than 50 investors, signatories of a joint letter and minority shareholders in major producers and users of PFAS. The initiative aims to encourage the progressive phase-out of PFAS and greater transparency regarding the management of risks and impacts linked to the production and use of these substances.

TCFD
The Task Force on Climate-related Financial Disclosures provides recommendations on climate-related disclosures that companies should provide to support investors' decision-making. The LBP AM Group engages with members through these recommendations and encourages companies to adopt TCFD-aligned disclosure standards.

IAHR
The alliance seeks to mobilise responsible investors on issues relating to fundamental human rights. The LBP AM Group participates in engagement groups covering the "Corporate Human Rights Benchmark", "Rating Digital Rights" and "Uyghur Forced Labour".

NA100
Launched in September 2023 through a collaboration between Ceres, IIGCC, Finance for Biodiversity and Planet Tracker, Nature Action 100 brings together institutional investors to engage with companies in sectors that have the greatest impact on nature and encourage them to reduce their biodiversity impacts by 2030.

NZAMI
The Net Zero Asset Managers Initiative (NZAMI) is designed to strengthen climate action with the goal of achieving carbon neutrality by 2050. The LBP AM Group is committed to achieving net zero emissions across its portfolios through its involvement in this alliance.

Observatoire de l'immobilier durable (OID)
The Observatory of Sustainable Real Estate (OID) is an independent association dedicated to accelerating the environmental transition of the real estate sector in France and internationally. The LBP AM Group joined the initiative in 2025 and participates in working groups focusing on energy, carbon, climate finance, the EU Taxonomy and climate adaptation in the real estate sector.

Platform for Living Wage Financials (PLWF)
PLWF is a coalition of 22 financial institutions that engage with companies and encourage them to implement strategies designed to ensure the payment of living wages worldwide.

PRI
Launched by the United Nations in 2006, the Principles for Responsible Investment are a voluntary engagement initiative encouraging investors to integrate ESG criteria into portfolio management. The LBP AM Group participates in working groups on responsible raw materials and plastics, as well as the collaborative engagement campaign Advance.

Ranking Digital Rights (RDR)
RDR is an independent research programme that evaluates the policies of technology and telecommunications companies regarding human rights, privacy and freedom of expression.

RM2030
In 2024 LBP AM joined the Responsible Mining 2030 initiative, which seeks to promote reflection on the role of investors in supporting a fair energy transition that respects nature and human rights. The initiative brings together mining companies, NGOs, representatives of local and indigenous communities, and investors.

Rainforest Foundation Norway
This initiative aims to mobilise all stakeholders across the automotive value chain, from component manufacturers to assemblers, to encourage the elimination of deforestation risks within supply chains.

ShareAction
Founded in 2005, ShareAction coordinates numerous collaborative investor engagement campaigns designed to address major environmental and social challenges.

Taskforce on Inequality and Social-related Financial Disclosures (TISFD)
The TISFD seeks to address market shortcomings by developing a global disclosure framework enabling companies and financial institutions to better understand and report their impacts, dependencies, risks and opportunities relating to people.

TFFP
Launched in 2018, this initiative constitutes the first international treaty aimed at reducing the tobacco industry's impact on the global economy. Signatories commit to maintaining a strict exclusion policy regarding tobacco-related investments

UNIGU
In 2022, LBP AM became a signatory of the declaration relating to the retirement homes sector, formalising the coalition's objectives. In 2024, LBP AM also joined the Labour Rights Investor Network, a platform dedicated to sharing information and best practices between companies, stakeholders (trade unions, NGOs and civil society organisations) and investors on issues relating to working conditions and fundamental labour rights.

World Benchmarking Alliance
The LBP AM Group participates in engagements conducted with technology companies as part of the Collective Impact Coalition for Ethical AI, which aims to strengthen responsible practices in the field of ethical artificial intelligence.

1.3.4 Information provided to investors

Guided by a commitment to be as transparent as possible regarding their commitments and methodologies, LBP AM and LFDE publish:

- **their responsible investment policies: Voting Policy**, Engagement Policy, Exclusion Policy, sectoral policies relating to oil & gas and coal, Sustainability Risk Management Policy, Human Rights Policy and Biodiversity Policy
- **an annual reporting on the implementation of these policies: Voting Report and Engagement Report**, as well as this Article 29 LEC Report;

Investors are informed through pre-contractual SFDR documentation (prospectuses and annexes for funds; SFDR annexes for mandates), through regulatory reporting (periodic SFDR annexes – annual reports), as well as through monthly reporting (factsheets) or quarterly reporting for dedicated funds and mandates, and through the annual ESGDH report and, where applicable, the Article 29 LEC report. Documentation is adapted and proportionate to the AMF-defined SRI category framework (categories 1, 2 or 3).

LBP AM also regularly provides information to its clients through newsletters and articles, as well as educational videos available on its website.
LBP AM and LFDE also share research and analysis with institutional clients to support their own thinking on the SRI criteria they wish to apply to their funds.

1.3.5 A responsible company: the CSR policy

The objective of the LBP AM Group is to be exemplary in its role as a responsible investor, while remaining attentive to its stakeholders and its impacts. Responsibility is therefore a core value not only in the management of its investments, but also in the way the company itself operates. In 2025, the LBP AM Group's CSR strategy was translated into specific objectives to improve the monitoring of the targets and action plans set out in its roadmap.

Focus on

Mon Épargne Climat

A new educational platform to better understand the link between savings and climate

Launched in early 2026, MonÉpargneClimat.fr is an educational platform aimed at the general public, designed to shed light on the links between savings, sustainable finance and climate issues. Its goal is to help savers better understand how their investment choices can contribute, at their own scale, to the ecological transition.

Designed as an educational and awareness-raising tool, the platform seeks to make issues that are often perceived as complex more accessible through a clear, practical and neutral approach. It acts as an interface between the world of finance and citizens, bringing together financial investments, climate impacts and transition pathways.

This initiative builds on reflections carried out by LBP AM and La Banque Postale as part of the Think Tank 2030 – Investir demain, created by l'Agefi and ID L'Info Durable, with the ambition of strengthening understanding of the carbon impact of individual financial decisions.

The platform targets a broad audience, from beginners to informed users, and offers content structured around three complementary levels:

- **Understand:** educational content explaining the key principles of the relationship between savings and climate;
- **Stay informed:** analysis and news to follow developments in sustainable finance;
- **Take action:** practical tools, guidance and user feedback to switch from awareness to action.

Through this initiative, MonEpargneClimat.fr provides a useful resource for savers seeking to give greater meaning to their savings and contribute to a more sustainable transition pathway.

The 5 pillars OF THE LBP AM GROUP'S CSR POLICY

1 Deliver sustainable performance for our clients by embedding innovation in our businesses

Build long-term relationships with our client	▪ The commitment and close support provided by our asset management companies, recognised by our clients ▪ 19th edition of the Summer University
Support innovation within our ecosystem	▪ Leveraging innovation to create added value for our clients ▪ 4th edition of the Innovation Awards, celebrating French start-ups at the forefront of technology and sustainability

2 Contribute to our stakeholders' resilience and support their transitions through our responsible investor practices

Define a climate policy aligned with the objectives of the Paris Agreement	▪ Definition of a transition plan to achieve 80% of assets aligned with a decarbonisation pathway consistent with the objectives of the Paris Agreement by 2030. ▪ Implementation of exclusion policies (sector-based exclusions) aligned with this objective. ▪ Strengthening shareholder engagement with companies to accelerate their energy transition. ▪ Integration of ESG criteria into the investment strategy through the proprietary GREaT rating methodology, the measurement of financed carbon footprints, the Oil & Gas Policy, and investments in companies providing energy transition solutions.
Protect financial, natural and human capital	▪ Use of the GREaT methodology, which incorporates the following dimensions: responsible governance, sustainable resource management, energy transition and territorial development.
Contribute to the development of sustainable finance	▪ Training of 55 LBP AM Group employees on topics such as climate, biodiversity and ESG issues. ▪ Supporting LBP AM Group clients in aligning their portfolios with climate and social objectives. ▪ Continuing advocacy efforts with financial regulators and industry associations: revision of the French SRI Label, SFDR, CSRD, advocacy on plastic reduction and promotion of "say-on-climate". ▪ Contributions to international initiatives, including GFANZ for the decarbonisation of the economy and the Net Zero Data Public Utility (NZDPU), to help advance financial standards towards greater sustainability.

3 Embody our ethical and environmental commitments by improving our own footprint

Measure and reduce our carbon footprint	▪ Annual calculation of LBP AM and LFDE's carbon footprints. ▪ Identification of decarbonisation levers tailored to our activities
Define and implement a responsible procurement policy	▪ Publication of a responsible procurement policy based on four pillars: respect for fundamental rights, reduction of environmental impact, social inclusion, and ethical and sustainable business relationships ▪ Introduction of CSR questionnaires in supplier consultations and RFP processes
Reduce the environmental footprint of digital technologies	▪ Optimisation of digital infrastructure through the decommissioning of obsolete servers ▪ Responsible management of our IT equipment fleet
Encourage employees to reduce their environmental impact	▪ Group commitment to promoting sustainable mobility: electric bicycle fleet and a sustainable mobility allowance of up to €600 ▪ Biodiversity awareness initiatives through the activities of the Biodiversity Club
Support businesses and projects contributing to local development	▪ Promotion of local business initiatives through the "France is Back" roadshow ▪ Participation in industry initiatives relating to sovereignty and investment in the defence sector

4 Strengthen our collective performance by providing employees with a supportive environment and development resources

Enable employees to balance their personal and professional commitments	▪ Introduction of support for caregivers through the Responsage programme, which provides practical support to employees caring for a relative affected by illness, disability or age-related dependency. ▪ Enhanced parental support: each employee benefits from a half-day per week until their child reaches 19 months of age.
Support employee employability and professional development	▪ Development programme for newly appointed managers ▪ Soft skills training programmes tailored to different functions ▪ ESG training offering: Climate Fresk, IMPACT Sessions, Biodiversity Pathway and AMF Sustainable Finance certification
Promote equality, diversity and inclusion	▪ Priority given to gender equality: 55% women on the Executive Committees of LBP AM and LFDE, with ongoing monitoring of pay equity and promotion practices ▪ Dedicated diploma-awarding programme for people with disabilities holding a two-year higher education qualification: HandiFormatFinance

5 Affirm our social responsibility through philanthropic and solidarity initiatives

Strengthen philanthropic financing through our product range	▪ In 2025, the Group donated €823,000 to non-profit organisations through the allocation of a portion of management fees from selected investment funds dedicated to themes such as biodiversity, human rights and inclusion
Support education, social inclusion and health through the LBP AM Foundation	▪ Allocation of €415,000 to 18 projects focused on education, social inclusion and mental health in 2025
Raise awareness and encourage employee participation in solidarity initiatives supported by the Group	▪ Encouraging employees to engage in solidarity initiatives through time donations: engagement committee, mentoring programmes supporting Maisons des Jeunes Talents, skills-based volunteering and payroll giving ▪ Several initiatives were implemented, including Ekiden (a charity race supporting Maisons des Jeunes Talents) and Les Crush solidaires (supporting an employee-led charitable project within the Group) ▪ Launch of the Solidarity Academy, a programme designed to inspire and mobilise LBP AM Group employees around key initiatives (Giving Tuesday, fundraising campaigns, All Staff Masterclasses, etc.)

02

Responsible investment **in action**

LBP AM and LFDE joined forces in 2023 with the shared ambition of becoming a leading European responsible investment player, building on their common convictions and respective expertise. As a result, the convergence of their responsible investment frameworks - one of the first milestones of this integration - continued and was completed in 2025. In this chapter, you will discover how the now shared commitments of LBP AM and LFDE translate into concrete actions. You will also learn how sustainability considerations are integrated into investment analysis, portfolio management processes, corporate dialogue and engagement activities, as well as risk management.

2.1

Integration of sustainability issues into analysis

The LBP AM Group seeks to analyse the environmental, social and governance issues facing companies, governments and other issuers, as well as the way these issues are managed, in order to assess sustainability risks and opportunities, together with their positive societal contributions and associated risks. To achieve this, the Group has developed the GREaT analytical methodology, the result of several years of research, built around four pillars.

This proprietary framework reflects the Group's sensitivity to issues of inclusion and sustainability at the local level. Shared with the public banking group to which it belongs, this approach incorporates challenges relating to territorial cohesion and support for local communities directly into issuer analysis.

The framework has been adapted into tools and methodologies tailored to each asset class managed by LBP AM and LFDE.

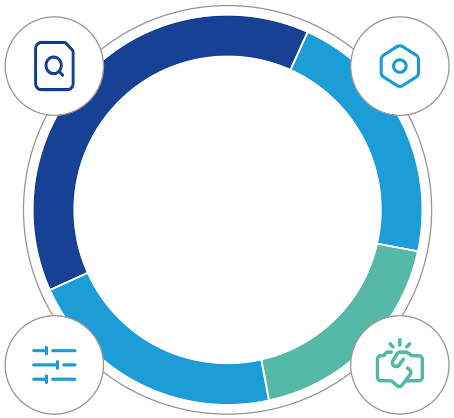
The four pillars of the GREaT methodology:

- **G:** responsible **G**overnance: encouraging the dissemination of best practices in corporate governance and business ethics.
- **R:** sustainable **R**esource management: manage human and natural resources sustainably, including respect for human rights, labour rights and environmental protection.
- **E: E**nergy transition: contributing to the energy transition towards new sustainable modes of production and consumption and supporting the shift from a fossil fuel-intensive economic model towards a low-carbon, resilient and sustainable consumption model.
- **T: T**erritorial development: sustainably manage relationships with stakeholders external to the company (communities, customers, suppliers, etc.).

2.1.1 ESG analysis methodology for listed and semi-public companies

The GREaT methodology is applied to listed and quasi-sovereign issuers. It is based on a quantitative research phase built around a proprietary model and complemented by qualitative analysis.

The strength of its model lies in:
- broad coverage of nearly 11,000 issuers,
- increased reliability and responsiveness thanks to multiple complementary evaluation sources,
- greater precision and acceptance through the combination of a quantitative analysis stage and, where appropriate, a qualitative stage conducted by LBP AM and LFDE managers and analysts,
- an analysis model based on double materiality, which assesses both the impact of companies on society and their resilience to sustainability risks by examining CSR policies and practices and the sustainability of business models.



GREaT quantitative analysis

The quantitative rating is based on 14 criteria, assessed through 86 indicators sourced from data collected from specialised rating agencies selected for their complementarity. These indicators are aggregated using a proprietary algorithm called AGIR, designed to account for differences in geographical regions and company sizes. At the end of the process, each issuer in the coverage universe is assigned a GREaT Score on a scale from 1 (low sustainability) to 10 (high sustainability), as well as a confidence indicator associated with the rating. To calibrate AGIR, the Group's responsible investment specialists assess the materiality of each GREaT pillar for every sector in order to define weightings ranging from 20% to 30% for the G pillar and from 15% to 32.5% for the other three pillars.

The rating methodology is reviewed at least annually. Since 2023, the model has been continuously enhanced through the integration of new data providers, a rating confidence indicator and quantitative improvements. To ensure that GREaT remains at the forefront of ESG standards, several major enhancements were introduced in 2025. The model now incorporates **ISS ESG indicators**, in addition to MSCI ESG Research and EthiFinance. It further develops its multi-provider approach, with the aim of broadening ESG coverage and reducing methodological biases associated with each rating agencies.

A new criterion, the Transition Plan, has also been introduced to assess the credibility of climate strategies implemented by companies to align with the climate mitigation objectives of the Paris Agreement. It is complemented by an assessment of companies' policies aimed at reducing their negative impacts on biodiversity. These assessments now rely on **two proprietary scores: the Transition Plan Scoring (TPS) and the Biodiversity Impact Reduction Disclosure (BIRD),** developed using additional specialised data sources such as Clarity AI, CDP, Urgewald and Carbon4 / CDC Biodiversité.

In addition, **the weighting of the model's 14 criteria is now determined at a more granular sector level,** enabling a better consideration of the diversity of ESG issue materiality across activities. At the same time, **the calculation algorithm has been optimised** to improve rating stability over time and strengthen model reliability. This complementarity of analyses is articulated and consolidated within a single responsive, stable and reliable model, providing a granular yet consistent view of ESG issues across nearly 11,000 issuers. GREaT Scores for listed issuers are updated on a semi-annual basis and may be revised on an ad hoc basis when a specific risk is identified or when the LBP AM Group considers that certain information has not been properly reflected by its data providers (see qualitative process below).

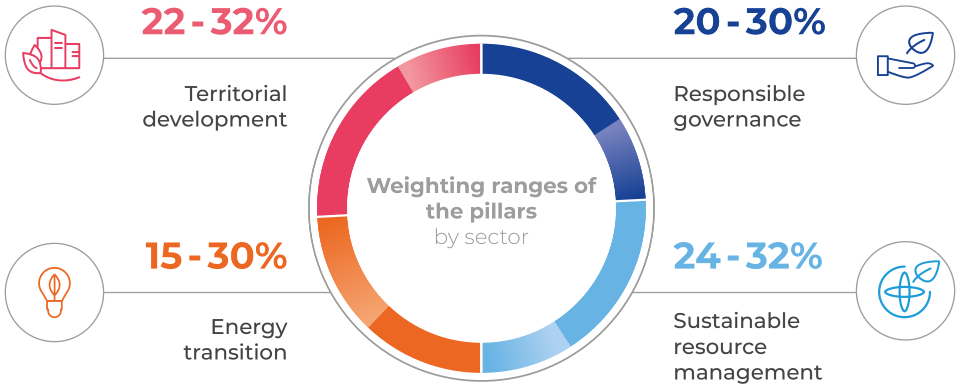
Qualitative analysis

Following the quantitative assessment, analysts and portfolio managers may conduct a qualitative review of issuers based on internal and external research sources, as well as their detailed knowledge of the issuers. They may draw on the views of company stakeholders (NGOs, trade unions, international institutions, media...), as well as information gathered through meetings with companies. Analysts also have access to data from specialised providers (for example, Trucost for environmental impacts and ISS for governance practices) and general providers (Bloomberg, FactSet).

Qualitative analysis aims in particular to inform the management process through:

→ **Adjusting SRI ratings derived from quantitative analysis.**
These adjustments, which may be proposed by managers and analysts, must meet predefined conditions in order to be accepted by the Responsible Investment Research team, which is responsible for reviewing and approving or rejecting the proposals received:

- incorporating recent information that is not yet reflected by the agencies, thereby increasing responsiveness;
- arbitrate between conflicting information provided by external sources, thereby improving reliability:
- take into account additional public information gathered through regular dialogue with the issuer, thereby enabling the full integration of shareholder engagement, monitoring. and selection processes;
- explore certain issues in greater depth with the issuer's stakeholders in order to provide additional perspectives. To ensure rigour and monitoring, these adjustment requests are systematically justified and tracked.



« Adjustments to quantitative Responsible Investment ratings ('overrides') provide a structured and traceable methodological mechanism that makes it possible to incorporate insights from qualitative analysis when it reveals a significant gap between the assigned rating and the issuer's actual level of practice on a given criterion. »

Valentin Vigier
Head of Responsible Investment Research, LFDE

To ensure rigour and monitoring, these adjustment requests are systematically justified and tracked.

→ **Integration of SRI analysis into financial analysis,** through analysis of the potential financial impact of sustainability issues (known as "materiality" analysis). The financial analysts in LBP AM's Fundamental and Sustainable Analysis team take SRI issues into account when forming their credit opinion, particularly when these issues may have a material impact on the issuer's fundamental profile (such as litigation or regulatory changes). The concept of materiality is based on four criteria: probability of occurrence, severity, time horizon and visibility.

→ **These holistic sustainability analyses are also supplemented by qualitative analyses of certain dimensions,** including a normative analysis in accordance with the LBP AM Group's human rights policy (see section 2.4.2). For LFDE funds, the management teams carry out a qualitative analysis of the quality of governance of the companies in the portfolios. This analysis focuses on four areas in particular: the competence of the management team, the board and counter vailing powers, respect for minority shareholders, and the assessment and management of non-financial risks by companies.

1 This assessment is conducted for LFDE's historical SRI-labelled funds and when the quantitative assessment of the Governance pillar appears insufficient or where a significant controversy is identified for other funds.

2.1.2 SRI analysis methodology for sovereign issuers

This analysis aims to assess the sustainability of sovereign states which, through their public policies, provide responses to the major challenges facing our societies.

The analysis is conducted by LBP AM using the four GREaT pillars. It is based on indicators collected from a wide range of sources (international public institutions, think tanks and NGOs) in order to identify those States that uphold human rights and environmental protection, promote these rights and principles internationally, and develop a model of governance that is responsible, respectful of human rights and the environment, and socially equitable.

Around sixty sovereign States are assessed using 100 indicators, organised into 18 criteria distributed across the four pillars. Indicators are collected from international organisations (OECD, World Bank, United Nations, etc.), recognised NGOs (Transparency International, Reporters Without Borders, etc.) and research institutes such as the World Justice Project and the Notre-Dame Gain initiative.

SRI analysis of the four GREaT pillars

G

Responsible governance

The state's ability to provide its citizens with a framework for the realization of their rights, to ensure the stability of its legal, legislative and economic systems and the effectiveness of public services, and to combat effectively corruption or any behavior that could undermine democratic principles and the rule of law.

R

Sustainable resource management

State laws and practices ensure respect for and protection of fundamental rights and the preservation of the natural environment.

E

Energy transition

Assessment of government policies and practices adopted and implemented to mitigate global warming and adapt sustainably to its consequences.

T

Territorial development

The ability of states to promote respect for fundamental rights and environmental protection internationally and, within their territory, to ensure a quality and level of development that allows individuals to live in a socially just environment that is conducive to their personal development.

2.1.3 ESG analysis methodologies for real and private assets

LBP AM has been a pioneer in integrating sustainability criteria into private corporate debt, infrastructure debt and real estate debt investment decisions since 2014.

The management teams, in conjunction with SRI experts, have developed analysis grids based on the four GREaT pillars and tailored to investment in each asset class: corporate, infrastructure and real estate. These grids identify the contributions of companies and projects to sustainable development issues and the integration of responsible practices into their business models. These assessment methodologies are regularly updated to refine the analysis, maintain methodological consistency with the AGIR rating model used for listed assets, and reflect evolving sustainability practices and standards within private markets.

In practice, all transactions are subject to a GREaT rating and a Responsible Investment opinion presented to the Investment Committee. GREaT due diligence questionnaires are completed by portfolio managers and analysts from the European Private Markets teams, with support from the Responsible Investment Solutions team and private debt specialists, based on available due diligence documentation and, where relevant, ad hoc questionnaires addressed to project sponsors or company representatives to obtain additional information. The Responsible Investment Solutions private debt team performs an independent review of the framework and rating. The resulting Responsible Investment opinion highlights the strengths of the project, sustainability-related risks and potential areas for improvement in terms of ESG performance. A significant enhancement was made to the three due diligence and rating methodologies in 2025 in order to strengthen the identification and assessment of the materiality of environmental and social risks specific to each investment project. This update included:

- The development of internal environmental and social risk maps based on recognised data sources such as ENCORE, WWF Risk Filter and Human Rights Watch, enabling responsible investment specialists to identify the key sustainability risks associated with private debt and infrastructure projects.
- The calibration of due diligence reviews according to the materiality of risks identified for each project in infrastructure and corporate debt investment: targeted questions are asked on the management of material risks, while the due diligence process has been simplified for less material issues.
- The update of weightings within the rating models to better reflect the materiality of criteria.
- Reporting to the Investment Committee placing greater emphasis on project sustainability risks, key areas for monitoring and contributions to specific themes (Taxonomy, SDGs, etc.).

« A significant enhancement was made [...] to strengthen the identification and consideration of the materiality of environmental and social risks specific to each investment project. »

Helena Charrier
Head of Responsible Investment Solutions

These developments help strengthen value creation by improving the management of environmental and social risks within portfolios, both during the initial due diligence process and throughout the life of the investment.

Private corporate debt

As part of its responsible investment due diligence process, LBP AM assesses, for each of the 13 analysis criteria, whether a policy has been implemented to manage the related risks, the resources deployed to support its implementation and the metrics used to evaluate its effectiveness. Since 2025, the assessment has been adapted (questionnaire, weighting of ratings) according to the type of company (listed or unlisted, industrial or service) and its material environmental and social risks, in order to better assess risk management practices.

The assessment is supported by ESG due diligence reports prepared by the seller, CSR reports produced by companies and additional information requested by LBP AM. It results in a dialogue between the company, private corporate debt portfolio managers and Responsible Investment Solutions specialists to clarify specific responses. The due diligence process also contributes to the structuring of Sustainability-Linked Loans (SLLs). Private Corporate Debt portfolio managers and Responsible Investment Solutions specialists work wherever possible to introduce ESG covenants into loan agreements in order to encourage companies to improve their sustainability practices. In practical terms, this involves implementing a margin bonus/malus mechanism linked to the achievement of ESG objectives relevant to the borrower's activities and designed to encourage improvements over a timeframe generally aligned with the duration of the financing. GREaT due diligence helps establish an informed opinion regarding the most relevant indicators to be included in such documentation.

Private infrastructure debt

Sustainability analysis is particularly important for this asset class because the financing provided may generate significant and long-lasting environmental and social impacts on local communities. The GREaT infrastructure due diligence framework is specifically designed to assess both the positive impacts of projects on the economic and social development of territories through the provision of essential and sustainable services, and the potentially significant negative impacts on ecosystems and local communities, which may represent material risks (litigation, disputes, operational risks), as well as the quality of the associated management frameworks. It also evaluates the exposure of physical assets and business plans to physical and transition climate risks. Since 2025, the assessment has been adapted (questionnaire, weighting and rating) according to the type of project (greenfield or not, sector) and its material environmental and social risks, in order to better assess risk management arrangements.

GREaT due diligence is complemented by thematic ESG eligibility frameworks for a number of funds: impact funds, territorial competitiveness funds etc.

Private real estate debt

LBP AM invests in debt backed by office, residential, retail, logistics, healthcare, hotels and data centre real estate assets in a dozen European countries. As part of its due diligence process, LBP AM applies a GREaT analysis grid tailored to real estate assets.

As real estate is a major source of greenhouse gas emissions (around 30% in France), criteria relating to the energy transition are key: the existence of environmental certifications for construction and operations, and planned investments in energy efficiency improvement. Occupant comfort and the responsible management of investors and sponsors' resources are also taken into account. Governance, both legal and operational, as well as regional development (integration of buildings and involvement of local stakeholders), are also key pillars of the methodology. Since 2025, due diligence has formally incorporated the specific characteristics of asset types (offices, logistics, retail and residential) and their position within the life cycle (in operation or under renovation/construction).

As part of regular discussions between the Real Estate Private Debt team and arrangers and financial advisers, LBP AM pays particular attention to ensuring that real estate valuations include a detailed section dedicated to environmental issues.

SRI analysis methodology and impact for Social and Solidarity Economy actors

The social and solidarity economy (SSE) refers to a set of structures organized as cooperatives, mutual societies, associations, or foundations, whose internal functioning and activities are based on the principle of solidarity and social utility. Responding to environmental and social needs is at the heart of these companies' raison d'être. Their activities often contribute to regional development by improving access to housing for vulnerable populations, encouraging integration through employment, promoting the revitalization of rural areas, and promoting short supply chains. Generally relatively small in size, they are not listed on the financial markets but can call on investors to develop their activities through solidarity funds.

In order to monitor and analyse the SRI qualities and the social, environmental or solidarity impact of the organizations financed through its solidarity funds, LBP AM has entered into a partnership with INCO Ventures.

INCO assesses all projects and organizations financed according to 15 impact and ESG criteria, aligned with international and market standards (Impact Management Project). Each project is given a score based on these criteria, so that impact plays a central role in the investment decision.

This assessment makes it possible to evaluate:
- The social or environmental need, the solutions provided by the organization, the consistency of these actions in relation to the need and the people affected, and the innovative nature of the organization's approach.
- The measures used to assess the impact and effectiveness of the actions implemented, as well as the added value of the approach.
- The organization's non-financial performance and the prevention of negative externalities that could be linked to its activities.

Drawing on its experience in systematic assessment across both listed and private markets, LBP AM is able to adapt its institutional clients' policies into dedicated rating tools that build on the expertise developed through GREaT methodologies while taking into account clients' own analytical priorities. The SRI solutions teams have therefore developed dedicated rating models for several clients, which are used within dedicated mandates.

2.2 Integration of sustainability issues into the management process

2.2.1 Responsible investment management approaches

Nearly 100% of the open-ended funds managed by LBP AM and its subsidiary LFDE incorporate a common set of sustainability criteria into their investment processes. This common framework is notably based on an exclusion policy, an engagement policy and a voting policy, which were further aligned and harmonised across the LBP AM Group in 2025. This framework is reinforced by responsible investment management mechanisms covering the majority of assets under management, which were also subject to methodological convergence during the year.

Exclusions

The LBP AM Group's asset management companies apply a common exclusion policy across all their funds in order to limit exposure to issuers presenting the highest risks or causing significant harm to sustainability objectives and whose practices are considered unlikely to improve. The policy, updated in 2025, includes normative exclusions based on the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the United Nations Global Compact, in order to reduce exposure to issuers whose activities or practices do not effectively manage risks to people, the environment or principles of good governance. The policy also excludes certain issuers whose products, services or business practices present significant risks of adverse impacts on human rights or the environment and/or are not aligned with the Group's ESG performance objectives. This includes, in particular: controversial and prohibited weapons, tobacco, gambling, thermal coal, oil and gas, pesticides, pornography, issuers with significant impacts on biodiversity and deforestation, in accordance with the criteria set out in the policy.

Companies whose practices and governance present a risk of material financial impact on the company are also excluded, with a view to managing sustainability risk. Finally, LBP AM and LFDE exclude speculative instruments on

agricultural commodities.
The exclusion policy is updated and monitored by the GREaT Committee, chaired by the Chief Investment Officer and bringing together heads of investment teams, the Risk Department, the Research teams and the SRI Solutions team. The Risk Department also has a veto right and may refer matters to the LBP AM Executive Board for arbitration.

Learn more:

LBP AM Exclusion Policy

Engagement and voting policy

The LBP AM Group's engagement and voting policy, updated and extended to the Group level, aims to address long-term sustainability risks through a proactive approach designed to encourage investee companies to improve or strengthen the management of environmental, social and governance risks. The engagement policy defines the main objectives, scope and usual procedures for conducting engagements. It is complemented by responsible investment thematic policies, which specify and expand the Group's expectations regarding specific issues and sectors. In addition, dedicated engagement strategies apply to certain types of funds, such as LFDE's listed impact funds or SRI-labelled funds. With regard to voting at general meetings, designed as an extension of the engagement policy, LBP AM and LFDE have adopted a common voting policy, jointly implemented, which sets out the scope and voting procedures applicable at shareholders' meetings, as well as the criteria used to approve or reject shareholder resolutions.
In order to report on the implementation of these policies, LBP AM publishes a shareholder engagement report, which also covers the implementation of its voting policy. These policies and their implementation are described in detail in section 2.3.

Learn more

LBPAM

LBP AM Group voting policy

LBP AM Group engagement policy

LBP AM Group engagement report

Thematic policies

Dedicated thematic and sectoral policies aim to specify the specific cross-cutting treatment of the main sustainability issues facing management companies. They define the criteria for rating, implementing engagement actions targeting companies at risk, and excluding those most exposed. The LBP AM group therefore has policies on climate, biodiversity, coal, oil and gas, and respect for human rights, as well as, since 2025 a policy related to the defence industry.

These policies are updated periodically, based on an annual assessment of the need for revision conducted by the Responsible Investment Solutions team in coordination with Research and Investment teams. The Sustainable Finance Committee validates the choices made and ensures their consistency with the LBP AM Group's overall ESG strategy.

Learn more

LBP AM reports

Conventional risk management framework

The Risk Department, which is responsible for implementing the conventional risk management framework, is directly involved in validating and overseeing the application of the above measures: participating in the drafting and validation of policies, monitoring ESG rating models, participation in the exclusion committee, pre- and post-trade controls relating to exclusion lists and the ESG objectives of each fund.

It has also set up a tool to monitor the climate risks to which the group is exposed through its aggregate investments and within its portfolios. This analysis is based on the six NGFS scenarios, supplemented by two IPCC scenarios: SSP3-7.0 and SSP5-8.5. For each scenario, an estimate of the depreciation of assets under management is calculated by taking into account energy transition effects (Scopes 1, 2 and 3) as well as physical impacts arising from chronic or acute hazards.
The results are reviewed monthly by the Risk Department and quarterly by the Risk Committee, which includes members of the Executive Board. Finally, this tool has made it possible to establish a list of issuers subject to closer monitoring, particularly with regard to shareholder engagement on climate risk management.

« The LBP AM Group has therefore adopted policies relating to climate, biodiversity, oil and gas, and human rights, as well as, since 2025, a policy relating to the defence industry. »

Helena Charrier
Head of Responsible Investment Solutions

Zoom

Responsible investment in the defence industry: the LBP AM Group's approach

The defence industry plays a key role in preventing conflict and maintaining international security, in accordance with the principles of international law. It can also contribute to economic and regional development, notably through employment and innovation. However, this sector presents specific risks, particularly in relation to human rights, corruption, arms proliferation and the use of products in sensitive contexts.

The LBP AM Group has published its responsible investment approach to the defence industry through a dedicated policy that sets out its expectations for companies regarding human rights. Through this policy, LBP AM demonstrates that investment in the defence sector can be consistent with a robust ESG approach.

A selective and structured investment framework

The Group does not exclude the entire defence industry at once from its investment universe. It may therefore support companies operating in the sector, particularly in Europe and in NATO member countries, provided they strictly comply with ethical, regulatory and ESG criteria.
However, certain activities are subject to strict exclusions. In particular, companies involved in the production, development or distribution of prohibited weapons are excluded due to their humanitarian consequences and their prohibition under international treaties[2].

Integration of ESG issues and risk management

Companies in the defence sector are subject to the same ESG requirements as those applied to other sectors, with increased attention paid to the specific risks associated with their activities.
The analysis focuses in particular on the management human rights risks related to arms exports, compliance with human rights and international humanitarian law, as well as governance and compliance arrangements.

The Group relies on internal ESG and human rights analysis tools to assess companies' ability to manage their impacts and comply with international standards, such as the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines.
Where critical risks or significant controversies are identified, specific measures may be implemented, such as enhanced due diligence, engagement with the company or, where appropriate, exclusion from the investment universe.

High standards and dialogue with companies

The Group expects defence companies to implement robust frameworks relating to ethics, compliance and adherence to international regulations, particularly those governing export controls.
Companies are also expected to strengthen their transparency, develop human rights due diligence policies and train their employees on the specific risks associated with the industry.

2 This notably includes cluster munitions, anti-personnel mines, chemical and biological weapons, incendiary weapons, blinding laser weapons and nuclear weapons outside the scope of the Non-Proliferation Treaty.

LBPAM × LA FINANCIÈRE DE L'ÉCHIQUIER

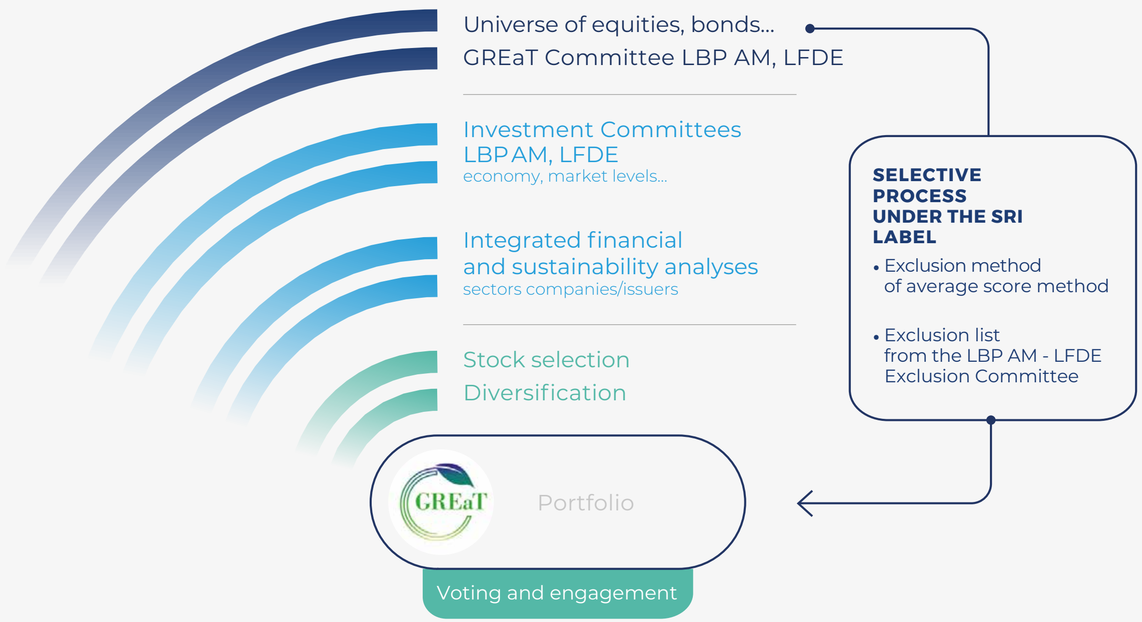
ESG selectivity

For LBP AM and LFDE funds holding the French SRI Label, or for funds applying an ESG selection criterion based on the GREaT rating methodology (where specified in the product's pre-contractual documentation, and in particular in the SFDR annex), the ESG ratings derived from the GREaT methodology are at the core of the investment selection process. The ESG approach used to select securities for the portfolio may be based on the exclusion of the lowest-rated companies, the overweighting of the highest-rated companies, or the application of a minimum rating threshold as an investment requirement. It aims to reduce exposure to issuers most exposed to sustainability risks and to favour those that best manage such risks.

Funds benefiting from the French SRI Label must also demonstrate relative outperformance on two sustainability indicators compared with their reference SRI universe and ensure that a portion of their investments in sectors with a high climate impact are allocated to companies with credible transition plans.

Finally, a number of funds must comply with minimum sustainable investment requirements and have additional thematic selection criteria, such as the Territoires Dette Privée fund.

Common management process for SRI funds



Focus

L aunch of a “Territoires” Private Debt fund

In 2025, LBP AM’s European Mid Cap private debt platform, European Private Markets, developed an innovative strategy designed to address issues relating to the competitiveness of European territories.

Two recent landmark reports by E. Letta (04/24) and M. Draghi (09/24) set out a roadmap to strengthen the long-term competitiveness and social cohesion of European territories, which are key drivers of the European Union’s prosperity and autonomy. Based on these challenges, LBP AM identified a number of priority themes expected to require significant investment in the coming years. These include digital transformation, environmental sustainability and technologies across EU territories.

In practical terms, the private debt vehicle dedicated to territorial competitiveness aims to identify and support projects and companies contributing to this objective through at least one of the following issues: (i) digital transformation, (ii) environmental sustainability, and (iii) strengthening strategic autonomy and essential goods and services.

This selective and diversified private debt fund invests in mid-cap companies operating within, or strengthening, value chains across various sectors:

Digital transformation

IT (hardware, components, etc.) • Digital / IT Services Companies • Software • Telecommunications • Technologies • Cybersecurity

Environmental sustainability

Process engineering and industrial optimisation consulting • Sustainable agriculture and agrifood • Biotechnology • Green chemistry • Transport (multimodal, specialised or logistics) • Clean technology / Greentech • Circular economy businesses

Strengthening strategic autonomy and essential goods & services

Agriculture / Agrifood • Education / Training • Healthcare industries and services • Energy (particularly renewable and alternative energy) • Aerospace / Aeronautics • Electronics (including semiconductors)

This responsible investment solution combines a financial performance objective with a selective investment approach, focusing on investments whose contribution will be monitored through territorial socio-economic footprint indicators.

Granular data collection will be implemented for each country, together with dynamic monitoring of indicators and trajectories at national level and aggregated across all European territories, through dedicated reporting for the strategy.

2.2.2 Allocation of our assets under management

The segmentation of assets managed by the LBP AM Group as of 31/12/2025 provides a measure of the extent of sustainable finance practices across our investment activities.

Responsible assets

At the end of December 2025, approximately 82% of LBP AM and LFDE assets under management were managed according to responsible investment approaches (81% and 86%, respectively, for the two asset management companies), representing €61.4 billion in assets. These assets incorporate social and/or environmental criteria into financial analysis and portfolio construction (funds classified as Article 8 under the Sustainable Finance Disclosure Regulation (SFDR) or whose investment objective qualifies as sustainable investment (Article 9 under SFDR). A total of 205 funds and mandates are therefore classified as Article 8 or Article 9 under SFDR (134 for LBP AM and 71 for LFDE).

This integration is systematic and traceable for the majority of open-ended funds. It covers funds that have obtained the French SRI Label ("Version 3") and funds whose responsible investment approach is considered equivalent to the requirements of the previous version of the French SRI Label ("Version 2").

For LBP AM, responsible assets (Article 8) not categorized as SRI come either from open-ended funds for which it is difficult to systematically integrate SRI criteria; or from formula funds launched before the decision to switch to 100% SRI and for which it is impossible to change the process; or from dedicated funds or mandates for which the client did not wish these criteria to be integrated.

For LFDE, these are open-ended funds with ESG integration approaches SRI approach does not meet the requirements of the new French SRI Label.

> **205 Funds and Mandates are therefore classified as Article 8 or Article 9 under SFDR**

Focus on

labelled assets

ISR
Launched in 2016, this label indicates that the labelled UCI meets specific specifications, integrating ESG (Environmental, Social, and Governance) criteria into financial management, requiring not only transparency and quality in SRI management, but also requiring funds to publish the concrete impact of their SRI management on the environment or society, for example. A new version of the SRI label came into force on March 1, 2024, with stricter requirements for funds, particularly in terms of climate change mitigation.

Greenfin Label
Created in June 2019 by the French Ministry for Ecological and Inclusive Transition, the Greenfin Label aims to mobilise savings for the energy and ecological transition. It replaced the TEEC Label.

Finansol Label
Since 1997, this label has distinguished solidarity-based savings investments. It guarantees the financing of activities with high social and environmental utility and certifies the financial intermediary's commitment to providing reliable information on the labelled investment and the activities financed.

OUR EXPERTISE	LFDE	LBPAM	SDFR	Exclusions			Label (SRI Label, Greenfin, etc.)	Impact & Sustainable Thematic Filters	Voting and/or Engagement
OPEN-ENDED FUNDS ART 8 & 9				**LBP AM COMMON FRAMEWORK**	**STRICT FOSSIL FUELS***	**IMPACT**			
SUSTAINABLE CONVICTIONS & IMPACT RANGE									
IMPACT & SUSTAINABLE THEMES									
Fundamental Actions	●		9	●	●	●	●	●	●
Multi Assets, Rates & Credit Specialties		●	9	●	●	▨		●	●
European Private Markets		●	9	●	●	●	●	●	▨
SUSTAINABLE CONVICTIONS									
Equities fundamental	●		8	●	●		●		●
Multi Assets, Rates & Credit Specialties	●	●	8	●	●		●		●
Quantitative Solutions		●	8	●	●		●		●
GAMME ESG									
Fundamental Actions	●		8	●					●
Multi Assets, Rates & Credit Specialties	●		8	●					●
European Private Markets		●	8	●					▨
Quantitative Solutions		●	8	●					●

● Systematic ▨ Non-systematic *since end of December 2024

LBPAM

Focus

Solidarity investing at LBP AM

For more than 15 years, LBP AM has been offering a range of socially responsible products and services whose philosophy is in line with the regional identity of La Poste Group. Through five solidarity-based mutual funds, LBP AM invests in organizations with a social and environmental impact that contribute to local development through activities aimed at improving access to housing for the most vulnerable populations, encouraging integration through employment, promoting the revitalization of rural areas, and promoting short supply chains.

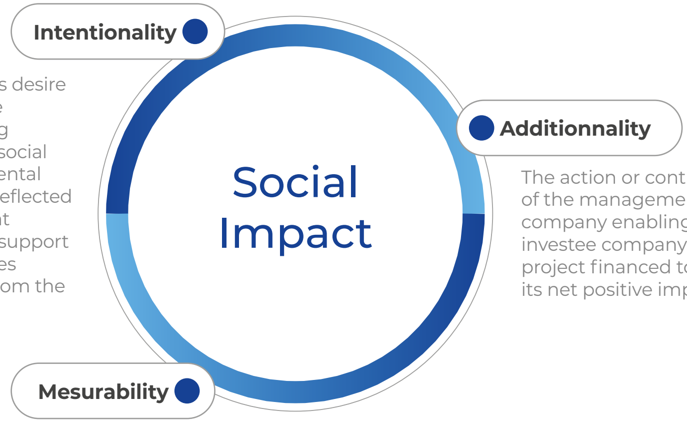
Team and organisation

Solidarity funds are managed by two senior managers from Multi Assets, Rates & Credit Specialties (MARCS), who are specialists in impact investing, with the support of a financial analyst and the human rights and social issues expert from LBP AM's SRI Solutions team. In addition, in 2024, LBP AM formalized a partnership with INCO, a company specializing in impact investing, to strengthen its analysis of investee organizations and their social and solidarity impact (see: SRI and social and solidarity economy stakeholder analysis methodology).

3 FAIR was created in 2021 from the merger between Finansol, a long-standing player in solidarity finance, and iiLab, an impact innovation lab. FAIR brings together more than 140 socially responsible companies, banks, management companies, NGOs, and committed individuals, serving as a hub for social impact finance players in France and a center of French expertise in this field internationally. The association aims to promote and enhance solidarity in finance and savings.

Social Impact

Three key principles shape LBP AM's solidarity impact finance approach, in line with FAIR's definition of impact[3]:



The investor's desire to contribute to generating measurable social or environmental benefits, as reflected in investment choices and support for the entities benefiting from the investment.

The action or contribution of the management company enabling the investee company or the project financed to increase its net positive impact.

Impact is measured by setting social and/or environmental objectives in line with LBP AM's solidarity-based approach, monitoring results and conducting an evaluation process. This measurement of social or environmental impact enables us to support beneficiary organizations in their quest for continuous improvement of their impact.

Social and solidarity investment themes

→ **Intentionnality:**

LBP AM's solidarity-based management aims to promote social and regional development by investing in organizations that:

- Have a strong social and/or environmental impact and provide innovative solutions and methods to meet an identified social or environmental need.
- Have a sustainable business model that enables them to develop their business and their social and environmental impact over the long term.
- Develop a business model consistent with the desired impact and ensure fair value sharing.

LBP AM has identified five major themes for socially responsible investment that are directly linked to this approach:

Regions and solidarity	Environment	Territory and culture	Health	Human rights and social Rights
Promoting social cohesion, education and employment for regional development	Protecting biodiversity, restoring ecosystems and combating climate change	Promoting education and social integration for children and young people, and reducing inequalities	Improving individuals' health and well-being	Ensuring respect for human rights and combating all forms of discrimination

These five themes aim to address specific social and environmental needs and objectives, such as:

Access to employment	Access to housing	Access to popular education	Support for organic farming
SDG 1 End poverty in all its forms everywhere	**SDG 3** Ensure healthy lives and promote well-being for at all ages	**SDG 4** Ensure access to quality education for all and promote lifelong learning opportunities	**SDG 12** Ensure sustainable consumption and production patterns
SDG 8 Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all	**SDG 11** Make cities and human settlements inclusive, safe, resilient and sustainable	**SDG 5** Achieve gender equality and empower all women and girls	**SDG 15** Protect and restore terrestrial ecosystems
SDG 10 Reduce inequality within and among countries		**SDG 10** Reduce inequality within and among countries	

Additionnality:
With €24 million in solidarity assets under management, LBP AM supports solidarity-based organisations over the long term, with an average holding period of 14 years. In addition to investment (in equity, debt or promissory notes), LBP AM's support is also structured through its commitment to solidarity-based companies, through dedicated dialogues, through its partnership with INCO, and through participation in general meetings. These forums provide an opportunity for the solidarity management team to discuss and monitor areas for improvement within the organizations in which we invest, in terms of both their impact and their financial and non-financial performance. The group's solidarity-based approach enables clients to participate directly in the financing of projects or companies with high environmental or social utility, through an investment of 5% to 10% of the outstanding solidarity funds. LBP AM's five solidarity funds have been awarded the Finansol label, a label created in 1997 to distinguish solidarity-based savings products from other savings products.

LBP AM's solidarity funds support the following organizations:

ADIE

ADIE is a French association recognized as a public utility since 2005, whose goal is to enable people who do not have access to the traditional banking system to start their own businesses through microcredit. ADIE is dedicated to financing and supporting entrepreneurs. It specifically targets entrepreneurs who do not have access to traditional bank loans by providing microloans for business creation and development. The association also offers insurance services for professional activities and vehicles, as well as training to help entrepreneurs start and develop their projects.

France Active

France Active Investissement aims to invest in social and solidarity economy (SSE) enterprises and socially innovative companies. France Active's mission is to finance businesses through loans, loan guarantees, and equity investments, advise entrepreneurs on building their projects, and network SSE stakeholders.

Habitat & Humanisme

La Foncière Habitat et Humanisme aims to build, acquire, and renovate housing for people in need. La Foncière is experimenting with new forms of housing to respond to the challenges of exclusion and changing forms of precariousness and to promote cities that are open to all: scattered rather than grouped housing, location in balanced neighbourhoods, intergenerational housing, and prototypes of ecological and modular housing... Habitat et Humanisme tenants are offered support, particularly to help them express their integration plans.

Terre de Liens

Terre de Liens (ESUS) is a citizens' movement whose ambition is to remove the burden of land acquisition for farmers wishing to set up and preserve agricultural land. La Foncière aims to help aspiring farmers (budding farmers, beginners, those undergoing professional retraining, those questioning or discovering the world of agriculture) to find agricultural land, acquire it and set up a rental lease (rural environmental lease). Terre de Liens' mission is to purchase and make available agricultural land in exchange for rent, to support the transition to a sustainable agricultural model and to manage agricultural land inheritance.

French Union for Child Welfare

A recognized public interest organization, the Union française pour le sauvetage de l'enfance (UFSE) works to protect children and support parents. With over 135 years of experience, the UFSE is a leading player in the field of child protection. The UFSE manages facilities and programs authorized to take in children and young people as part of child protection services, as well as social facilities for mothers in difficulty. The UFSE's activities focus on two specific areas: child protection (protection, care, accommodation, and education for young people aged 0 to 21 in care) and prevention and parenting support (support for parents in difficulty in accessing housing, employment, and in their relationships with their children).

SRI analysis methodology and impact of social and solidarity economy actors

→ **Measurability:**
In order to monitor and analyse the SRI qualities and social, environmental, and solidarity impact of the organizations financed through its solidarity funds, LBP AM has entered into a partnership with INCO Ventures. INCO evaluates all projects and organizations financed according to 15 impact and ESG criteria, aligned with international and market standards (Impact Management Project). Each project is given a score based on these criteria, so that impact plays a central role in the investment decision.

This assessment makes it possible to evaluate:
- The social or environmental need, the solutions provided by the organization, the consistency of these actions in relation to the need and the people affected, and the innovative nature of the organization's approach.
- The measures used to assess the impact and effectiveness of the actions implemented, as well as the added value of the approach.
- The organization's non-financial performance and the prevention of negative externalities that could be linked to its activities.

Impact data for 2024[4]

1,563
People trained and/or supported

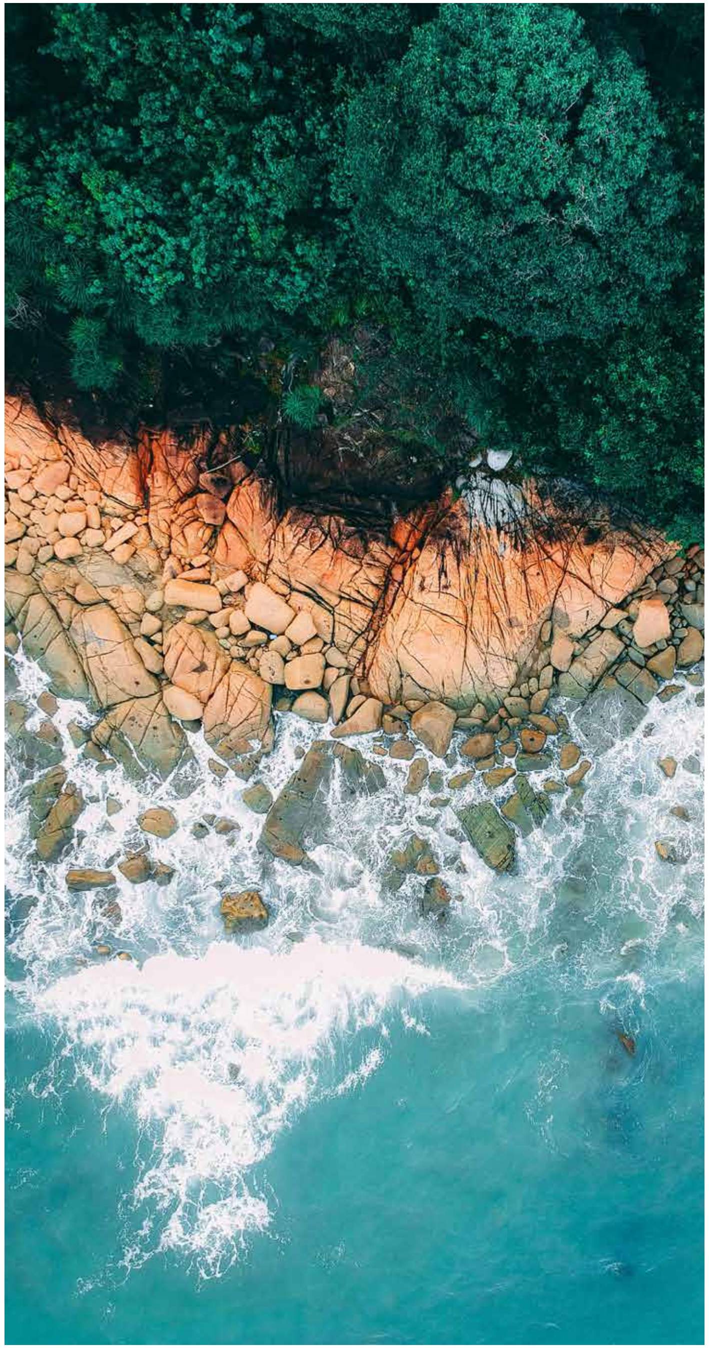
53,619
Jobs created or maintained

1,464
Hectares of agricultural land preserved

547
Young people supported through a continuous pathway within the same living environment

225
Housing units dedicated to vulnerable people living in precarious situations

4 Latest available data



2.3 Dialogue and engagement with companies

2.3.1 Engagement with companies

The LBP AM group is convinced that, alongside other stakeholders (employees themselves, trade unions, civil society, NGOs, etc.), responsible investors have a role to play in supporting companies on their path towards sustainable practices.

The shareholder dialogue it conducts with companies can have two objectives:

- Through ESG dialogues: gathering additional information or refining its understanding of published sustainability information in order to better understand companies' policies and practices.
- Through ESG engagement: encouraging the integration of sustainable development issues into companies' strategies, the formalization of robust policies contributing to the prevention of ESG risks, and their implementation in companies' operational practices and the strengthening of companies' transparency regarding ESG policies, objectives, and results.

Determining objectives, themes and companies

This policy also describes the procedures for identifying companies to engage with. With regard to securities, the identification of companies to engage considers several factors:

- The weight of the company's capital, which partly determines the group's power of influence;
- The weight of the LBP AM Group's investments in the company, which determines its level of risk exposure;
- The degree of importance and materiality of an ESG controversy (see normative policy);
- The importance of the engagement theme in relation to the company's business sector (concept of sector at risk/risk in relation to an issue);
- Opportunities for engagement that may arise through market initiatives.

LBP AM and LFDE's shareholder engagement policy is also based on their thematic SRI policies, which describe in greater detail their objectives, principles, methods of action, priorities, and expectations on these issues.

Examples of collaborative engagements

Implemented in 2025 as part of thematic SRI policies

Biodiversity

FAIRR
(Farm Animal Investment Risk & Return)
The FAIRR investor network encourages the agrifood industry to improve its practices relating to animal welfare and nutrition. It conducts targeted engagement actions with companies identified as being insufficiently prepared on these issues.

In 2025, the LBP AM Group participated in campaigns focusing on **sustainable aquaculture** and **protein diversification** in climate and nutrition strategies. As part of these initiatives, the LBP AM Group engaged with **23 companies** to encourage them to strengthen their risk assessments and adopt more structured objectives on these issues.

Humans rights

Since 2024, the LBP AM Group has conducted structured engagement with **major players in the beauty and luxury industry** (brands, fashion houses and raw material suppliers), focusing on the **prevention and mitigation of human rights risks and violations within supply chains**. In 2025, this engagement continued, notably through the organisation of a joint workshop with the Fair Labor Association (FLA), the Forum for Responsible Investment (FIR) and investor members of the initiative on **forced labour and child labour**. This workshop brought together companies from the sector to share investors' expectations regarding human rights due diligence.

Climate & Energy Transition

CDP – Non Disclosure Campaign
This initiative seeks to encourage companies to improve their transparency regarding **climate, water and forest-related issues**. In 2025, the LBP AM Group engaged as a **lead investor** with **2 companies** to strengthen the disclosure of key environmental indicators relating to climate.
The CDP annual report presents the results of this campaign.

Governance

Club 30 France
The Club des 30 is a collaborative engagement initiative whose objective is to **encourage companies to promote women's inclusion in leadership positions.**
The LBP AM Group has been a founding member of the French chapter of this initiative, created in November 2020 to promote gender diversity within the governing bodies of SBF 120 companies.

The Club's objective is to engage with companies in order to:
- ensure they demonstrate transparency regarding the procedures used to identify and appoint new members of the executive team,
- explain how their processes ensure diversity within leadership teams.
- provide information on how diversity is reflected at all levels of responsibility within the company.
- provide evidence and indicators of a corporate culture that supports gender diversity.

Each year, the LBP AM Group acts as lead investor for certain SBF 120 companies.
In 2025, the companies concerned remained the same as during the previous two years, ending a three-year engagement cycle: Carrefour and ArcelorMittal.

Determining engagement approaches

The engagement policy also defines the usual methods for conducting engagement activities and the potential escalation process in the absence of results.

To implement engagement and dialogue practices, Responsible Investment Solutions analysts, Responsible Investment Research teams and portfolio managers regularly engage with company management teams, as well as with the CSR teams of the companies in which they invest. These interactions may take place during shareholder meetings and in the context of controversy management. They are conducted through two approaches, which may sometimes be combined:

- **Bilateral dialogue and engagement with the management of investee companies**, in particular during issuer roadshows, LBP AM and LFDE may request meetings with companies to discuss specific topics, in line with the Group's policies. Teams may also be prompted to engage with companies in order to provide feedback on themes defined by these policies, for example in preparation for general meetings.
- **Collaborative engagement**, conducted alongside other investors on a shared issue, these initiatives can usefully complement bilateral engagement efforts by pooling research findings, providing companies with consistent signals regarding responsible investors' expectations, and exerting greater influence on companies. LBP AM and LFDE may act either as participants or leaders of such initiatives.

The launch of a cross-cutting engagement campaign, relating to a specific theme and covering multiple companies, is proposed by the Responsible Investment Solutions team and approved by the GREaT Committee. Organic engagement actions may also be led by each portfolio manager, with the support of the Responsible Investment Research team.

The engagement policy may also apply to European private assets, adapted to reflect the specific characteristics of these asset classes (corporate debt, infrastructure and real estate). Private debt investment teams engage with counterparties during the due diligence phase in order to gather information and deepen their understanding of ESG practices. In certain strategies, they may negotiate the inclusion of impact indicators in loan agreements to encourage borrowers to improve their practices on the most material environmental and social issues. These commitments are incorporated into the financial documentation and require counterparties to provide annual reporting.

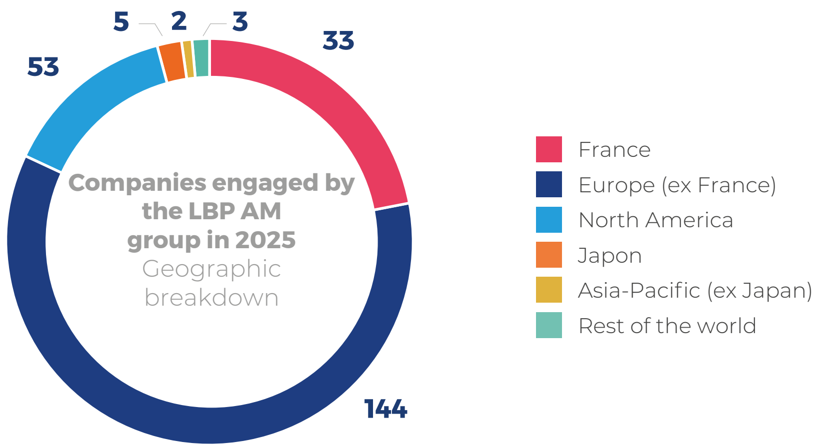
ENGAGEMENT

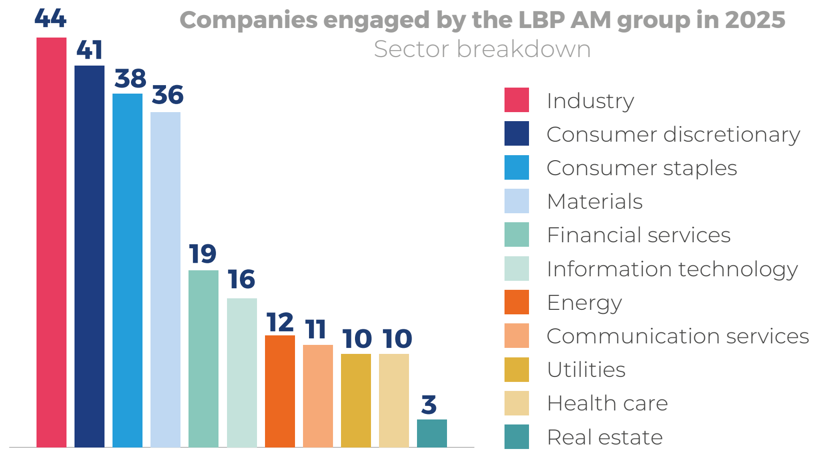
Key figures 2025

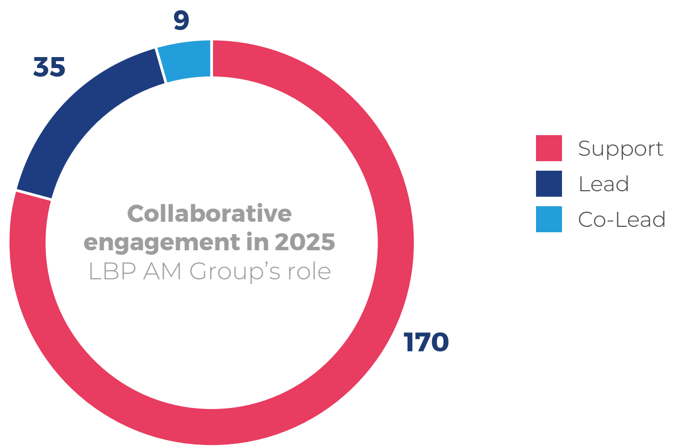
421
areas for improvement have been communicated on ESG issues

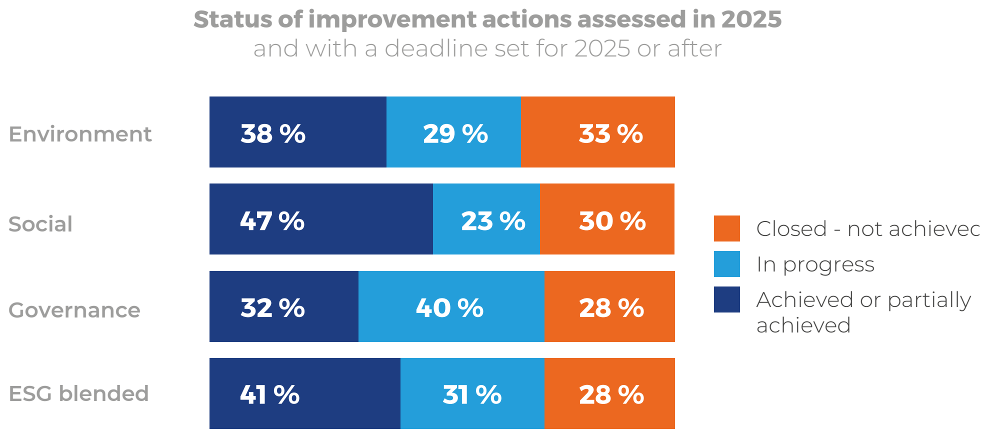
240
companies were involved across **24 countries**

28,4%
The companies concerned represent 28.4% of equity and bond assets under management









◆ *Zoom*

Engaging value chains in support of human rights: a collaborative approach to address systemic risks in Egypt's jasmine supply chain

In 2024, the release of a BBC documentary highlighted the presence of child labour in jasmine fields in Egypt. As the country accounts for more than half of global jasmine production, a number of companies operating in the beauty and fragrance value chains were potentially exposed.

In this context, and despite the media attention focusing on a limited number of companies, the LBP AM Group chose to launch a broader engagement initiative. An initial phase consisted in engaging individually with companies particularly exposed to this value chain in order to assess the maturity of their management of child labour risks and their human rights due diligence practices.

This work nevertheless highlighted the limitations of an individual risk mitigation approach. In the case of Egypt, the root causes of child labour in jasmine fields are systemic and cannot be addressed solely through traditional social audit mechanisms. In response, the LBP AM Group sought to evolve its engagement practices by adopting a more collective approach.
The Group therefore engaged with the Fair Labor Association (FLA), an organisation with recognised expertise in human rights and already active in the sector through its Harvesting the Future programme. **This approach is based on a sector-wide, multi-stakeholder and locally anchored model, designed to generate structural and lasting transformation.**

In partnership with the FLA, we organised a workshop bringing together investors and companies from across the value chain. The objective was twofold. First, to establish a common set of expectations on human rights due diligence, notably by highlighting the need to move beyond approached strictly based on compliance towards frameworks centred on real impacts and human rights. Second, to encourage the development of collective initiatives involving the different stakeholders (companies, suppliers, NGOs, public authorities, etc.) in order to better understand the root causes of the identified risks and build adapted responses in the long term. This initiative forms part of the LBP AM Group's broader human rights strategy, which seeks to promote transparency, continuous improvement and the pursuit of positive long-term impacts beyond the traditional framework of controversies or immediate compliance.
The dialogue undertaken has enabled a shift away from a traditional question-and-answer approach towards a more innovative support-based model aimed at collectively identifying levers for action and accompanying companies in the implementation of improvement pathways. Relying on direct and in-depth dialogue with the operational teams responsible for human rights within companies, this approach allows us to share our own analysis of key issues and provide feedback on the measures implemented. It also aims to inform ongoing internal discussions within companies and relay these issues to decision-making bodies.

> **« The dialogue undertaken has enabled a shift away from a traditional question-and-answer approach towards a more innovative support-based model aimed at collectively identifying levers for action and accompanying companies in the implementation of improvement pathways. »**

Camille Bisconte de Saint Julien
Social and Human Rights Lead

Finally, this initiative is based on the identification of collective actions to address issues that go beyond the capacity of any single actor acting alone. In sectors characterised by strong fragmentation and significant structural risks, collaborative approaches are a relevant lever for increasing the effectiveness of engagement actions, pooling resources and fostering the emergence of sector-wide solutions.

This initiative therefore illustrates an evolution in engagement practices, giving priority to systemic, partnership-based and impact-oriented approaches, in line with the expectations set out in the Group's Human Rights Policy and with the Group's purpose. It aims to reconcile the promotion of human rights with responsible risk management, in order to create sustainable value for portfolios.

Zoom

2.3.2 Voting policy

The LBP AM Group considers voting at general meetings to be an integral part of the investment management process.

It exercises its voting rights in accordance with the principles set out in its Voting Policy, with the objective of promoting best practices in corporate governance and business ethics, while encouraging the consideration of environmental and social issues.

At the request of certain clients, the LBP AM Group may also exercise voting rights on behalf of dedicated mandates and funds by applying the voting policies defined by those institutional clients.

The general meeting season also provides an opportunity for the LBP AM Group to engage in dialogue with investee companies, explain its voting principles, communicate the reasons for opposing certain resolutions submitted for shareholder approval and encourage desirable governance developments. This is notably achieved through the systematic communication of a list of companies to which voting principles have been applied and the reasons for opposition, with the objective of promoting sound governance practices.

Detailed voting records for each open-ended fund are made available to investors on the asset management companies' websites on an ongoing basis, within seven days following each general meeting.

Scope of voting rights

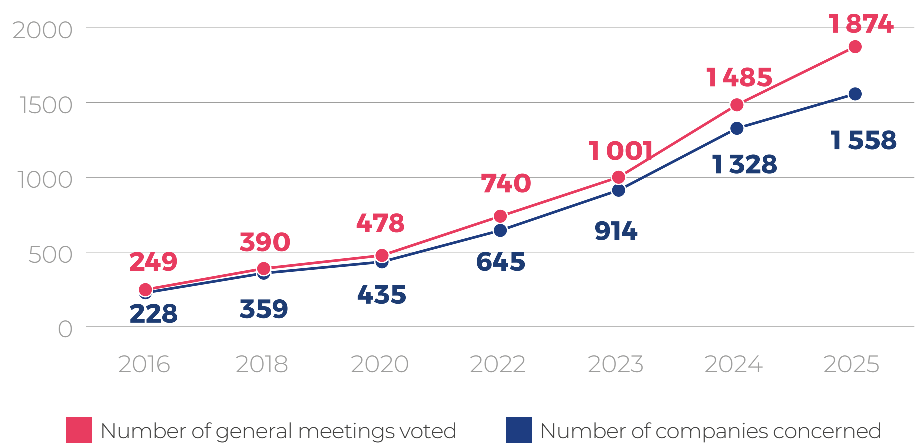
The LBP AM Group participates in companies' general meetings according to:

- The weight of LBP AM and LFDE in the decision-making process,
- The coverage of assets under management invested in equities,
- The cost associated with exercising voting rights.

In 2025, the LBP AM Group exercised its voting rights at 1,874 general meetings involving 1,558 companies across 48 countries. It voted on 25,337 resolutions, including 24,671 management-sponsored resolutions and 666 shareholder resolutions.

This represented 98.9% of equity investments (compared with 93% in 2024) and 96.5% of general meetings (compared with 74.2% in 2024 and 53% in 2023).

Evolution of LBP AM Group participation
in general meetings



Analysis and support of resolutions

The voting policy may lead the LBP AM Group not to support resolutions proposed by companies whose practices are not aligned with best standards of corporate governance. In 2025, the LBP AM Group cast at least one dissenting vote at 77.8% of the general meetings at which it exercised its voting rights. The Group's annual dissent rate on resolutions was therefore between 28% and 30% on average during the last few years.

In 2025, the LBP AM Group cast 7,284 votes against management, representing 28.7% of all votes cast. This rate remains relatively high compared with other French asset managers (the average dissent rate in the surveys conducted each year by the French Asset Management Association remained slightly below 20%), demonstrating the demanding nature of the Group's voting policy.

The resolutions most frequently opposed by the LBP AM Group relate to remuneration, with 45.4% opposition on remuneration policies and reports and 34.1% on long-term remuneration plans. The main reasons for opposition include insufficient pay moderation (above the threshold defined by the LBP AM Group), insufficient transparency, inadequate performance criteria, and remuneration plans considered excessively short-term in nature (performance periods of less than 3 years).

The increase in the opposition rate on accounts, management reports and dividend distributions (37.3%, compared with 31.2% in 2024 and 2.3% in 2023) is explained by a change introduced in 2024 to the voting policy regarding the discharge of directors. Since 2024, the LBP AM Group has opposed discharge resolutions in countries where shareholder approval is not mandatory, considering that any responsible and diligent director should assume responsibility for the management of the company and should not require a discharge resolution.

Say on climate resolutions

In response to investors' growing expectations on environmental issues, an increasing number of companies have submitted their energy and environmental transition strategies to an advisory shareholder vote, through so-called "say-on-climate" resolutions.

The LBP AM Group defined its voting policy on say-on-climate resolutions in 2022 and actively applies it in order to encourage investee companies to develop transition plans aligned with the objectives of the Paris Agreement. In 2025, the Group had the opportunity to formally express its position on 17 say-on-climate resolutions. Among these, it opposed 12 resolutions whose plans did not comply with the criteria defined in its voting policy. It opposed all say-on-climate resolutions submitted by oil, gas and mining companies on which it voted.

[5] A vote against management corresponds to a vote AGAINST a management-sponsored resolution, or a vote FOR a shareholder resolution not supported by the company.

« The LBP AM Group considers voting at general meetings to be an integral part of the investment management process. »

Diane Moulonguet
Stewardship and Governance Lead

External resolutions

So-called "external" resolutions are resolutions that are not submitted by the companies themselves. They may be filed by shareholders, or by employee representatives in the case of French companies. Filing a resolution is an important engagement tool for advancing corporate practices. However, these resolutions are not always supported by companies, which may view them as hostile or activist.
The LBP AM Group may support external resolutions that it considers likely to promote more advanced practices in areas such as climate, biodiversity, human rights or worker rights, including by voting in favour of including them on the agenda of the General Meeting.
During the 2025 voting season, 666 external resolutions were submitted at 230 General Meetings out of the 1,874 meetings in which the LBP AM Group participated, compared with 608 in 2024. In 2025, external resolutions represented 2.6% of all resolutions submitted at the General Meetings on which the Group voted.

The LBP AM Group supported 71.3% of the ESG-related external resolutions on which it voted. This high level of support reflects the Group's commitment to social, environmental and governance progress across a wide range of topics, including board composition, shareholder rights, environmental and social issues, and employee share ownership.

Examples of external resolutions supported by the LBP AM Group in 2025:

- **Energy transition:** In 2025, shareholders filed a resolution at Shell's General Meeting requesting that the company disclose whether, and how, certain elements of its strategy — notably its forecasts for liquefied natural gas (LNG) demand, its LNG production and sales targets, and its new capital investments in LNG-related assets — are consistent with its climate commitments, including its objective of achieving net-zero emissions by 2050.
- **Pollution:** The LBP AM Group supported a shareholder resolution submitted at PepsiCo's General Meeting requesting publication of a report assessing how the company could increase the scale, pace and rigour of its efforts regarding sustainable packaging, notably through reducing its use of plastics.
- **Harassment and discrimination:** Investors submitted similar resolutions at the General Meetings of several US companies (Wells Fargo and Netflix, among others), requesting publication of reports on the effectiveness of company policies relating to harassment and discrimination, as well as their strengthening. These resolutions seek to encourage the implementation of robust systems for preventing and managing these social risks.
- **Human rights and AI:** The LBP AM Group supported a resolution encouraging Alphabet to publish an assessment of the impact on human rights of its targeted

AI-based advertising.

- **Board chair independence:** The LBP AM Group supported a shareholder resolution submitted at Eversource Energy's 2025 Annual General Meeting calling for the election of an independent Chair of the Board of Directors. An independent Chair strengthens the Board's oversight role.

Actions taken at general meetings

The general meeting season provides the LBP AM Group with an opportunity to further its shareholder engagement strategy through the exercise of voting rights. These actions may include pre-declaring voting intentions, submitting written or oral questions during general meetings, adding items to the agenda or filing shareholder resolutions. Under its Human Rights Policy, the LBP AM Group submitted a series of written questions at the 2025 Annual General Meetings of Arkema and TotalEnergies, to which the companies were required to respond publicly.

→ Arkema

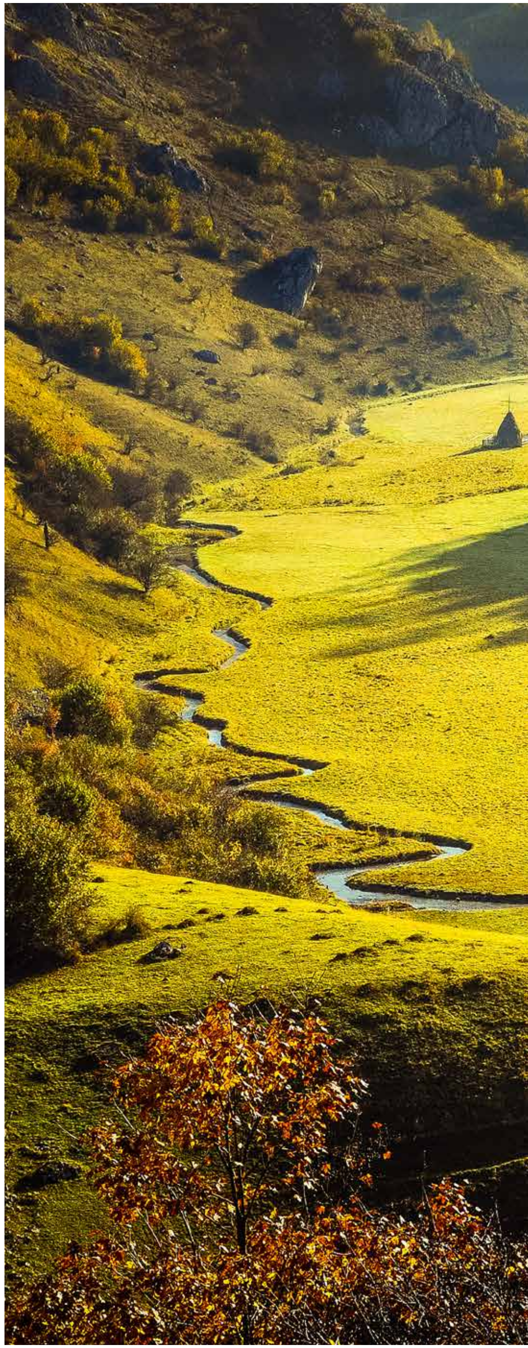
Since 2023, the LBP AM Group has engaged with Arkema through a collaborative engagement initiative supported by the ChemSec association. Through this coalition, the Group encourages companies involved in the production and marketing of chemical substances to increase transparency, progressively eliminate the most persistent chemical products and develop safer alternatives. Arkema has expressed its commitment to phasing out certain particularly harmful categories of substances by 2025. However, the details of its strategy remain relatively limited. As part of the coalition, the LBP AM Group sought additional technical information regarding the substances concerned, associated studies and possible substitution strategies. Building on the dialogue conducted over the past two years, the Group decided to escalate its engagement by submitting written questions at the 2025 Annual General Meeting. The company responded in writing to all these questions. The responses provided are available online on the issuer's website.

→ TotalEnergies

The LBP AM Group has been engaging with TotalEnergies on human rights issues since 2017. The unsuccessful nature of this engagement led the Group, together with other responsible investors, to submit written questions at the 2024 Annual General Meeting. These expectations focused primarily on the publication of an updated and robust human rights policy, consistent with the company's public commitments to respect internationally recognised human rights and to implement human rights due diligence in line with the United Nations Guiding Principles (UNGPs) and the OECD Guidelines, in a context of significant human rights risks, recurring controversies and litigations.
Although new controversies have emerged since the previous Annual General Meeting, the LBP AM Group notes that transparency regarding the company's responses and disclosures, particularly in the Sustainability Report, remains limited. This is notably the case regarding:

- the specific objectives and operational means associated with the company's "stakeholder engagement plan", one of the five pillars of its sustainability strategy.
- the training and oversight measures implemented by the Board and the Lead Independent Director in relation to the management of risks associated with the company's objectives and stakeholder dialogue, particularly regarding the prevention of severe controversies or the management of duty-of-care obligations.
- information relating to direct and indirect employment impacts and the just transition strategies being implemented (training, mobility, redeployment, etc.) to mitigate the potential negative impacts on employment associated with the transition of oil and gas activities, particularly in refineries.

In light of these elements, the LBP AM Group decided to maintain its engagement by submitting new questions reflecting the information published in the Sustainability Report. The responses provided by TotalEnergies are available here.



2.4 Environmental, social and governance risk management

The policy for analysing and managing sustainability risks associated with environmental, social, and governance factors is based on a set of complementary tools, policies, and procedures.

LBP AM and LFDE consider that taking sustainability risks into account and reducing the negative impact of their investments on sustainability factors are intrinsically linked.

A poorly managed negative impact can materialize as an increased sustainability risk, so reducing the negative impacts of investments is an essential component of preventing sustainability risks. As a result, the group does not separate its climate risk management from its consideration and reduction of the main negative impacts of its investment decisions on sustainability factors.

2.4.1 Risk identification and assessment framework

Rating SRI

The proprietary ESG rating methodology GREaT (see section 2.1) incorporates indicators relating to the various categories of sustainability risks:

- Regulatory risks, captured by the "Business Ethics" criterion, which assesses the internal control systems in place at issuers;
- Operational risks, captured by the "Sustainable Resource Management" pillar, which focuses in particular on the quality of human resources management (training, turnover control, etc.) and the implementation of robust environmental management systems, as well as by the "Territories" pillar, which focuses in particular on supply chain and downstream management, and by the "Social" pillar, which focuses in particular on the quality of the company's social policies and the implementation of robust environmental management systems, as well as by the "Territories" pillar, which focuses in particular on the management of supply chains and the downstream part of value chains, as well as the management of stakeholder relations in the context of business or project development;
- Strategic risks, which concern the alignment of corporate strategy with long term trends, particularly with the "Energy Transition" and "Territorial Development" pillars;
- Climate risks, which are physical risks cove ring damage directly caused by meteorological and climatic phenomena; and transition risks resulting from the effects of the implementation of a low-carbon economic model, regulatory changes, the emergence of new disruptive technologies, etc. These risks are analysed in the "Energy Transition" pillar.

Financial analysis

The qualitative integration of ESG considerations into financial analysis aims to identify material sustainability issues, i.e., those that are likely to have a significant impact on the credit quality or valuation of the issuer. For bond funds managed by LBP AM, these analyses result in the assignment of a materiality rating, which is made available to fund managers. This analysis takes into account companies' exposure to the material issues identified and the time horizon over which they could materialize, the level of integration of these issues into companies' strategies, and the human, financial, and technical resources mobilized to address them. The ratings are updated by the Fundamental and Sustainable Analysis team as new information becomes available and following discussions with the companies concerned or external analysts.

Normative analysis

The normative analysis carried out as part of the exclusion policy aims to identify companies for which there is an unacceptable risk that they cause, contribute to or are linked to particularly serious violations of the LBP AM group's fundamental ethical standards (in particular the United Nations Global Com pact, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises) or that are subject to serious, proven and repeated controversies.

It aims in particular to assess the link between the company and the impact, the remedial measures implemented by the company, the due diligence carried out by the company, and the leverage of the LBP AM group over the company.

2.4.2 Risk management framework

Rules for integrating ESG rating into allocation

ESG ratings established on the basis of the GREaT methodology are at the heart of the SRI selection process for securities in responsibly managed portfolios, based on the exclusion of the lowest-rated companies or the overweighting of the highest-rated companies. As such, the ESG approach applied to select securities for portfolios tends to disqualify the most exposed issuers and favour those that best manage their exposure to sustainability risks. The process is described in section 2.2.

Exclusion policy

The LBP AM group applies an exclusion policy to limit its exposure to issuers that are most at risk or cause serious harm to sustainability objectives. The GREaT Committee, chaired by the management department and comprising the heads of the management divisions, the risk department and the SRI Solutions team, is responsible for monitoring the implementation of the exclusion policy. The risk management department also has the right to veto and refer matters to the LBP AM Executive Board for arbitration. The process is described in section 2.1.

Engagement and voting policy

While the two aforementioned mechanisms aim to quickly and directly reduce the exposure of management companies to risks, LBP AM's engagement and voting policy aims to mitigate the source of risks – deemed to be of lesser magnitude or less imminent – through proactive action to encourage investee companies to improve their management of the environmental, social and governance risks to which they are exposed. The policy and results are described in section 2.3.

Thematic policies

Dedicated thematic policies aim to specify the specific treatment of key sustainability issues across these three frameworks. These policies define the criteria for rating, implementing engagement actions targeting at-risk companies, and excluding the most exposed companies. LBP AM and LFDE therefore have policies on climate, biodiversity, coal, oil and gas, and human rights. These policies are updated periodically, based on an annual assessment of whether an update is necessary. The methodologies and results of these first two policies are detailed in sections 3.1 and 3.2.

Conventional risk management framework

Finally, the Risk Management Department, which is responsible for applying the contractual risk management framework, is directly involved in validating and supervising the application of the above measures: participating in the development or validation of policies, monitoring SRI rating models, participating in the exclusion committee, and conducting pre and post-trade checks on compliance with exclusion lists and the ESG objectives of each fund.

The Risk Management Department has also implemented a tool to monitor the climate risks to which LBP AM is exposed through its aggregate investments and within its portfolios. The results are reviewed monthly by the Risk Management Department and quarterly by the Risk Committee, which includes members of the Executive Board. Finally, this tool has enabled us to draw up a list of issuers that are subject to closer monitoring, particularly in terms of shareholder engagement. This tool is discussed in more detail in section 3.3.1.

Focus

Managing human rights risks

Implementing human rights due diligence

The LBP AM Group is committed to respecting internationally recognised human rights across all its investment activities, in accordance with the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, and the Ten Principles of the United Nations Global Compact.

To achieve this, the Group relies on the following tools and mechanisms:

Risk identification through:
- A mapping of human rights risks to assess and prioritise the most sensitive sectors, geographies and themes.

Risk prevention and mitigation through:
- Responsible investment screening based on the proprietary rating methodology
- Engagement with companies on human rights issues and the norm-based exclusion policy, which targets companies for which there is an unacceptable risk that they cause, contribute to or are linked to serious human rights violations, or that are exposed to severe and repeated controversies, and for which exclusion constitutes the most effective way of reducing this risk
- Monitoring the evolution of risks and mitigation measures through continuous norm-based monitoring and enhanced due diligence, which may trigger decision-making processes resulting in the deterioration of ESG ratings, engagement actions, or the exclusion of an issuer.
- Communication and transparency through the publication of policies and implementation arrangements in the LBP AM Group's Article 29 LEC reports.
- Consultation with stakeholders throughout the process.

Controversy management and prevention of severe risk impacts

As part of the day-to-day monitoring and management of controversies, certain risks or controversies may be identified by the Responsible Investment teams or portfolio management teams without necessarily requiring treatment under the norm-based exclusion policy.

The LBP AM Group may engage with companies when it identifies controversies affecting them, in order to assess the quality of the policies and procedures implemented on a specific issue and, where appropriate, make recommendations aimed at ending and preventing the recurrence of adverse impacts linked to the company's practices.

This is notably the case where:
- The identified risk or controversy appears isolated, and the potential or actual impact remains limited in scope;
- The company concerned is not already subject to specific engagement or monitoring on the identified issue; **OR**
- The company is already engaged on the issue, but the controversy does not alter the assessment of its risk management practices.

In such cases, the identified risk or controversy is submitted to the ESG Committee for review. **The ESG Committee may notably decide to:**
- Implement enhanced monitoring of the issuer, particularly if new impact risks or similar controversies emerge;
- Request additional information or initiate bilateral dialogue with the issuer;
- Address the controversy through a structured engagement process with the issuer on a related theme;
- Engage collaboratively with the issuer.

In the event of a worsening risk or controversy, or repeated similar controversies, and in accordance with the norm-based exclusion policy described above, the matter may then be subject to a norm-based review and submitted to the GREaT Committee for decision.

Norm-based exclusion policy

In addition, the LBP AM Group may exclude companies for which there is an unacceptable risk that they have caused, contributed to, or are linked to particularly serious violations of the Group's fundamental ethical standards, or that are subject to serious, substantiated and repeated controversies, and for which exclusion constitutes the most effective means of reducing the risk of continued violations of these standards.

The LBP AM Group uses two methods to identify companies that should be subject to a norm-based review:

→ **Quantitative:** Issuers involved in serious, repeated and substantiated controversies linked to one or more breaches of the LBP AM Group's fundamental ethical standards.

→ **Qualitative:** The Responsible Investment and portfolio management teams may identify companies for which:
- The identified risk or controversy is severe, both in terms of scale and seriousness.
- The company concerned has already been involved in several substantiated controversies or critical impact risks.
- Engagement may already have taken place, but the worsening of the risk or controversy justifies review by the GREaT Committee.

Once the issuer has been identified and an enhanced review has been conducted, the GREaT Committee bases its decisions on an assessment of:

- The severity of the impact, or the risk of impact, on people, the environment or principles of good governance, taking into account in particular the seriousness, scale and potential for mitigation of actual or potential impacts.
- The link between the impact (or impact risk) and the company (cause, contribution or direct linkage).
- The prevention, cessation and remediation measures implemented by the company to address the risks and impacts.
- The likelihood of future breaches of standards by the company, based on an assessment of its due diligence processes and its alignment with the LBP AM Group's fundamental ethical standards,
- The leverage available to the LBP AM Group with respect to the company.

In accordance with Principle 19 of the United Nations Guiding Principles on Business and Human Rights (UNGPs), before deciding to exclude a company, the GREaT Committee must assess whether alternative measures, such as shareholder engagement, would be more appropriate to reduce the risk of continued violations of these standards.

The final decision adopted by the GREaT Committee should, wherever possible, aim to reduce and mitigate the risk of future violations of the standards. The GREaT Committee may therefore decide to implement the following measures: initiating engagement actions, adopting a specific voting stance, downgrading ESG ratings, placing the issuer under enhanced monitoring, freezing investments or suspending/excluding the issuer.

Issuers remain on the norm-based watchlist following a decision by the GREaT Committee and are subject to enhanced monitoring by the Responsible Investment and portfolio management teams.

If the controversy or impact risk worsens, or if new severe risks or controversies emerge, the teams responsible for enhanced due diligence may update their analysis and submit a new recommendation to the GREaT Committee.

The GREaT Committee may then, based on the same analytical elements described above and in accordance with the escalation strategy set out in this policy, adopt additional measures, up to and including exclusion.

> **« The final decision adopted by the GREaT Committee should, wherever possible, aim to reduce and mitigate the risk of future violations of the standards. »**

Focus

Environmental and Social (E&S) risk assessment framework for private assets

> « The approach developed by the EPM platform makes it possible to combine forward-looking risk identification, integration into investment decision-making and ongoing monitoring over time. »

As part of its European private markets activities, LBP AM developed in 2025 a structured approach to assessing environmental and social risks, tailored to the specific characteristics of unlisted Infrastructure and Corporate assets. This approach aims to identify and assess E&S risks, such as impacts on biodiversity and water resources, exposure to physical risks, and supply-chain-related risks, for each new investment opportunity, in order to support decision-making and strengthen upstream risk management.

The assessment begins with the identification and categorisation of the material issues specific to each investment, taking into account the sector of activity, business model and geographical location of the assets. This stage makes it possible to distinguish two broad categories of risks: on the one hand, risks directly affecting people and the environment, such as potential impacts on health and safety, working conditions, ecosystems or human rights (including, for example, risks related to forced labour, discrimination or significant environmental impacts); and, on the other hand, risks affecting the company or project itself, including financial, operational, regulatory and reputational risks associated with ESG issues.

Each risk is then assessed in terms of severity and likelihood, making it possible to identify the associated levels of risk as well as the expected management and mitigation measures.

This assessment is integrated into the proprietary GREaT methodology, which forms the foundation of ESG analysis for private assets. The risks identified help guide the assessment by determining the depth of due diligence required and the key areas of focus. All of these elements are directly reflected in the ESG analysis and contribute to the GREaT rating.

The approach developed by the EPM platform therefore combines forward-looking risk identification, integration into investment decision-making, and ongoing monitoring over time, helping to secure investments while promoting the continuous improvement of financed companies and projects.

◆ *Focus on*

Climate risk management

Climate risk is considered by central banks to be a systemic risk that may affect the stability of the global financial system. Several central banks (e.g. the European Central Bank and the Banque de France) have launched programmes to develop and improve climate risk assessment approaches. Although methodologies for assessing the impacts of climate change and the energy transition are still relatively recent, they do make it possible to identify the main exposures of portfolios to physical risks - i.e. the adverse effects of climate change - and to transition risks, arising from policy measures and changes in consumer behaviour to combat global warming.

The analysis and monitoring of issuers' climate risks are carried out through the following mechanisms:

- The proprietary GREaT ESG rating methodology incorporates climate risks within its "Energy Transition" pillar based on indicators provided by MSCI ESG, ISS ESG and EthiFinance. For real and private assets, the indicator is calculated using a proprietary assessment framework based on data obtained directly from companies.
- ESG materiality analysis, integrated into the financial analysis carried out by research and portfolio management teams, qualitatively assesses physical and transition risks whenever they are considered material for the issuer.
- An ad hoc measurement indicator deployed by the Risk Management Department and applied across all LBP AM investments.

As part of a risk management framework reviewed annually, the management of physical, transition and controversy-related risks linked to climate issues is supported by several elements of LBP AM Group's investment strategy:

- The portfolio transition strategy implemented through LBP AM's commitment to the Net Zero Asset Managers Initiative (NZAMI). This strategy, aimed at progressively aligning the company's investments with the objectives of the Paris Agreement, was formalised in 2022 through a commitment to achieve net-zero alignment for 80% of assets under management by 2030;
- Sector-based exclusion policies relating to coal, oil and gas, which help control the company's exposure to sectors that are highly exposed to transition and reputational risks. The objective of this approach is to avoid reinforcing lock-in effects in regional economies and investee companies linked to fossil fuel energy. From a financial perspective, the objective is, where relevant, to avoid increasing exposure to stranded assets or declining carbon-intensive activities that would result from a successful energy transition, as advocated by the IPCC.
- The engagement and voting policy incorporate several elements contributing to the management of climate risk within portfolios. In line with its transition ambition, LBP AM carries out active engagement with companies to encourage them to initiate or accelerate the transition of their business models, notably through the formalisation of robust transition plans.

LBP AM Group entities apply complementary approaches for certain specific products:

→ **For funds holding the French SRI Label** As well as funds applying an ESG selection criterion based on the GREaT rating, where specified in the product's pre-contractual documentation (notably within the SFDR annex), security selection is based on GREaT ESG ratings through best-in-class or best-in-universe strategies. The constrained application of these strategies within funds tends to underweight the most exposed issuers. In addition, since January 2025, SRI-labelled funds have incorporated, within high climate-impact sectors, a minimum investment objective in companies with a credible transition plan.

> **« For LFDE impact funds, proprietary scoring methodologies fully integrate climate-related issues by rewarding companies that contribute to sustainable development objectives and penalising those whose activities have a negative impact on the climate. »**

Luc Olivier
Manager of the Echiquier Positive Impact Europe Fund

- Within the "SDG Score"
  Climate-related criteria are incorporated into the positive selection of companies through the "Solutions" Score for issuers contributing at least 20% of their revenue to the United Nations Sustainable Development Goals, including:
  - SDG 7: Affordable and Clean Energy
  - SDG 11: Sustainable Cities and Communities
- This dimension is also reflected in the "Initiatives" Score, for example through the positive assessment of ambitious carbon-neutrality strategies and the use of renewable energy by companies.
  As the SDG Score is a net contribution score, companies whose products and services—as well as business activities - have a negative impact on climate change are penalised.

Focus on

Biodiversity risk management

The analysis and monitoring of biodiversity-related risks are carried out through the following mechanisms:

- The proprietary GREaT ESG rating methodology incorporates indicators covering biodiversity issues. These indicators are included within the "Biodiversity and Water" and "Pollution and Waste" criteria, which are part of the "Sustainable Resource Management" pillar. In this pillar, the internal BIRD indicator is also included; it assesses companies according to their practices in transitioning towards less impactful business models for nature. For private European funds, nature and biodiversity issues are covered through a proprietary analysis framework using data obtained directly from companies.
- ESG materiality analysis, integrated into the financial analysis carried out by research and portfolio management teams, qualitatively assesses physical and transition risks whenever these are considered material for the issuer.
- The biodiversity thematic policy is based on a measure of biodiversity-related risks and dependencies from the ENCORE database, which measures the ecosystem services required for the successful performance of an activity using five different degrees of materiality, ranging from Very Low to Very High. These materiality levels are then converted into a quantitative scale, making it possible to calculate an average portfolio materiality score for each ecosystem service.

> **« A thematic exclusion applies to companies active in deep-sea mining, as well as to all deep-sea mining projects. »**

The management of biodiversity-related risks is supported by several elements of the investment strategy implemented by the LBP AM Group:

- The biodiversity exclusion applies to companies belonging to sectors with high nature-related stakes — energy, agrifood, materials, transport and services to local authorities — that have not implemented policies and actions enabling them to manage and reduce their impact on nature. The pesticide and deforestation thematic policies respectively target pesticide producers, and companies exploiting and/or trading commodities directly involved in deforestation risk and that have not implemented a robust risk prevention policy. Finally, a thematic exclusion applies to companies active in deep-sea mining, as well as to all deep-sea mining projects.
- The engagement and voting policy aims to support companies in improving their understanding and management of biodiversity-related issues. LBP AM has adopted a sector-based approach to optimise the effectiveness of this process. Two sectors are selected over a period of 2 to 3 years, during which the company supports priority companies, taking into account their positioning and the exposure they represent within LBP AM portfolios. In addition, engagement actions targeting the absence of sustainability indicators on nature-related risk management issues, in connection with the specifications of the French SRI Label, are systematically initiated for the funds concerned if the issuer is deemed material.

The LBP AM Group's asset management companies apply complementary approaches for certain specific products:

- **For funds with the SRI Label**, as well as funds applying an ESG selection criterion based on the GREaT rating, where applicable as specified in the financial product's pre-contractual documentation, and in particular in the SFDR annex, security selection based on GREaT ESG ratings is carried out through best-in-class or best-in-universe strategies. The application of these strategies in a binding manner within fund management tends to underweight the most exposed issuers.
- **For funds with a French SRI Label**, sustainability indicators may relate to themes linked to risk management policies for deforestation and water, or to biodiversity footprint measurement. The indicators selected must meet performance levels relative to the fund's benchmark index/universe.
- **For LFDE impact funds**, proprietary scoring methodologies include a focus on managing biodiversity-related risks. Within the "SDG Score", in addition to climate-related criteria, the biodiversity theme is incorporated into several criteria of this score, whether in the analysis of products and services distributed by the company ("Solutions" Score) or in the analysis of responsible business conduct ("Initiatives" Score).

03

Focus on the **environment**

Across all its management activities, the group implements an environmental policy to support the energy transition of the real economy, ensure sound climate risk management and contribute to the preservation of life. LBP AM and LFDE's range of environmental theme funds, invested in green or transition assets, enables clients who so wish to contribute directly to protecting the environment and/or gain exposure to these assets of the future. This chapter presents the group's climate and biodiversity policies and how they were strengthened in 2025.

3.1

Climate policy

The investment activities of LBP AM and LFDE are affected by climate issues in two ways:

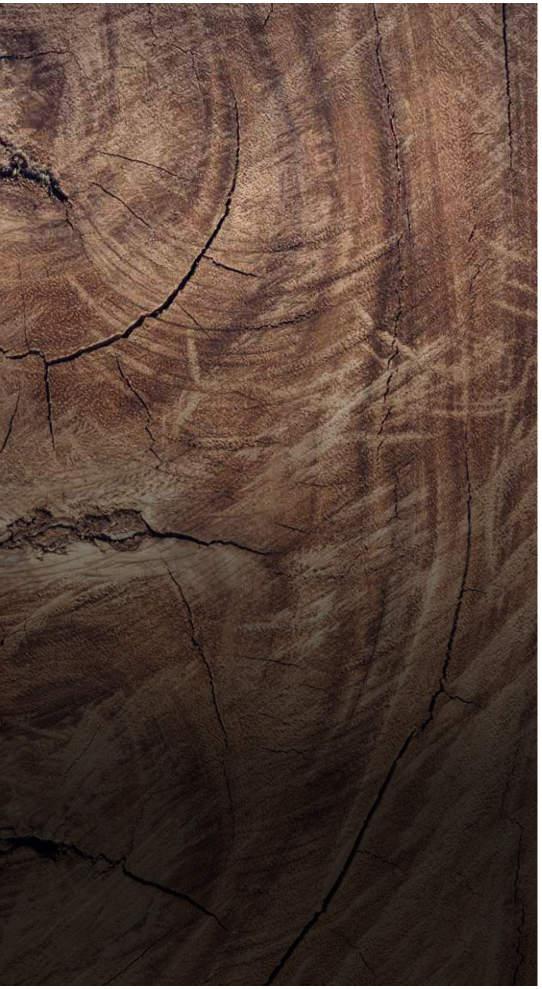
- **Asset management activities can have an impact on the climate**, for example by offering investment products that directly contribute to financing activities that mitigate climate change, investment products geared towards companies with robust transition plans that are resilient to climate risks, by encouraging companies to adopt such strategies, and by deciding whether or not to finance new assets that are incompatible with the energy transition needed to mitigate climate change.
- **Climate change has an impact on people**, ecosystems and economic life, which in turn affects portfolios, for example through the increased risk of natural disasters affecting companies, new regulations requiring them to reduce their greenhouse gas emissions, etc.

The LBP AM group's climate policy defines how climate issues are integrated into its asset management, with a view to contributing to the energy and ecological transition needed to combat climate change and managing the financial risks arising from it. In line with its membership of the major public financial center, its ambition in this area is to make its investments compatible with carbon-neutral development by 2050 and resilient to climate change.

To this end, the policy is based on five levers on which the LBP AM Group is committed to acting:

- **Optimize** the choice of companies and sectors in the portfolio to reduce exposure to climate risks and aim for carbon neutrality in portfolios by 2050, through climate risk monitoring and integration into investment selection;
- **Strengthen** investments in companies and projects that provide solutions for the energy transition through dedicated offerings;
- **Reduce** exposure to high-carbon assets that are not committed to the transition and do not implement mitigation measures supported by a credible action plan, through the exclusion policy;
- **Engage** and support investee companies in their energy transition and adaptation to the effects of climate change through engagement and the integration of this issue into the investment selection process;
- **Encourage**, at its level, the development of a political and regulatory framework conducive to the transition, in line with international, European and national objectives on climate change mitigation and adaptation, through its advocacy policy. The LBP AM Group supports regulatory initiatives aimed at strengthening the action of companies, including financial companies, in the fight against climate change.

1 https://www.lbpam.com/publication/ComplianceDoc/Politique_climat_lbpam.pdf



3.1.1 A strategy to achieve carbon neutrality

In line with our ambition, the LBP AM Group joined the Net Zero Asset Managers Initiative (NZAMi) in 2021 in order to align its asset management with a greenhouse gas emissions management trajectory compatible with the Paris Agreement's goal of "pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels." Within this framework, in 2022 it defined and published an ambitious decarbonization trajectory for the investment portfolios it managed through its two management companies, LBP AM and Tocqueville Finance, including open-ended and dedicated funds across all asset classes, with the aim of achieving carbon neutrality by 2050. This roadmap was extended to La Financière de l'Échiquier (which had also previously been a member of the NZAMi) in 2025. It is currently based on the milestones set out below.

The measurement and definition of this target are based, where possible, on the voluntary framework of methodologies established by the Science Based Target Initiative for Financial Institutions. The scope of application of these methodologies is not exhaustive and does not currently cover investments in sovereign debt and similar instruments or the financing of certain infrastructure projects, which are therefore not included in the scope currently available for measuring the achievement of the LBP AM Group's aggregate target. In this context, the group may need to review its target in line with changes in the scope of the group, in particular to facilitate the coordination of the objectives of its management company subsidiaries.

The methodology currently used by the LBP AM Group to define and assess the overall alignment of its assets invested in listed equities and corporate bonds is the methodology proposed by the SBT initiative known as "portfolio coverage," which consists of recognizing as aligned investments in companies that have themselves set science-based decarbonization targets. This overall alignment trajectory for the LBP AM Group's assets under management is supplemented by a sub-target, set independently as part of its sector policy and in support of the above-mentioned overall objective, to achieve 100% of total assets under management with a GHG emissions trajectory compatible with the Paris Agreement targets within the oil and gas sector by 2030. The sectors involved in energy supply are particularly critical to the transition of the real economy, which also involves a major shift in energy demand.

Strategic management of the achievement of these objectives is carried out through a "Transition Plan," a forward-looking strategic document describing the decarbonization objectives for investments and the associated action plans for all business lines and support functions. The LBP AM Group's climate policy and transition plan are closely aligned in terms of decarbonization but do not entirely overlap, with the climate policy describing the measures applicable to date across all climate-related dimensions and the transition plan setting out medium-term decarbonization targets and how to achieve them. In line with this roadmap, work was carried out in 2025 to ensure the regular monitoring of the effective alignment of assets under management with the transition of the economy. The results are reported on a regular basis to the Sustainable Finance Committee, and the main findings are also shared with the LBP AM Group's governance bodies and shareholders. The key milestones of the Group's transition plan are also subject to consolidated monitoring. Work was initiated in 2025 to ensure regular reporting to the Executive Committee, notably through an ESG dashboard.

2030

80%
of total assets under management in line with the 2050 carbon neutrality target.

2040 Ambition

100%
assets under management in line with the 2050 carbon neutrality target.

2050 Ambition

Neutrality
Carbon emissions of assets under management.

For more information

Climate policy

Transition plan - La Banque Postale

3.1.2 Optimise the choice of companies and sectors in the portfolio to reduce climate risks

Improving the climate profile of LBP AM and LFDE portfolios relies on the implementation of climate-related monitoring indicators applied across assets under management and strategy-specific.

Climate-related information is systematically integrated into investment monitoring through the assessment of transition plan quality, based on a proprietary approach developed in 2024 and incorporated in 2025 into the Energy Transition and Economic Transition pillar of the proprietary GREaT ESG assessment framework. This proprietary data is therefore used directly across all ESG-managed funds within the Group. In addition, the Group monitors the exposure of all portfolios to climate risks and implements associated engagement measures as part of its conventional risk management framework. Since 2025, the Group has monitored the alignment of its assets under management with decarbonisation pathways consistent with the objectives of the Paris Agreement, in line with its objective of aligning 80% of assets under management with a decarbonisation pathway compatible with the Agreement's objectives. These indicators are reported regularly to the Sustainable Finance Committee and integrated into strategic steering. Finally, a large number of LBP AM and LFDE strategies include specific allocation objectives linked to one or more climate indicators: carbon footprint, alignment of GHG reduction targets of financed assets, and quality of transition plans.

Cross-functional integration of climate performance through the Transition Plan Score, embedded in GREaT scoring

The climate analysis carried out by LBP AM and LFDE is based on the E pillar of the GREaT methodology, which translates the quality of each issuer's climate strategy within the investment universe. The score assigned under this pillar has a direct impact on an issuer's overall GREaT rating, which is used on a day-to-day basis to apply ESG selectivity rules in SRI funds managed by LBP AM and LFDE. This rating provides a systematic assessment of the robustness of issuers' climate strategies by critically reviewing their operations, products and services. In 2024, a proprietary indicator assessing the quality of transition plans, the Transition Plan Score, was developed and made available to all fund managers. In 2025, a new milestone was reached through its direct integration into the LBP AM Group's holistic ESG rating framework, GREaT, as part of the broader enhancement of the model.

Transition Plan Scoring

A proprietary methodology for analysing companies' transition plan

A transition plan is a forward-looking document established by a company that sets out its decarbonisation objectives and details the actions implemented to achieve them, as well as the governance framework in place to support them.

As part of its ambitious commitments to achieve carbon neutrality by 2050, the LBP AM Group strengthened its climate assessment framework in 2024 with the launch of the Transition Plan Score (TPS). This innovative proprietary tool assesses corporate transition plans on a large scale, systematically and regularly, making it possible to incorporate an assessment of companies' alignment with international climate objectives into the portfolio construction and monitoring process.

Developed in line with emerging international standards for the disclosure and assessment of transition plans, the methodology is structured around the analysis of three dimensions:

- **The ambition of short-, medium- and long-term decarbonisation targets**.
- **The concrete operational measures implemented** to deliver the strategy, including the allocation of investments dedicated to decarbonisation.
- The governance and effective monitoring of action plans.

> **« More than 5,000 companies are subject to regular assessments, based on nearly 45 underlying indicators sourced from recognised organisations such as CDP (Carbon Disclosure Project), MSCI and the SBTi. Thanks to these semi-annual assessments, the Transition Plan Score provides altogether an overall rating, ratings for each of its underlying dimensions, and specific alerts (red flags) on critical issues that may indicate risks or weaknesses in the quality of the transition plans assessed. »**

Julien Girault
Climate and Energy Transition Lead

These alerts help guide additional qualitative analysis and engagement actions with companies in order to address the weaknesses identified in their transition plans. This is particularly relevant for SRI-certified funds managed by the LBP AM Group. Indeed, in 2025, around one hundred SRI-certified funds were connected to this framework to ensure that, by January 1, at least 15% of issuers in high-impact sectors had a transition plan considered "credible with regard to the objectives of the Paris Agreement", and that 20% were subject to engagement activities.

As part of its continuous improvement approach, in 2025 the Group also initiated work to submit its TPS methodology to an independent critical review through the ACT Review process developed by the ACT initiative. This review will be carried out in 2026 by ADEME subsidiary ACT Solutions.

Measuring the carbon footprint of investments

The carbon footprint of investments, expressed as carbon intensity, corresponds to the GHG emissions of investee companies, measured in tonnes of CO_2 equivalent (tCO_2e) and adjusted for the amounts invested. This metric has long been available through investment monitoring tools for fund management teams and is communicated annually in the reporting of each SRI-certified fund. However, it is not currently used as a consolidated steering indicator at the level of the management companies or the LBP AM Group.

Methodology applied

To measure the volume of GHG emissions (scopes 1+2+3) of each issuer in the portfolio, LBP AM and LFDE use data provided by MSCI. Scope 3 emissions are included in order to provide an overview of the company and its value chain, despite the limitations associated with the quality of the information disclosed on this scope. For GHG emissions, MSCI uses three different methods, based on:

- information disclosed by the companies themselves;
- of the energy production model (methodology reserved for electricity producers using the energy mix);
- sector-specific modelling. This approach is preferred for companies that do not publish any information on their GHG emissions.

Based on the emissions of each company in which it invests, the group calculates the share of these emissions attributable to its portfolios, in proportion to its level of ownership in the financial structure of these companies. These tons of emissions "attributable" to LBP AM or LFDE are then converted to per million euros invested, to enable comparison between portfolios and over time.

Alignment of portfolios with the Paris agreement targets

The methodology currently used by the group on listed portfolios to report an overall level of climate ambition is the "Science Based Targets - Portfolio Coverage" (SBT-PC), which aims to gradually increase over time the proportion of assets invested in issuers committed to a decarbonization trajectory and having validated their target as aligned with climate scenarios by an independent body (the SBT initiative, for example). According to this market-based method, if a company has issued a decarbonization target validated by the SBTi, the assets invested in that company are considered aligned.

The Group uses external data and assessments for this purpose, purchased from CDP via a database called CDP Temperature Ratings. This database contains all the data published by the SBT initiative and supplements it with an assessment of the statements made by companies that have responded to their own annual climate change questionnaire. As a result, all data used in the Net Zero alignment analysis is data published by companies as part of their SBTi target or in their annual reporting to CDP.

Each fund manager can monitor the level of alignment of each fund through the SRI management platform, GREaT 360. An aggregated assessment is also carried out on a regular basis, particularly for the governance bodies and shareholders of LBP AM, enabling them to monitor and steer the Group's portfolio alignment objective. As of December 31, 2025, the portfolios of LBP AM and LFDE achieved 53% and 55% Net Zero alignment respectively within the scope of application, corresponding to 53% at Group level. However, there are methodological limitations to the scope of application of the SBTi methodology, particularly for asset classes and sectors for which no SBT assessment methodology is currently available.

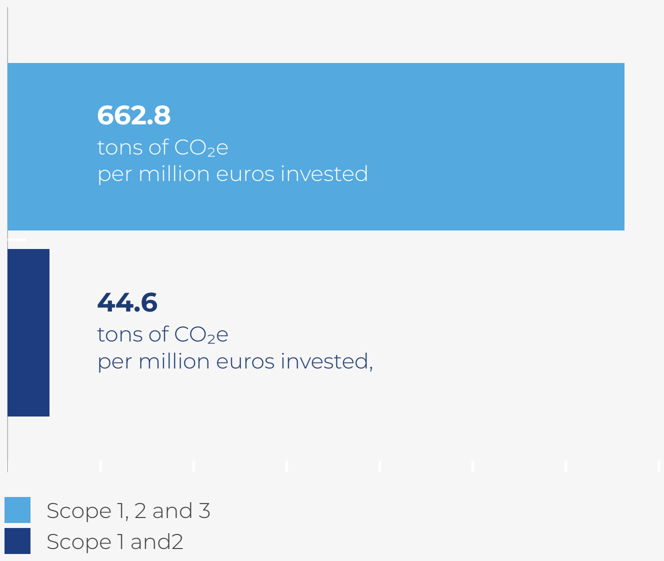
Climate risk management

Climate risk is considered by central banks to be a systemic risk that could affect the stability of the global financial system. Some central banks (e.g. The European Central Bank and the Banque de France) have launched programs to develop and improve climate risk assessment approaches. Methodologies for assessing the effects of climate change and the energy transition are still in their infancy, but they do enable an assessment of portfolios' main exposures to physical risks, i.e. the negative effects of climate change, and transition risks, i.e. policy measures and changes in consumer appetite to combat global warming.

As of December 31, 2025

As of December 31, 2025, the carbon footprint of the LBP AM Group amounted to 662.8 tons of CO_2 per million euros invested for Scopes 1, 2 and 3 combined. For Scopes 1 and 2, the carbon footprint amounted to 44.6 tons of CO_2 per million euros invested.

This calculation is based on information available for 95.8% of portfolio issuers for scopes 1 and 2, and 93.5% for scope 3.



Focus

Climate risk management

LBP AM and LFDE analyse and monitor issuers' climate risks using the following elements:

- **Proprietary ESG rating methodology**, GREaT, incorporates climate risks into its "Energy Transition" pillar based on indicators provided by MSCI ESG and ISS ESG. For private asset funds, the indicator is calculated using a proprietary analysis grid, with data obtained directly from companies.
- **ESG materiality analysis**, which is integrated into the financial analysis carried out by the fundamental and sustainable research team for bond management, qualitatively assesses physical and transition risks when these are considered material for the issuer.
- **Ad hoc measurement indicators**, are applied across all Group investments.

With a risk management framework reviewed annually, the management of physical, transition and controversy risks related to climate issues is ensured by several elements of the investment strategy deployed by LBP AM and LFDE:

- **Security selection based on GREaT ESG ratings** for SRI funds. The binding application of these strategies in fund management tends to underweight the most exposed issuers
- **In addition**, **qualitative analysis** carried out by the research and management teams enables fund managers to identify the most exposed issuers in order to make investment decisions accordingly
- **La stratégie de transition des portefeuilles déployée dans le cadre de l'engagement de LBP AM - LFDE auprès de la Net Zero Asset Managers Initiative (NZAMI).** This strategy aims to align the company's investments with a 1.5°C trajectory, as reflected in the LBP AM Group's goal of achieving "net zero" alignment for 80% of assets under management by 2030;
- **Sector exclusion policies on coal, oil, and gas** enable the company to control its exposure to these sectors, which are highly exposed to transition and reputational/litigation risks. The societal objective of this approach is to avoid exacerbating the lock-in effects of regional economies and companies invested in fossil fuels. The financial objective is, depending on the operating cost of assets and their position in the value chain, to avoid increasing the risk of stranded assets or a decline in carbon-emitting business activities that would result from a successful energy transition, as recommended by the IPCC.
- **The engagement and voting policy** incorporates several elements that contribute to managing climate risk in portfolios. In line with its transition ambition, the LBP AM Group pursues an active engagement policy with companies to encourage them to initiate or accelerate the transition of their business models, in particular through the formalization of robust transition plans.
- **The climate risk assessment of portfolios** is carried out using a cross-functional climate management tool that enables risk analysis at different scales and from different angles, including risk quantification, scenario analysis, risk breakdown by portfolio, and identification of the main contributors.

Physical risk assessment

For the analysis below, the LBP AM Group uses the MSCI ESG provider due to the transparency and granularity of its methodology.

Analysis of methodology
The MSCI method determines the present value of the costs incurred by an issuer in the event of physical damage to its assets resulting from acute weather events (cyclones, heat waves, tsunamis, floods, etc.) and/or chronic events (sea level rise, drought, extreme heat and cold spells, heavy precipitation, heavy snowfall, high winds, etc.), assuming that climate hazards will continue along the same trend. The costs associated with the loss of income resulting from the interruption of business following such weather events are also taken into account in the assessment.

Chronic risks mainly manifest themselves in reduced productivity or employee availability, as well as temporary interruptions in production, and are modeled by extrapolating historical data.

Acute risks are modeled using climate models similar to those used by the insurance and reinsurance industry to estimate direct or indirect material costs based on costs recorded for past disasters.

The estimated materiality of physical risks depends on three factors:
- the vulnerability of a given issuer's assets to climate hazards, which estimates direct (damage, destruction) or indirect (temporary interruption of production due, for example, to employees being unable to reach the site...) material impacts;
- the geographical exposure of the activities, resources and employees associated with a given issuer;
- the probability of the climate event occurring. LBP AM and LFDE calculate the share of costs associated with the various climate risks attributable to its investments, then add up the costs by risk category to estimate their weight relative to the total value of the portfolio.

Climate risk cost as a percentage of eligible assets covered

$$= \frac{\text{Total risk cost}}{\text{Eligible assets covered}}$$

Analysis result

This method estimates this risk at -0,3% of the value of assets under management. This analysis is based on information provided by MSCI ESG on more than 97% of assets invested in assets eligible for measurement.

Transition risk assessment

For the analysis below, the LBP AM Group uses the MSCI ESG provider due to the transparency and granularity of its methodology.

Analysis of methodology

Transition risks are those that could arise from the various policies implemented by governments and international organizations to ensure a transition that enables the Paris Agreement targets to be met. To assess political risks, MSCI ESG uses as a starting point the commitments made by governments in 2015 to reduce their greenhouse gas emissions by 2100 in order to estimate the share of GHG emissions reductions that should be achieved by each sector within each country. It then assigns an emissions reduction trajectory to each company based on its geographical location and market share. Finally, multiplying the required GHG reduction by an estimated price of CO_2 allows a final cost to be calculated.

Results of the analysis

The impact of transition risk on the level of assets under management is estimated at -9.42% for the LBP AM Group.

Global results

Overall, the impact of climate risks is estimated at -8.18% of the value of the portfolios for the LBP AM Group, broken down as follows:
- Political risk related to regulatory changes (transition risk): -9.42%
- Physical risk related to climate hazards: -0.30%
- Technological opportunities thanks to revenues generated by low-carbon activities and the holding of patents related to greenhouse gas reduction: 1.54%

These risks are partially offset by green opportunities that will emerge from investments in companies that are "enablers" of the energy transition, according to MSCI ESG's methodology. These results are based on information available for more than 97% of assets invested in assets eligible for measurement. A methodological review has been carried out and may explain differences in the magnitude of the figures observed between financial years. As a result, the LBP AM Group does not present historical information on this indicator, as comparisons would not be meaningful.

Engagement on physical risks and adaptation

Adaptation to climate change and resilience to physical risks are among the key priorities of the engagement policy implemented by the LBP AM Group. The Group encourages companies to understand their risks, reduce them through adaptation measures, strengthen their resilience to climate change and implement long-lasting, structured steering.

In 2025, the LBP AM Group launched a pilot project aimed at testing the feasibility of these expectations and companies' responsiveness. The sample selected was composed of companies most exposed to the physical risks identified within portfolios at the time the policy was released. This selection was based on the tool developed by risk management to monitor the level of exposure of assets under management to climate risks. The analysis focused on four criteria:

- Reporting exposure to physical risks, in line with TCFD recommendations;
- Identifying and prioritising future risks based on at least one pessimist climate scenario (SSP5/RCP 8.5 from the IPCC), taking into account value chain, sites and products and services;
- Reducing physical risks by implementing an adaptation plan based on the ADEME "flexible pathway" methodology;
- Managing risks over time through dedicated governance enabling the action plan to be monitored.

The dialogue conducted with companies highlighted generally heterogeneous practices and varying levels of maturity across the assessment criteria. All companies assessed have an organisation for physical risk governance aligned with the Group's expectations and reporting of exposure is overall satisfying. However, maturity gaps are more pronounced regarding the identification and prioritisation of future risks and, above all, the reduction of physical risks and the implementation of adaptation measures.

The most advanced actors rely, for example, on a comprehensive roadmap and specific adaptation plans covering all exposed assets (an asset-by-asset approach), develop decision-support tools to identify adaptation solutions based on vulnerabilities, geographical areas and business activities, and use extensive data analysis to assess risks throughout the value chain. Conversely, less mature actors do not yet have adaptation plans and do not integrate the value chain into their risk management processes.

This engagement campaign enabled the launch of a structured dialogue with companies, the establishment of an initial assessment and the identification of good and poor practices. In 2025, the LBP AM Group therefore assessed companies' positioning with regard to these practices and defined the priority engagement themes that will be rolled out in 2026.

3.1.3 Strengthening investments in companies that provide solutions for the energy transition

Assets under management in favour of the energy transition

As of December 31, 2025, €4.78bn in assets under management (equity funds) were exposed to securities and projects providing solutions for the energy transition through their product and service offerings, as identified by the taxonomy defined by the Greenfin state label.
In addition, a detailed presentation of assets invested in sustainable investments contributing to European environmental objectives, as defined by the Taxonomy Regulation (Regulation (EU) 2020/852), is provided in Part 4 of this report, in Table 1.5 "European taxonomy and fossil fuels." The growth of assets invested in energy and ecological transition solutions, identified according to official taxonomies, is a long-term challenge for LBP AM and LFDE's climate strategy. This is reflected in the creation of dedicated listed and unlisted thematic funds that enable investors to gain exposure to these assets of the future.

Strategies dedicated to financing the energy transition

The LBP AM Group manages and markets three funds whose investment strategy focuses on energy transition and environmental protection: LBP AM SRI Actions Environnement, LBP AM SRI Global Climate Change and LBP AM Infrastructure Debt Climate Impact Fund.

LBP AM SRI Actions Environnement
This fund has been awarded the Greenfin label created by the French Ministry for Ecological Transition. It enables clients to contribute to the decarbonization of the economy while gaining exposure to the performance of European equity markets.
The companies in which the fund invests must belong to one of the six identified environmental themes (environmental services and solutions, renewable energies, circular economy, sustainable transport and mobility, green buildings, sustainable agriculture and food), which correspond to the Greenfin label classification.

LBP AM SRI Global Climate Change
The companies in which this SRI-certified fund invests must meet two requirements: they must belong to one of the six environmental themes (sustainable agriculture and food, green buildings, circular economy, renewable energies, environmental services and solutions, sustainable transport and mobility); and obtain a rating considered positive in relation to the four pillars of the LBP AM Group's GREaT SRI analysis methodology.

BACK TO TABLE OF CONTENTS

LBP AM Infrastructure Debt Climate Impact Fund

This impact strategy aims to "contribute to achieving the Paris Agreement's goal of limiting global warming to at least 2°C by financing infrastructure that 1) contributes substantially to climate change mitigation or 2) commits to substantially decarbonizing its activity." This fund, classified as Article 9 under SFDR regulations, offers institutional investors senior debt financing in continental Europe and aims to contribute to the energy transition by targeting three sectors:

- renewable energy (solar panels, wind turbines, and the circular economy);
- electric transport (public transport, soft mobility, and rail transport);
- energy efficiency (smart grids, smart storage and meters, heat pumps, energy-efficient buildings).

It is backed by a robust mechanism for selecting, assessing and reporting the climate impact of assets, based on the European taxonomy of sustainable assets.

LBP AM Infrastructure Debt Climate Impact Fund

Launched in 2022 and classified as an Article 9 under SFDR, the Infrastructure Debt Climate Impact Fund finances exclusively infrastructure projects making a significant contribution to climate change mitigation, in line with the framework defined by the European taxonomy. The fund has set two clear objectives: to achieve 100% contribution to Objective N°1 of the European Taxonomy (climate change mitigation) and to reach a 70% alignment rate by the end of the investment period.

The impact strategy is based on a structured three-pillar framework: intentionality, additionality and measurement, inspired by the leading reference frameworks in impact investing. It draws in particular on the work of the Global Impact Investing Network (GIIN), Impact Frontiers, FIR - France Invest and the Institut de la Finance Durable.

Each investment is subject to an in-depth analysis incorporating the scope 3 carbon footprint, the portfolio and asset temperature alignment with the European taxonomy, complemented by an ESG assessment based on the proprietary GREaT methodology. Key climate indicators - avoided emissions and warming trajectory - are calculated using the CIARA tool developed by Carbone 4, ensuring the robustness and consistency of published results. This approach is further strengthened through an independent annual review of the impact report.

In 2024, 59.3% of the portfolio was aligned with the European taxonomy, reflecting continued progress towards the target objective. The financed projects helped avoid 21,304 tons of CO_2 emissions, while the portfolio's implied temperature was estimated at 1.63°C, well below the 2°C threshold and aligned with the Paris Agreement trajectories. The fund is therefore part of a continuous improvement approach, combining climate ambition, regulatory requirements and operational realities, while delivering transparent and useful information to investors.

> **« Taxonomy analysis is a demanding exercise, particularly from an operational and documentary perspective, notably with regard to the technical screening criteria and the Do No Significant Harm principle. The independent review of our impact report has enabled us to strengthen our methodologies and establish structured feedback with counterparties regarding project alignment, within a process of dialogue and continuous improvement »**

Bérénice Arbona
Head of Infrastructure Debt,
LBP AM European Private Markets

3.1.4 Gradually reducing exposure to fossil fuels

Given that two-thirds of global GHG emissions are linked to energy, in the IPCC's P2 scenario, the share of renewable energies in global primary energy production grows from around 15% in 2020 to 29% in 2030, reaching 60% in 2050. At the same time, the share of fossil fuels decreases from around 83% in 2020 to 67% in 2030, ending up at 33% in 2050. The share of coal in global primary energy supply will decline the most, followed by oil and gas.

The target energy mix defined by the IPCC underpins the development by the LBP AM Group of its sectoral policies on fossil fuels, which aim in particular to limit the exposure of all its entities to companies with the most serious and irreparable impacts on the climate. The LBP AM Group has defined thresholds for excluding investments in issuers that have not committed to energy transition or that exploit the most environmentally damaging resources. These sectoral policies were updated and aligned between LBP AM and LFDE during the 2024 financial year.

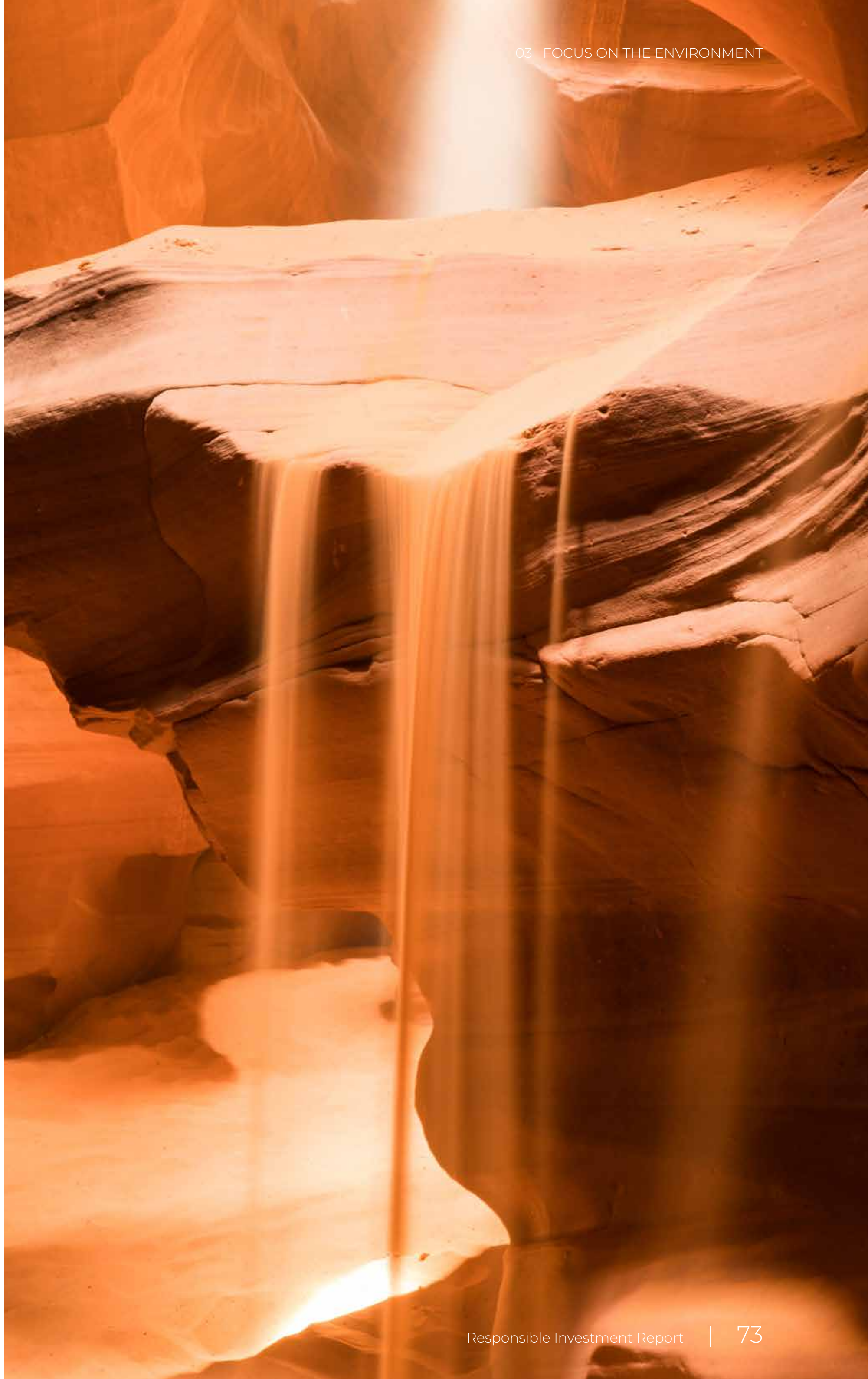
Thermal coal policy

Climate Analytics indicates that electricity producers and mining groups must eliminate thermal coal from their activities by 2030 in OECD countries and by 2040 in other countries worldwide. Furthermore, achieving the Paris Climate Agreement targets requires halting the development of new thermal power plants without CCS and phasing out existing plants[2].

On this basis, the thermal coal exclusion policy aims to completely end investments in mining or electricity production companies that have not committed to eliminating thermal coal from their operations by 2030 (for companies headquartered in an OECD country) and by 2040 (rest of the world).

Issuers currently involved in thermal coal development projects or the expansion of existing projects are systematically excluded.

2 Executive Summary – Phasing Out Unabated Coal: Current Status and Three Case Studies – Analysis - IEA



Other exclusion criteria, based on activity thresholds, are established according to the type of company and may be waived if the company has put in place a credible exit plan. The LBP AM Group has therefore implemented a specific engagement strategy for the issuers concerned. It is based on a qualitative analysis of the quality and credibility of these plans to determine the applicable treatment:

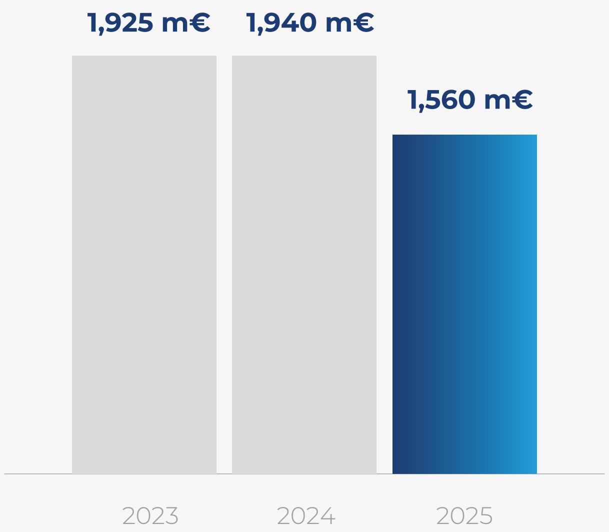
- **Favorable opinion:** If the plan is deemed credible, the company is exempt from exclusion for the current year and is subject to annual monitoring to ensure that the strategy is properly implemented.
- **Neutral opinion:** If the plan does not allow for a factual assessment of its credibility, the company is subject to a commitment to clarify it and decide on the waiver or exclusion by December 31 of the current year at the latest.
- **Unfavorable opinion:** If the plan reveals poor practices or if the commitment has not made it possible to make a factual decision on its credibility within the specified time frame, the company is excluded.

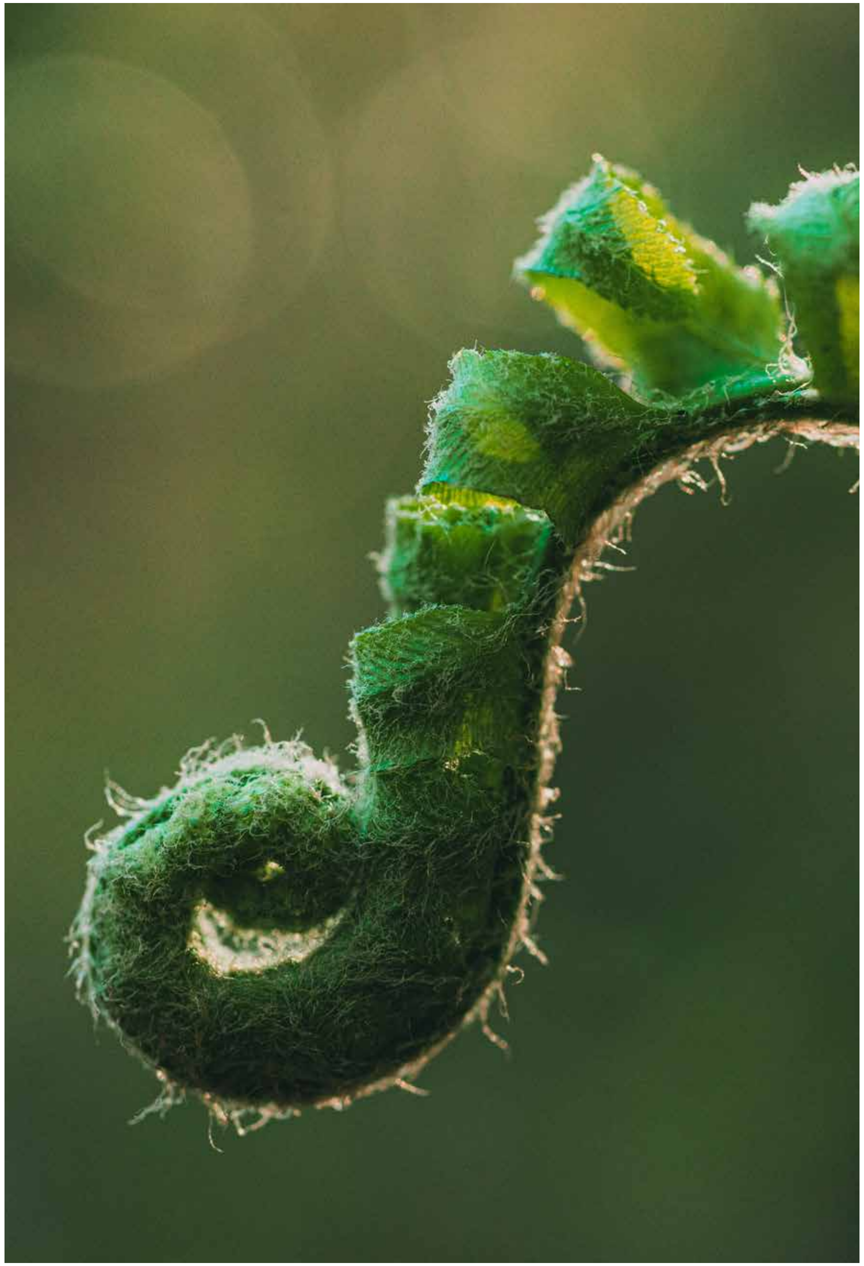
For more information

Exclusion policies LBP AM Group

The LBP AM Group's total exposure to companies directly exposed to thermal coal amounted to €1.56bn as of December 31, 2025 (€1.94bn in 2024), with 100% of these assets invested in issuers committed to an explicit thermal coal phase-out pathway.
The identification of companies exposed to thermal coal is based on S&P Trucost data to identify companies generating revenues from this resource, supplemented by the Global Coal Exit List developed by the German NGO Urgewald, which enables the identification of mining and electricity generation companies involved in new expansion projects, and companies generating more than 5% of their revenues from thermal coal. The S&P Trucost database used for this analysis is not publicly available and the LBP AM Group has not identified any risk of double counting.

Exposure to thermal coal





Oil and gas sector policy

In order to limit the rise in temperatures to 1.5°C by 2100, the energy scenarios proposed by the IPCC and the IEA[3] to meet the global carbon budget imposed by the 1.5°C target while ensuring continued economic growth and energy security, provide for sustained reductions in emissions from the oil and gas sector across the entire supply chain, from production to consumption, starting in 2020.

This is the energy transition from fossil fuels to carbon-free energies, accompanied by energy efficiency measures in all sectors that consume these energies. According to the IPCC, global oil and gas consumption must decrease by 60% and 45% respectively between 2019 and 2050 (60% and 70% respectively without CCS[4]).

According to the IEA, annual energy efficiency will improve by 4% per year until 2030 and oil consumption will decline by around 75% between 2022 and 2050, while gas consumption will fall by almost 80%[5] over the same period. This oil and gas demand trajectory implies that there is no need to explore for new resources and that no new fields are needed beyond those already approved for development in 2021. In this context, the LBP AM Group's sector policy on investments in companies and project companies operating (exploration, production, processing, transportation, refining, distribution, directly or as a partner or shareholder) in the oil and gas sector, which came into force in September 2022 and was updated in 2024, defines the principles applicable by management companies to:

- Promote and support the orderly and fair energy transition of the real economy, which is necessary to achieve the objectives of the Paris Agreement,
- Contribute to the management of climate-related financial risks – transition risks, legal risks and physical risks – for LBP AM portfolios.

This policy should enable us to achieve, by 2030, a sector allocation that is 100% aligned with an energy transition pathway in order to achieve the Net Zero target by 2050.

3 International Energy Agency
4 Carbon Capture and Storage
5 Net Zero Roadmap: A Global Pathway to Keep the 1,5°C Goal in Reach – Analysis - IEA

To achieve this target, three levers for action are being mobilized:

1. An exclusion policy

The LBP AM Group has defined exclusion thresholds for investments in issuers that have not committed to energy transition or that exploit the most environmentally damaging resources.

In concrete terms, this means that the LBP AM Group:

- excludes companies whose revenue is more than 20% exposed to unconventional energy sources (shale gas, oil from tar sands and heavy oil, deep-sea drilling, resources from the Arctic) and projects dedicated to these energy sources;
- excludes companies in the sector that are unable to complete their energy transition by 2030, insofar as they currently have no target for carbon neutrality for scope 1 and 2 emissions or no target for reducing scope 3 GHG emissions
- excludes new fossil fuel projects;
- does not refinance any existing projects in these energies whose energy mix is not aligned with that recommended by the IEA's Net Zero scenario.

2. An engagement policy

LBP AM and LFDE are developing a demanding shareholder engagement dialogue with oil and gas companies to support them in their energy transition.

LBP AM and LFDE ask companies to:

- Adopt and publish a transition strategy aligned with a 1.5°C scenario, based on comprehensive and transparent GHG emission reduction targets aligned with the goal of global carbon neutrality by 2050, using permanent, most readily available and least costly means as a priority;
- To shift their business model towards de carbonized energy and services, including ending exploration and development of new fields, with a milestone in 2025. From that date, the cessation of investment in the exploration of new oil and gas reserves and the approval of the development of new oil and gas fields will become a criterion for the disposal of portfolios on a case-by-case basis.

The LBP AM Group also requires transparency on the company's exposure to climate risks, as well as an energy transition strategy to manage them; particular vigilance regarding the development of unconventional energies; clear and consistent governance; and an influence policy that supports the energy transition.

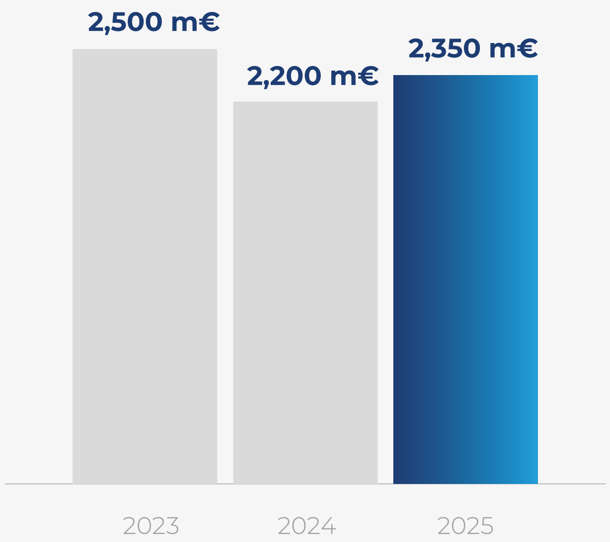
3. An analysis and selection policy

The LBP AM Group analyses all investments in projects and companies in the sector in terms of their level of alignment with the energy transition.

- Proprietary qualitative analysis: GHG reduction targets, transparency of the transition plan, climate impact of the levers used (dependence of the strategy on carbon offsetting, cessation of the development of new fossil fuel production capacities, and the share and evolution of investments in low-carbon resources), governance of the transition plan, assessment of its consistency and feasibility.
- In 2024, following the review carried out in accordance with its policy, the group decided to strengthen its selectivity grading for the sector by adopting enhanced selectivity for certain investment products:
  - SRI products: Integration of specific provisions related to national SRI labels (broad exclusions)
  - Open-ended credit funds: exclusion since 2025 of traditional debt from companies developing « new capacities »
  - Due diligence on SGP fossil fuel policies for fund selection and use in SRI Fund of Funds.

As of December 31, 2025, the LBP AM Group's exposure to issuers in the oil and gas sector amounted to €2.35bn (€2.2bn in 2024). This identification of companies exposed to oil and gas is based on data provided by S&P Trucost, enabling the identification of companies according to the share of revenues generated from extraction and/or the production of unconventional fossil fuels. As companies with exposure to unconventional energy sources are generally also exposed to conventional energy sources, the LBP AM Group therefore deducted its exposure to unconventional oil and gas from its total exposure to oil and gas.

Exposure to oil and gas



3.1.5 Supporting companies invested in the transition

An engagement policy in favor of the transition

Dialogue with issuers is an integral part of the Group’s climate strategy, as this approach can enable:

- to obtain additional information on an issuer's transition plan;
- to influence it in order to bring its climate strategy more into line with the Paris Agreement, in particular to encourage it to define, achieve and roll out its decarbonization objectives at all levels: activities, GHG scopes and timeframes;
- and, ultimately, to improve climate risk management.

It is implemented through various levers:

- voting at general meetings, for example in support of resolutions promoting greater strategic integration of climate issues;
- individual engagement to defining robust transition plans, in particular the implementation of the Group’s coal policy and oil and gas policy;
- collaborative engagement, used to achieve the same objectives.

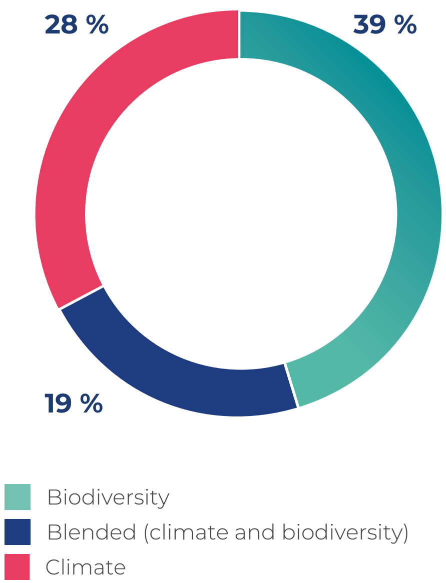
LBP AM and LFDE encourage companies to:

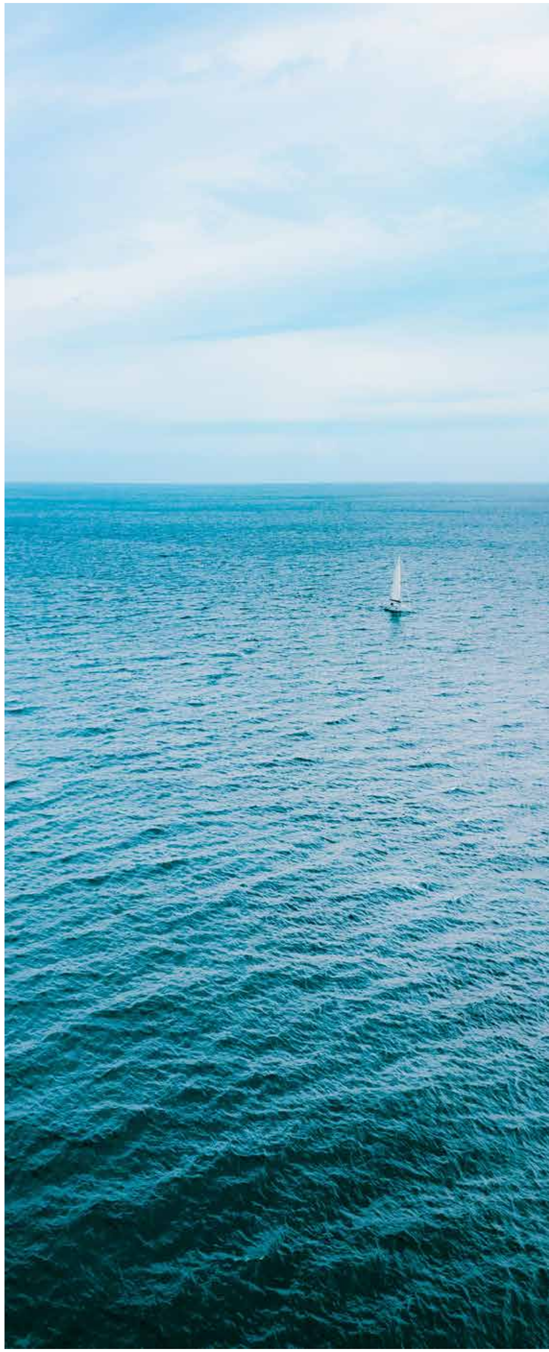
- Formalize robust transition plans that enable the implementation of a transparent and credible transition strategy in order to align their activities and practices over the long term with a scenario that limits global warming to 1.5°C.
- Regularly consult their shareholders on this transition plan and its implementation, in particular through dedicated climate resolutions submitted to a vote at the general meeting, commonly known as "Say-on Climate" resolutions (explained p. 51). These enable shareholders to vote specifically on companies' energy transition strategies and targets, and on their implementation during a financial year.
- Assess, reduce and report on their exposure to physical and transition climate risks, in particular by applying the TCFD reporting framework.

In 2025, the LBP AM Group communicated 86 areas for improvement on environmental issues to 68 companies, including 28 areas of improvement relating to climate and energy transition.

Environmental progress
areas defined in 2025

Breakdown by sub-topics (climate/biodiversity)





These engagements are conducted either bilaterally or jointly with other investors. The following are two examples of engagement initiatives carried out in 2025:

Collaborative engagement conducted through FIR and Climate Action 100+ coalitions with Engie

Since 2022, the LBP AM Group has participated **in a collaborative engagement campaign led by Responsible Investment Forum (FIR)** which aims to encourage the company to strengthen the comprehensiveness of its transition plan and resubmit it to a shareholder vote. The investor coalition noted significant progress made by Engie during 2022, including the validation of several carbon reduction targets by the SBTi initiative, which were considered to be aligned with a well-below 2°C pathway, but nevertheless wished the company to increase the transparency of its transition plan. The coalition therefore sent a letter to the Chairman of Engie's Board of Directors in 2023 and conducted engagement activities to discuss common issues addressed through the Climate Action 100+ initiative, together with other more specific topics.

As part of the continuation of this engagement campaign, the LBP AM Group, together with 15 other investors, co-submitted a resolution with a dual objective:

- to signal that a growing number of investors want the company to offer a regular Say-on-Climate advisory vote;
- to obtain sufficient information to assess this strategy with a 1.5°C scenario across its entire scope of responsibility (scopes 1, 2 and 3).

The engagement led to a significant improvement in the company's level of transparency and educational efforts regarding its transition plan ahead of the Annual General Meeting.

In addition, the LBP AM Group conducted another engagement initiative by participating in the **inclusion of an item on the agenda of the 2023 AGM** concerning indicators used to monitor the Group's climate strategy. This action resulted in discussions during the Annual General Meeting between management teams and shareholders on a range of topics, including the future of nuclear power in Belgium, prospects for the development of green hydrogen and biomethane, and the CO_2 market. The dialogue proved constructive, as the Board of Directors committed to improving shareholder dialogue on these topics, highlighting healthy shareholder democracy between Engie's Board of Directors and its shareholders.

In 2024 and 2025, the LBP AM Group continued its participation in the collaborative engagement campaign aimed at encouraging the company to strengthen the completeness and transparency of its transition plan.

Bilateral engagement with Michelin

In 2025, the LBP AM Group engaged with Michelin's CSR Director regarding the company's transition plan. Michelin has a mature climate strategy, with the validation by the SBTi in 2024 of new and more ambitious emissions reduction targets for 2030. Michelin is also continuing its efforts to reduce rolling resistance and increase the use of renewable and recycled materials.

However, the LBP AM Group identified areas for improvement, notably a need for greater transparency regarding scope 3 decarbonisation levers, physical risk management and the just transition. These topics are expected to be addressed in greater detail in future publications.

Focus

Private debt

Decarbonisation at the core of the Midcap Senior Debt (MSD) fund's sustainability-linked loans

Launched in 2022, the LBP AM Midcap Senior Debt (MSD) fund, classified as an Article 9 fund under the SFDR, is based on the use of Sustainability-Linked Loans (SLLs), which link financing terms to the achievement of measurable ESG objectives monitored over time. The KPIs defined within this framework systematically cover four key themes: decarbonisation, quality of working conditions, supply chain sustainability and value sharing, enabling a comprehensive and structured approach to issuers' ESG challenges.

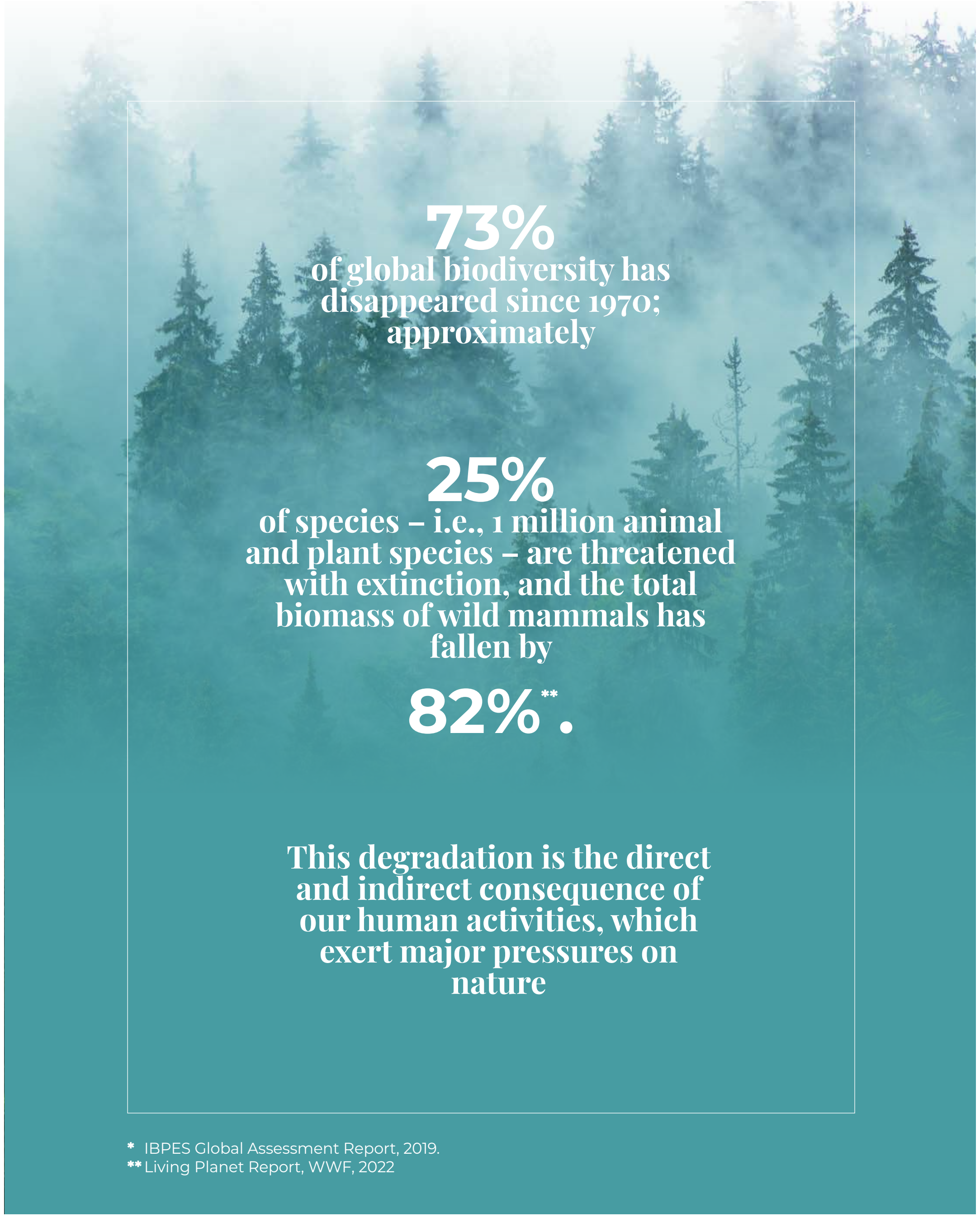
In 2025, the fund confirmed the strengthening of its strategy with 28 cumulative investments, representing more than €300m in assets under management. The ESG structuring is based on a robust framework, with a total of 84 KPIs defined, corresponding to approximately three KPIs per issuer, ensuring regular monitoring and review of extra-financial performance.

Among these KPIs, the climate dimension plays a central role. Twenty-three issuers have at least one KPI dedicated to decarbonisation, reflecting the widespread integration of these issues into new transactions. This progress is accompanied by a high level of execution, with most KPIs measured having been achieved or being on track against their predefined trajectories.

Regarding climate performance, the latest consolidated data relate to the 2024 financial year, which constitutes the latest point of complete analysis. As of that date, 15 of the 19 financed companies had one or more decarbonisation KPIs, and nearly 79% of issuers were committed to an explicit emissions reduction pathway. Emissions coverage is improving, with broader consideration of scopes 1 and 2 and increasing coverage of scope 3, which represents the largest share of companies' carbon footprints. In this context, the results observed are significant: financed emissions decreased by around 8% on a constant perimeter between 2023 and 2024, while the portfolio's carbon intensity markedly declined, driven by both the decarbonisation efforts of portfolio companies and the integration of new, lower-emitting companies.

« These developments confirm the role of SLLs as a structuring lever to guide companies towards transition pathways, while highlighting the importance of maintaining efforts, particularly in terms of comprehensive emissions coverage and strengthening the ambition of climate targets. The MSD fund provides a tangible illustration of private debt's ability to reconcile growing financing volumes with a meaningful contribution to the decarbonisation of the real economy. »

Isabelle Landes
Head of Corporate Direct Lending



3.2 Biodiversity policy

According to the latest scientific reports, biodiversity loss is reaching a critical pace: urgent action is needed to halt biodiversity loss in order to maintain a viable world by 2030. This is the aim of the United Nations Convention on Biological Diversity and its international Conference of the Parties (COP), as well as European and national policies. It is also an objective pursued by financial sector initiatives such as the Finance for Biodiversity Pledge, to which LBP AM and LFDE are signatories.

The LBP AM Group is actively involved in the work of this initiative, whose commitments inform its biodiversity policy:

- measuring its impact on biodiversity using a standardized biodiversity footprint measurement;
- setting targets to reduce this impact,
- publicly reporting on the actions taken by the company.

The biodiversity policy sets out the LBP AM Group's commitment to systematically integrate biodiversity preservation into its investment policy. In particular, the LBP AM Group is committed to:

- **raise awareness** and support companies with a high impact on or dependence on biodiversity in implementing a plan to manage their risks and impacts on biodiversity;
- **exclude** actors with a significant impact on biodiversity who have not put in place a remediation plan to address this;
- **integrate** biodiversity data points into investment decision-making tools;
- **implementing** measures to protect biodiversity within the LBP AM Group;
- **supporting** regulatory initiatives;
- **monitor** the biodiversity footprint of investments.

This policy contributes to 19 of the 23 target actions defined in the Kunming-Montreal Framework Agreement. The links between the actions taken and these targets are mapped out in the document.

For more information

LBP AM Group biodiversity policy

3.2.1 The exclusion policy and its implementation

LBP AM and LFDE are committed to excluding companies that have a significant impact on biodiversity and do not implement remediation plans. The "Biodiversity" exclusion list is compiled in two stages: a quantitative analysis based on three criteria to identify companies with a high impact on biodiversity, followed by a qualitative analysis of these companies' policies and practices (see details of the criteria on page 14 of the "biodiversity policy" document).

Thematic exclusion policies (deforestation, pesticides, deep-sea mining) and specific geographical exclusion policies for private assets shape the Group's actions and commitments to protect biodiversity.

Impact on biodiversity

Biodiversity exclusion applies to companies in sectors with high stakes in relation to nature: companies with a significantly higher biodiversity footprint than their peers are expected to have policies and actions in place to manage and reduce their impact on nature in order to demonstrate their transition to production methods with a lower impact on living organisms. If not, exclusion from the investment universe will be implemented.

Deforestation

For companies assessed as having a high risk of contributing to deforestation, either through their links to specific agricultural commodities (soy, coffee, palm oil, cocoa, rubber, wood and wood products, cattle and cattle products) or through their involvement in the mining industry, the LBP AM Group expects them to have adequate preventive measures in place. LBP AM identifies companies with a high impact on deforestation by cross-referencing several external sources (NGOs, CDP, MSCI...) and analysing their practices. Companies that produce or trade in high-risk agricultural commodities are excluded unless they have implemented a deforestation prevention policy aligned with the principles of the Accountability Framework and supported by external certifications (RSPO, RTRS, FSC...). Mining companies exposed to significant controversy are excluded unless they have implemented remediation and compensation measures, as well as measures to prevent deforestation in their activities.

Pesticides

Pesticides are recognized as having negative impacts on natural capital, including:

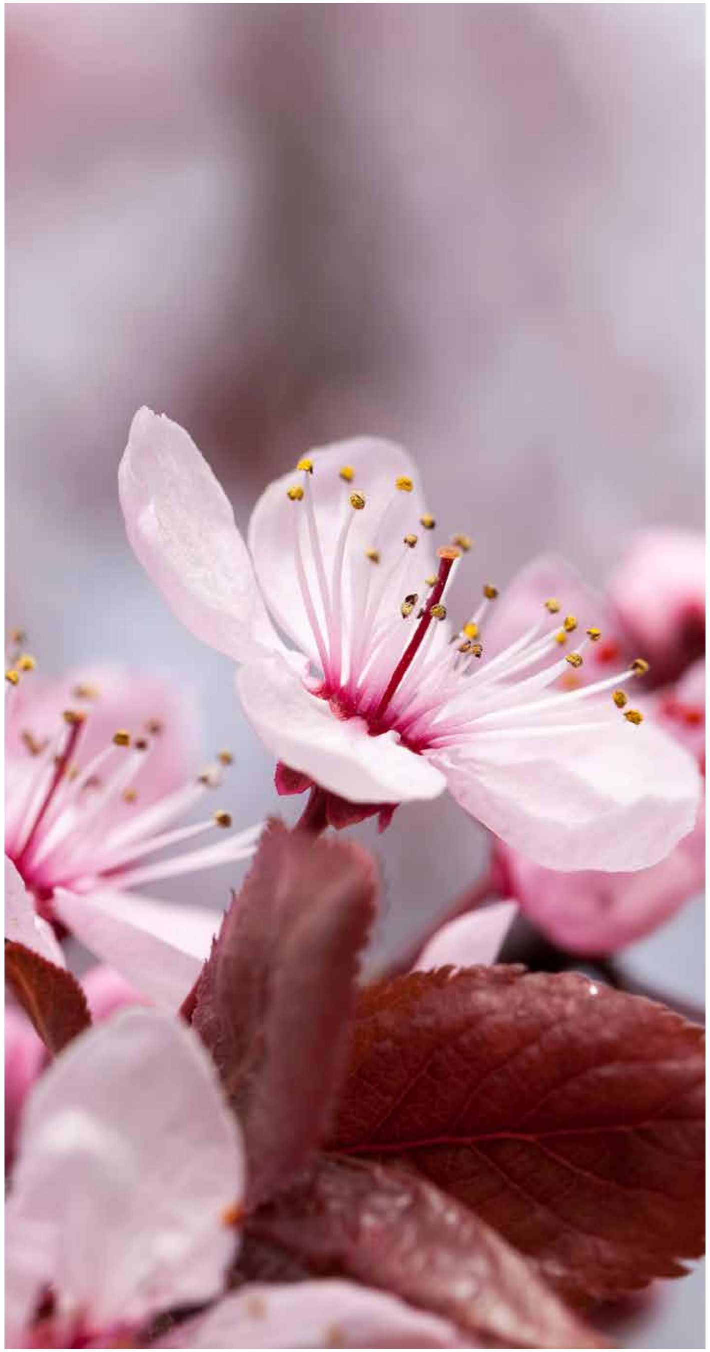
- The decline of insects and pollinators
- Disruption of biodiversity and ecosystems
- Water and soil pollution
- Impacts on human health

As a result, international targets exist to limit their use and promote more sustainable alternatives, such as the seventh target of the Kunming-Montreal Global Framework (2022), which aims to reduce the overall risk from pesticides and highly hazardous chemicals by at least 50%. On this basis, LBP AM and LFDE exclude all investments in pesticide-producing companies with more than 20% of their revenue coming from pesticides.

Deep sea minning

- The ocean is the largest ecosystem on the planet, covering more than 70% of its surface and hosting 80% of all life forms.
- One of the Sustainable Development Goals, SDG 14, aims to « Conserve and sustainably use the oceans, seas and marine resources for sustainable development. »
- Today, there is little independent scientific research on the biology, ecology, and ecosystem functions of the deep sea.
- As a result, several countries, including France, have come out in favour of establishing an international legal framework to end deep-sea mining.

On this basis, and in line with the precautionary principle, the LBP AM Group updated its biodiversity policy in 2025 to include the exclusion of companies whose activities relate exclusively or almost exclusively to deep-sea mining, as well as all deep-sea mining projects.



3.2.2 The selection policy and its tools

LBP AM and LFDE systematically integrate biodiversity into the management of their SRI funds through the proprietary GREaT investment rating system. It is also analysed within the "Sustainable Resource Management" pillar under a "Biodiversity and Water" criterion made up of indicators from three data providers, which assess companies' practices regarding land use, water use and their impact on biodiversity.

In addition, in 2023, LBP AM developed a biodiversity-dedicated tool: the Biodiversity Impact Reduction Disclosure (BIRD) score, which assesses companies' overall management of biodiversity issues across all sectors. This tool measures in particular:

- biodiversity governance (at Board or Executive Management level),
- public commitments or memberships in initiatives,
- the assessment of impacts across the entire value chain,
- the implementation of concrete actions,
- the use and transparency of performance indicators,
- public communication on the topic,
- the management of specific pressures (water, waste, deforestation, sensitive areas, etc.).

In 2025, this score was also directly integrated into the GREaT model criteria and therefore contributes to security selection across the entire universe of ESG funds invested in listed assets.

In addition, BIRD is used by LBP AM and LFDE in the management of thematic funds, in the identification of sustainable investments (SFDR) and may also support shareholder engagement actions. It is notably used in the Tocqueville Biodiversity ISR Fund, which invests in companies with exemplary biodiversity practices or offering solutions that reduce pressures on biodiversity, such as land artificialisation, resource overexploitation or pollution.

Focus

Biodiversity risk management

The LBP AM Group assesses and monitors its assets under management across the board for their impact on biodiversity and their dependence on the various ecosystem services provided by the investments in its portfolios.

To do this, the LBP AM Group uses the Biodiversity Impact Analytics database powered by the Global Biodiversity Score™ (BIA-GBS) developed by CDC Biodiversité and Carbon4 Finance.

Measuring the biodiversity footprint

The footprint assesses the impact of a company's activities on biodiversity in relation to four of the five pressures defined by IPBES (Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services), namely:

- Land and sea use change;
- Over-exploitation of natural resources;
- Pollution;
- Climate change.

The methodology for calculating the footprint measurement covers the entire value chain of the company being studied, and the analysis is carried out at the country level.

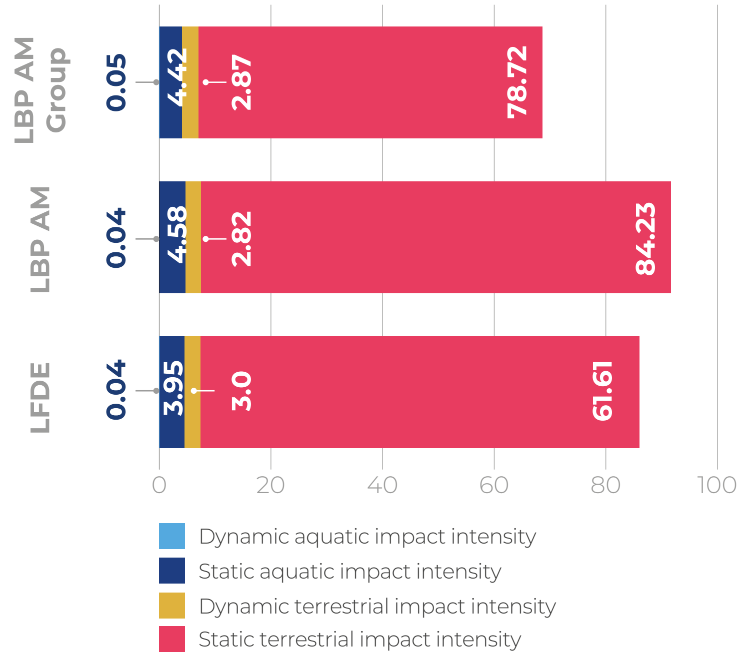
The biodiversity footprint is calculated for all equities and bonds issued by a company, as well as sovereign bonds. The biodiversity footprint is measured using the MSA (Mean Species Abundance) indicator. 1 MSA.km² lost is equivalent to the total concretization of 1 km² of virgin natural space. This model is based on estimates, fed by the GLOBIO model and the EXIOBASE database, although data on pressures reported directly by companies may also be used (i. e. carbon footprint).

In order to obtain a single global measure, a rescaling is carried out, resulting in the MSA.ppb, expressed per 1 million euros invested. These metrics can be broken down into two biomes, terrestrial and freshwater aquatic, and two timeframes, static impacts (i.e., the accumulation of degradation caused by the company's activities over the previous 50 years) and dynamic impacts (which correspond to the degradation caused during the year in question, reflecting the current business model of the company being studied). This unique measure takes into account all current and past impacts on the two biomes considered. It can be consulted and monitored across all funds in the LBP AM – LFDE range for convertible bonds, corporate bonds, sovereign bonds and equities. It provides information on the estimated biodiversity impacts of the companies in which the management company invests.

Biodiversity footprint of LBP AM Group
(in MSA.m²/ K€)

89.47% of assets covered by the indicator

45.9 MSA.PPB per billion euros invested



> **« To further extend its impact analysis, the LBP AM Group also conducted a transition risk assessment, referring to the uncertain financial impacts arising from the transition towards an economic model that is more respectful of biodiversity. »**

Simona Rizzuto
Nature and Biodiversity Lead

This risk may arise from the implementation of new regulations, standards, technologies, or stakeholder expectations that impose restrictions or additional costs on companies to preserve or restore biodiversity. The risk assessment was carried out using a methodology developed by Caisse des Dépôts, based on a methodology developed in partnership with CDC Biodiversité, which takes into account, for each financed activity, the impacts resulting from each pressure exerted on biodiversity according to the SBTN database, the location of activities relative to ecosystem condition, and the importance of biodiversity[7].

According to this analysis, the portfolio's main issues relate to soil pollutants, water pollution, and water use. This result is partly due to the consideration of upstream and downstream impacts for certain sectors associated with significant assets under management, as well as the presence of highly material sectors (8% of total holdings), such as extractive industries, the manufacture of mineral products, wholesale trade, construction activities, and electricity, gas and steam producers and distributors.

Measurement of ecosystem dependencies

The BIA-GBS Dependencies database measures the dependence of investments on ecosystem services, using ENCORE's methodology combined with an internal methodology. This methodology measures the level of dependence of assets under management on 21 ecosystem services according to the Common International Classification of Ecosystem Services (CICES), both on companies' direct operations (scope 1) and on activities upstream in the value chain (scope 3 upstream).

- The critical dependency score measures the percentage of the entity's activity or value chain that is critically dependent on at least one ecosystem service, which is defined as high or very high dependency according to the ENCORE methodology (corresponding to a dependency score of 80% or more).
- The average dependency score measures an entity's average dependency on all ecosystem services related to its relevant activities. However, critical dependence on a single ecosystem service may not be reflected in the average score if dependence on other services is low.

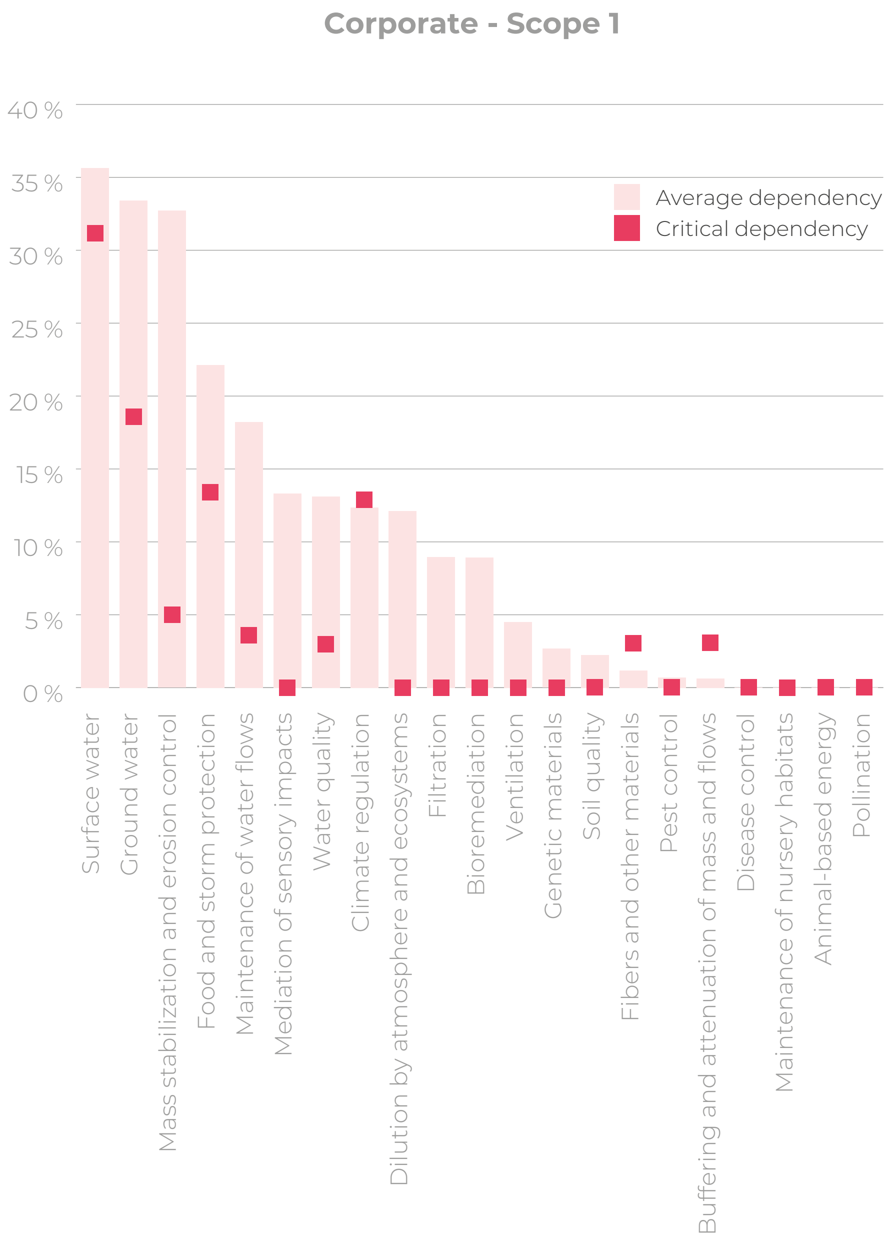
The LBP AM Group assessed the dependency of its sector and overall exposures to the main ecosystem services as of December 31, 2025, and the results are presented in the tables below. Following the analysis of these results, dependencies on water-related ecosystem services were identified as the most significant on average and critically. As part of its biodiversity policy, LBP AM is therefore developing a specific approach to water resource management and use in order to target priority actions.

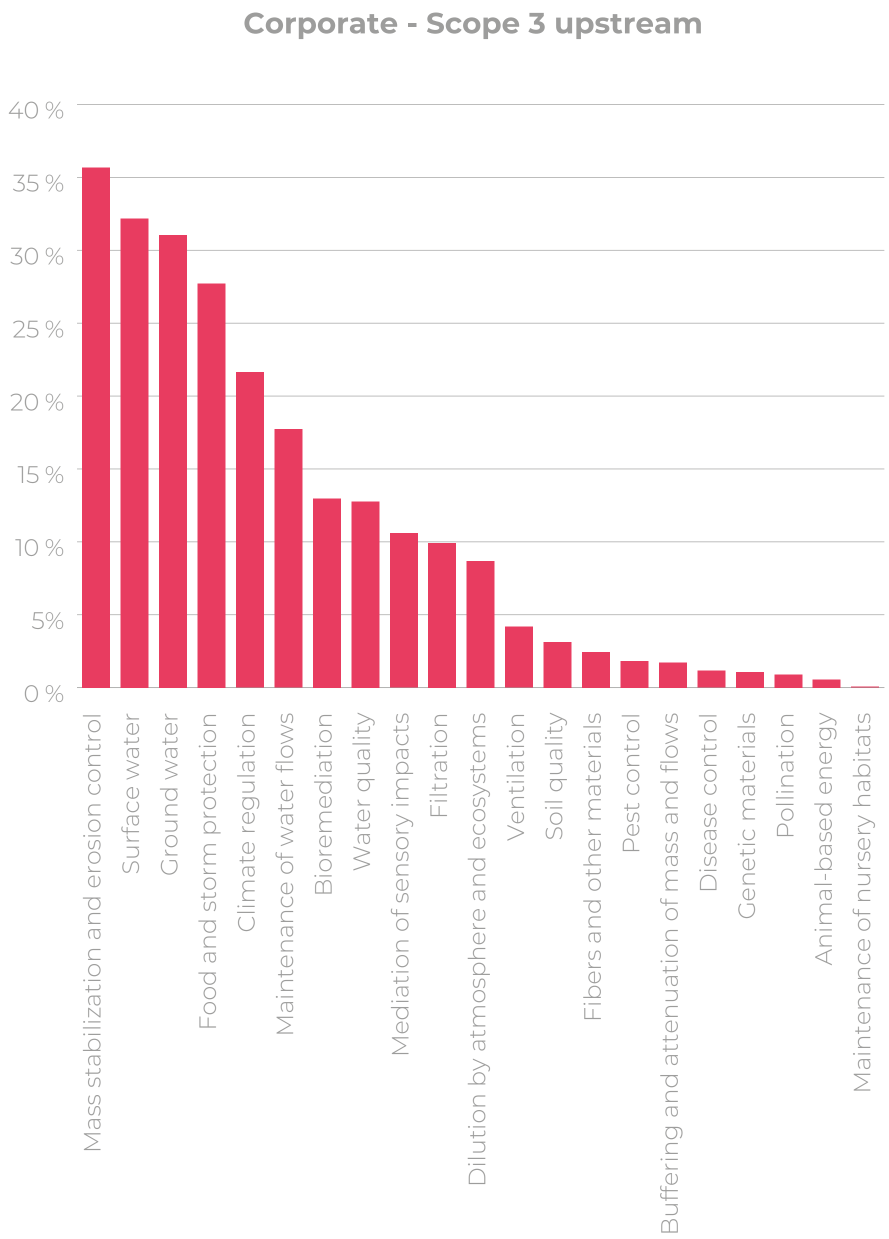
In addition, drought risk is taken into account and analysed in the physical risk management of the various portfolios.

Biodiversity risk management is ensured by several elements of the investment strategy deployed by LBP AM - LFDE:

- Security selection based on GREaT ESG ratings through best-in-class or best-in universe strategies. The binding application of these strategies in fund management tends to underweight the most exposed issuers.
- The exclusion policy related to biodiversity and the thematic exclusion policies on deforestation, pesticides, and deep-sea mining
- The engagement and voting policy, which aims to support companies on their path to better understanding and taking into account biodiversity issues.

7 Location data predominantly refers to the country in which the company's headquarters are based.


Corporate - Scope 1
40 %
35 %
30 %
25 %
20 %
15 %
10 %
5 %
0 %
Average dependency
Critical dependency
Surface water
Ground water
Mass stabilization and erosion control
Food and storm protection
Maintenance of water flows
Mediation of sensory impacts
Water quality
Climate regulation
Dilution by atmosphere and ecosystems
Filtration
Bioremediation
Ventilation
Genetic materials
Soil quality
Fibers and other materials
Pest control
Buffering and attenuation of mass and flows
Disease control
Maintenance of nursery habitats
Animal-based energy
Pollination


Corporate - Scope 3 upstream
40 %
35 %
30 %
25 %
20 %
15 %
10 %
5%
0 %
Mass stabilization and erosion control
Surface water
Ground water
Food and storm protection
Climate regulation
Maintenance of water flows
Bioremediation
Water quality
Mediation of sensory impacts
Filtration
Dilution by atmosphere and ecosystems
Ventilation
Soil quality
Fibers and other materials
Pest control
Buffering and attenuation of mass and flows
Disease control
Genetic materials
Pollination
Animal-based energy
Maintenance of nursery habitats

3.2.3 The engagement policy and its implementation

LBP AM engages in dialogue with the companies in which it invests to encourage them to reduce their impact on biodiversity and monitor their dependence on natural capital.

This policy is based on a number of collaborative engagements addressing specific issues, such as the publication of corporate action plans, and bilateral engagements with companies whose change in their practices could have a significant impact on reducing pressure on biodiversity. (See p. 28 of the Biodiversity Policy to access the correspondences between the various collaborative engagement themes and the pressures as defined by IPBES).

The bilateral engagements aim to establish a comprehensive strategy for the company, ranging from assessing its impacts, dependencies and risks to setting targets and implementing an action plan to achieve these targets. LBP AM - LFDE's engagement strategy is also tailored to issues specific to particular sectors and companies. Dialogue is therefore established in cases where investee companies are expected to address important biodiversity issues, such as deforestation, pesticide use, water resource management, or the circular economy. These may be reflected in votes at General Meetings. LBP AM and LFDE encourage listed companies with high greenhouse gas emissions and a significant impact on biodiversity to submit "Say-on Climate" or "Say-on-Nature" resolutions to a shareholder vote.

Engagements made in 2025 on biodiversity protection:

In 2025, the LBP AM Group communicated 39 areas for improvement related to biodiversity to 36 companies. Among these areas for improvement, 9 specifically addressed the management of deforestation risks in sectors exposed to the production of key commodities at risk (palm oil, soy, livestock and its derivatives, rubber, timber, and cocoa).

In 2025, the LBP AM Group conducted various collaborative engagement initiatives with other investors on shared issues:

- **The Farm Animal Investment Risk & Return (FAIRR) international investor network** encourages agribusiness companies to improve their practices in terms of animal welfare and nutrition. The network conducts several targeted engagement actions with companies identified as not implementing best practices on these topics, in order to raise awareness and support them in driving change. In 2025, the LBP AM Group participated in campaigns focusing on sustainable aquaculture and protein diversification in climate and nutrition strategies. In this context, the LBP AM Group engaged with 23 companies to encourage them to strengthen their risk assessments and adopt more structured objectives on these issues.

- **CERES** is a US non-profit organisation bringing together international investors seeking to contribute to the fight against deforestation, particularly linked to livestock farming and soybean cultivation in the Amazon. Through this organisation, the LBP AM Group participates in collaborative engagement campaigns such as: "Land use and Climate", "Deforestation", "Biodiversity", and "Valuing Water Initiative", engaging at least one company through each initiative in order to encourage it to set biodiversity-related targets.

In 2025, as a continuation of the engagement initiated with Inditex in 2024, the LBP AM Group carried on discussions with the company in order to identify the practices adopted in relation to water use and water quality issues. Inditex notably shared the difficulties encountered due to the lack of data on pollutant emissions and the constraints linked to the absence of reliable information on chemical substances used in textiles, which are often confidential and difficult to assess in terms of toxicity.

To address these flaws, the company indicated that it had launched several initiatives, including the development of a "chemical products inventory", the establishment of collaborations with research centres and the deployment of pilot projects combining top-down and bottom-up approaches. These efforts support its engagement within the ZDHC initiative as well as its internal Green to Wear standard for the management of toxic substances. However, the data collected do not yet make it possible to establish contextualised targets relating to water quality.

Furthermore, Inditex presented positive progress regarding its objective to reduce water consumption in the supply chain. The progress mainly apply to transformation processes, while raw materials still require methodological work. As part of the continuation of this engagement, the LBP AM Group continues to request improvements from the company regarding water quality, particularly in terms of transparency, impact measurement and the setting of reduction targets.

- **Carbon Disclosure Project (CDP) Non-Disclosure Campaign:** this initiative aims to improve the environmental transparency of portfolio companies on climate, water and forests. As part of this campaign, the LBP AM Group acted as lead investor in engagements with two companies on climate-related topics in order to encourage greater disclosure of indicators. Each year, CDP publishes an activity report presenting the results of this engagement campaign. The 2025 report is available here.
- **Nature 100:** launched in September 2023 through a collaboration between CERES, IIGCC, Finance for Biodiversity Foundation and Planet Tracker, the Nature Action 100 coalition brings together institutional investors to engage with key companies in the sectors that have the greatest impact on nature and encourage them to reduce their impact on biodiversity by 2030. In 2025, the LBP AM Group engaged with L'Oréal, Danone and Carrefour.

- **PRI – SPRING:** SPRING is an initiative dedicated to the responsible management of nature-related issues, aiming to address the systemic risks associated with biodiversity loss in order to protect investors' long-term interests. Within this framework, the LBP AM Group engages in dialogue with four companies and co-leads one of the engagements with Michelin. During the initial engagement, several topics were discussed in depth, including the completion of the LEAP assessment under the TNFD framework, which should be published in 2026 and cover Michelin's industrial sites and plantations; the positive impact actions implemented by the company through various programmes aimed at smallholder rubber farmers; and the technologies and procedures deployed to limit exposure to deforestation risk within the supply chain.

- **FABRIC:** launched by 16 members of Finance for Biodiversity, including LBP AM, the FABRIC initiative aims to engage the most influential companies in the textile and apparel sector in order to achieve positive biodiversity outcomes by addressing the significant environmental impacts faced by the sector. The LBP AM Group engages five companies through this initiative and acts as lead investor in discussions with LVMH, Moncler and Kering. During the first discussion with Kering, exchanges focused primarily on environmental assessment methodologies, progress regarding raw material traceability and the implementation of group-wide internal standards.

- **ShareAction:** founded in 2005, ShareAction coordinates numerous investor engagement campaigns aimed at addressing the major environmental and social challenges we face. In 2025, the LBP AM Group participated in an awareness-raising campaign with the largest players involved in pesticide production, notably through an engagement with BASF. The LBP AM Group encouraged the company to align itself with and set targets consistent with Target 7 of the Global Biodiversity Framework.

- **Rainforest Investor Coalition:** a collaborative investor initiative coordinated by Storebrand AM in partnership with the Rainforest Foundation Norway NGO, which aims to address deforestation in the automotive supply chain.

- **Ad hoc coalition of international investors:** several international investors launched a collaborative engagement initiative with Costco Wholesale Corporation. Following an initial dialogue aimed at establishing a relationship with the company, we shared our key areas of interest, notably regarding the governance of environmental topics within the company, its climate policies and strategies, and the consideration of biodiversity in its policies.

04

Supplementary responsible investment report

Regulatory keys to understanding

Report prepared in compliance with the Energy and Climate Law

This report presents the alignment of the responsible investment policy of LBP AM and its subsidiary LFDE with national and European regulatory reporting frameworks on sustainable finance. Following the integration of LFDE within the LBP AM Group, policies and methodologies have been harmonised[1]. The information presented in this report is as of December 31, 2025, and reflects the policies and methodologies applied by the LBP AM Group[2].

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1 Information relating to previous LFDE policies and methodologies is available in the 2023 reports.

2 The scope of LFDE's legacy funds completed the adoption of the LBP AM Group's policies and methodologies on January 1, 2025.

4.1 Information provided in accordance with the provisions of article 29 of the Energy and Climate Law

4.1.1 The entity's general approach to taking environmental, social and governance criteria into account

The LBP AM Group is guided by strong SRI convictions. Its approach to taking environmental, social and governance criteria into account is based on a cross-functional SRI policy, which includes: the GREaT analysis methodology, a shareholder engagement commitment to sustainability, transparent exclusions and holistic thematic policies to support a range of funds rooted in responsible investment. The LBP AM Group has thus retained nearly 100 SRI-certified funds following the reform of the SRI label (new “v3” framework). In 2025, it offers four levels of ESG intensity (foundation, selectivity, SRI label, impact/thematic), combining broad coverage of ESG management needs (quantitative, credit, multi-management, convertibles, stock-picking with a wide range of styles, etc.) and tailored solutions for institutional clients. Further details on the integration of the SRI approach within the LBP AM Group’s investment strategy can be found in the 2025 SRI Report (Part 1.1).

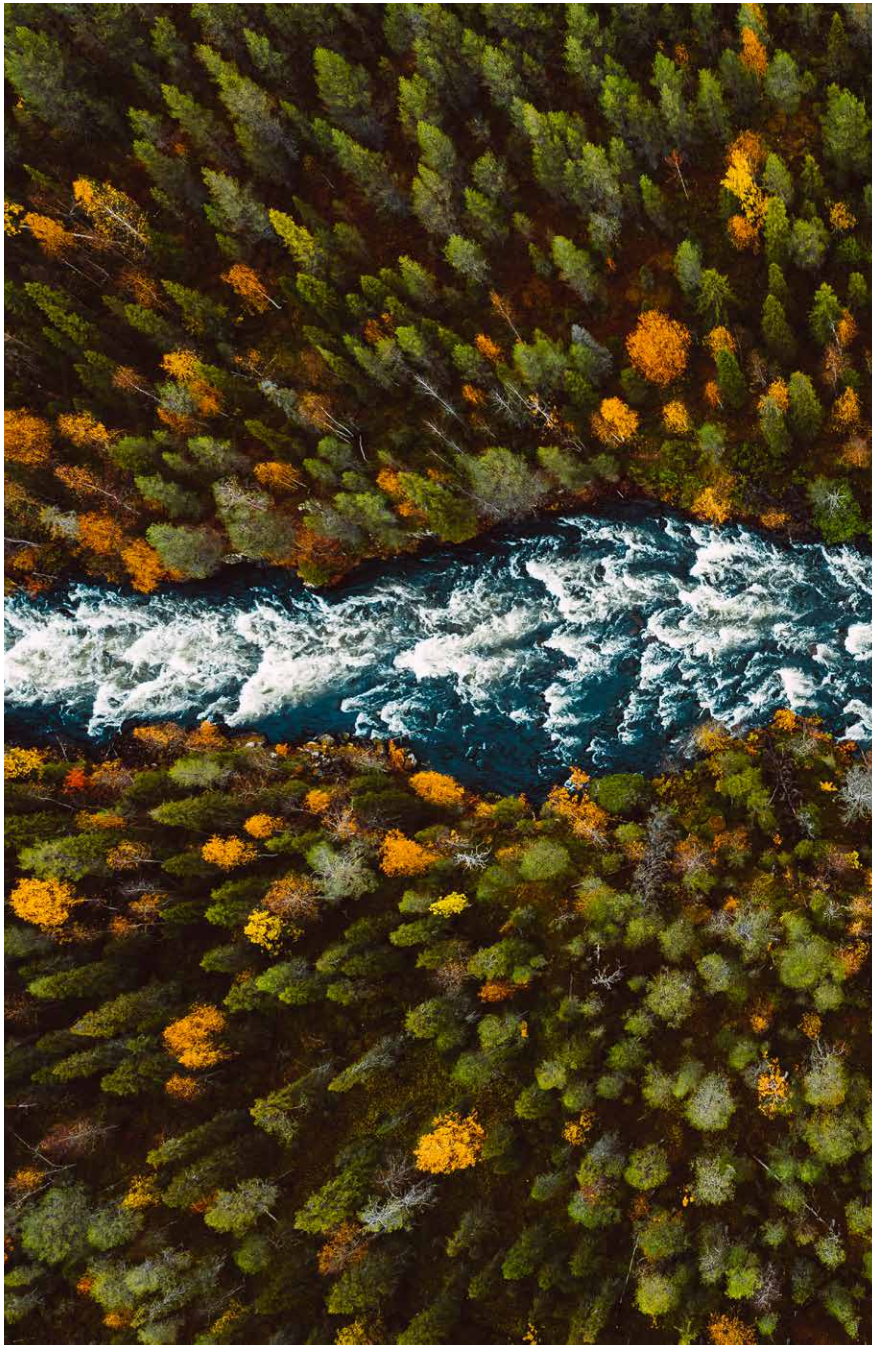
In addition, the Group’s membership of various industry initiatives enables it to play an active role in the development of tomorrow’s SRI standards and to participate in leading collaborative shareholder engagement initiatives. The initiatives to which the Group subscribes are presented in Section 1.3.3.

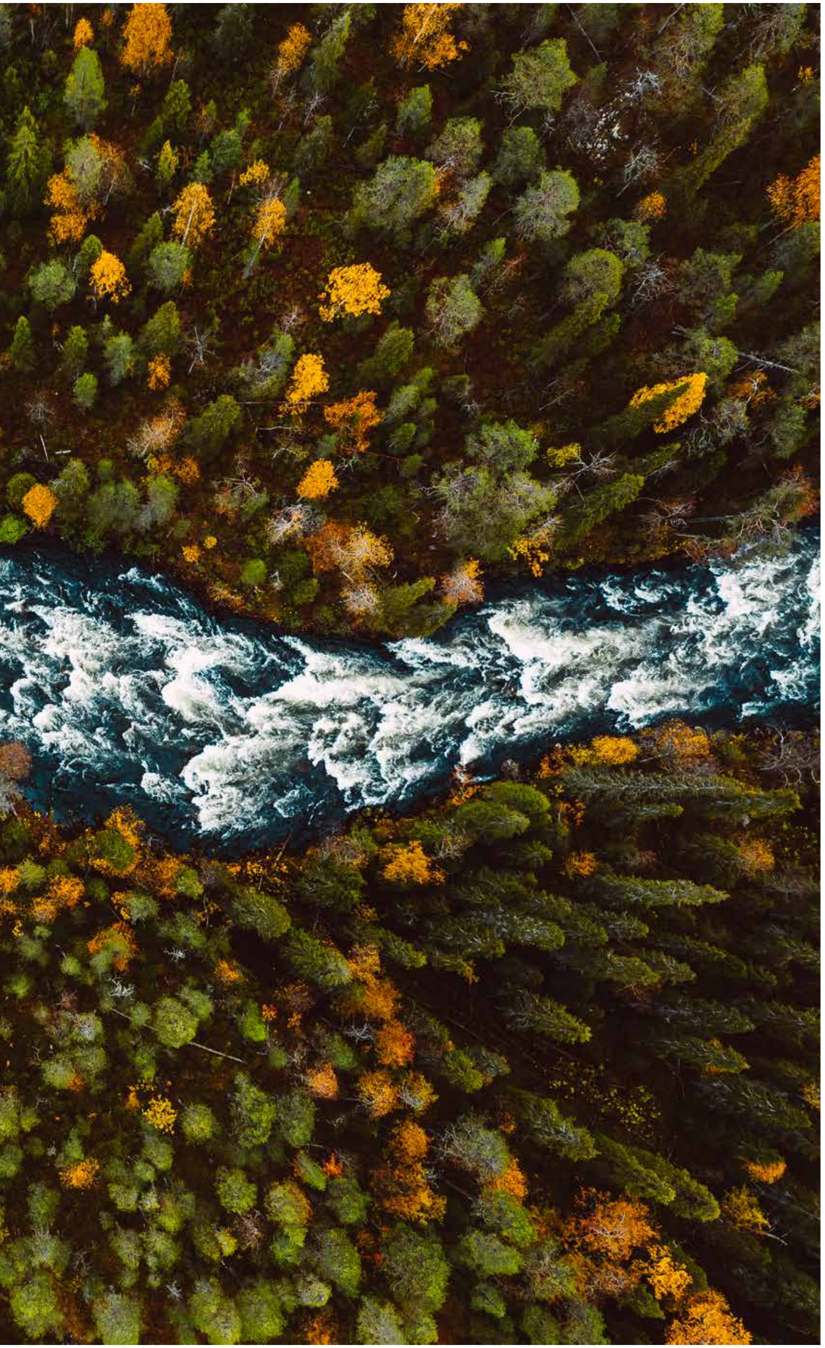
4.1.2 Internal resources deployed by the entity

In order to implement and develop their approach to ESG criteria, LBP AM and LFDE rely in particular on the following teams:

- **Fund managers and analyst-managers**, at the heart of responsible management, embodied in particular by LFDE's Chief Sustainable Investment Officer.
- **A team of SRI specialists**, SRI Solutions (based at LBP AM), which coordinates the development and implementation of cross-functional policies and methodologies.
- **A responsible investment research team** (based at LFDE), which provides close support to fund managers on the implementation of engagement policies, qualitative research, and the application of responsible investment methodologies.
- **A research team** (based at LBP AM), comprising quantitative analysts, as well as fundamental and sustainability analysts, bringing together financial and ESG expertise to integrate both approaches into the management process.
- **More broadly, SRI is embedded in the day-to-day activities of all teams:** fund selection, risk management, IT, structurers, sales, communications, HR, etc.

Overall, 13% of the LBP AM Group's total FTEs (14% at LBP AM and 11.5% at LFDE) are dedicated to the implementation of the ESG strategy (including cross-service provision between SGPs, which is not included in this figure).





4.1.3 Approach to taking environmental, social, and governance criteria into account at the entity governance level

LBP AM relies on expert and structured governance to steer its responsible investment strategy, with a Management Board chaired by Emmanuelle Mourey and composed of SRI specialists. Several dedicated committees ensure the effectiveness and consistency of this approach:

- **The Sustainable Finance Committee** defines the SRI strategic guidelines and supervises their implementation.
- **The GREaT Committee ensures the application of exclusion policies**, enhanced ESG analysis and the management of engagement.
- **The Governance Committee** develops and approves the voting policy ahead of general meetings.
- **The ESG Regulatory Steering Committee** monitors regulatory developments and organizes the necessary changes.
- **The ESG Management Committee** meets weekly to share issuer monitoring and organize SRI actions in the field.
- Finally, **the Supervisory Board** ensures that LBP AM's actions are consistent with its mission as a responsible investor.

LFDE places responsible investment at the heart of its governance, with a nine-member Executive Committee and a six-member Board of Directors, all of whom have experience in asset management. LFDE actively collaborates with LBP AM in several joint committees:

- **The Sustainable Finance Committee**, a shared strategic body, sets the broad guidelines for sustainable finance.
- **The GREaT Committee**, with a voting college specific to LFDE, oversees the application of exclusion policies and shareholder engagement.
- **The ESG Regulatory Steering Committee** monitors regulatory developments and organizes the necessary changes.
- **The ESG Management Committee** meets weekly to share issuer monitoring and organize SRI actions in the field.

LBP AM and LFDE’s compensation policy

The integration of non-financial objectives into LBP AM and LFDE remuneration policy reinforces the operational anchoring of this sustainable strategy.

- **The compensation policy** includes non-financial objectives specific to each business line, reflecting the importance of sustainability in overall performance

Part 1.2 of the Group's SRI report describes the various governance mechanisms in place, as well as the knowledge, skills, and experience of its members.

4.1.4 Engagement strategy with issuers or asset managers and its implementation

The LBP AM Group fully integrates the exercise of voting rights at shareholders' meetings into its responsible management process. In accordance with its Voting Policy, the Group applies clear principles for approving or rejecting resolutions, in line with its ESG commitments. This policy defines the scope of intervention, the procedures for preparing votes and the criteria used to analyse resolutions.

In addition, the Group implements a structured shareholder engagement policy, which constitutes a key pillar of its SRI strategy, alongside ESG analysis, exclusions and impact investing. The voting results and engagement actions carried out by the LBP AM Group in 2025 are detailed in Section 2.3 of the Group's SRI Report.

4.1.5 European taxonomy and fossil fuels

N/A: not available (data not calculated)

N/R: not relevant (the distinction by entity is not relevant, please refer to Group-level data)

		Regulatory ratio (mandatory) based on counterparties' publications[3]			Voluntary ratio (optional) reflecting estimates of counterparties' level of alignment[4]		
		LBP AM GROUP	LBP AM	LFDE	LBP AM GROUP	LBP AM	LFDE
Share of exposures to **economic activities eligible for the taxonomy**[5]	**0020**	66.12%	66.78%	64.18%	N/A	N/A	N/A
Share of exposures to **economic activities not eligible for the taxonomy**[6]	**0030**	33.88%	33.22%	35.82%	N/A	N/A	N/A
Share of exposures to **central governments, central banks or supranational issuers**	**0040**	N/A	N/A	N/A	N/A	N/A	N/A
Total share of derivatives	**0050**	0%	0%	0%	N/A	N/A	N/A
Share of exposures to **companies that are not required to disclose non-financial information** pursuant to Article 19a or Article 29a of Directive 2013/34/EU	**0060**	33.61%	33.62%	33.6%	N/A	N/A	N/A

3 In accordance with the explanations provided by the European Commission in its draft guidance of February 2, 2022 (question 18), financial institutions shall use the most recent information published by their counterparties to determine the level of eligibility or alignment of their exposures with the European Taxonomy of Sustainable Activities. Entities subject to Instruction 2022-I-24 provide this information in the «Regulatory ratio» column.

4 They may also voluntarily publish additional ratios reflecting estimates of this level of alignment. Entities subject to Instruction 2022-I-24 may provide this information in the «Voluntary ratio» column. In accordance with Article 7.7 of Delegated Regulation (EU) 2021/2178, financial companies may, in particular, use estimates to assess the alignment with the taxonomy of their exposures to companies not subject to the disclosure requirements of Articles 19a and 29a of Directive 2013/34/EU, if they are able to demonstrate compliance with all the criteria set out in Article 3 of Regulation (EU) 2020/852, with the exception of the criterion set out in Article 3(b) of that Regulation.

5 Based on capital expenditure (CapEx)

6 Based on capital expenditure (CapEx)

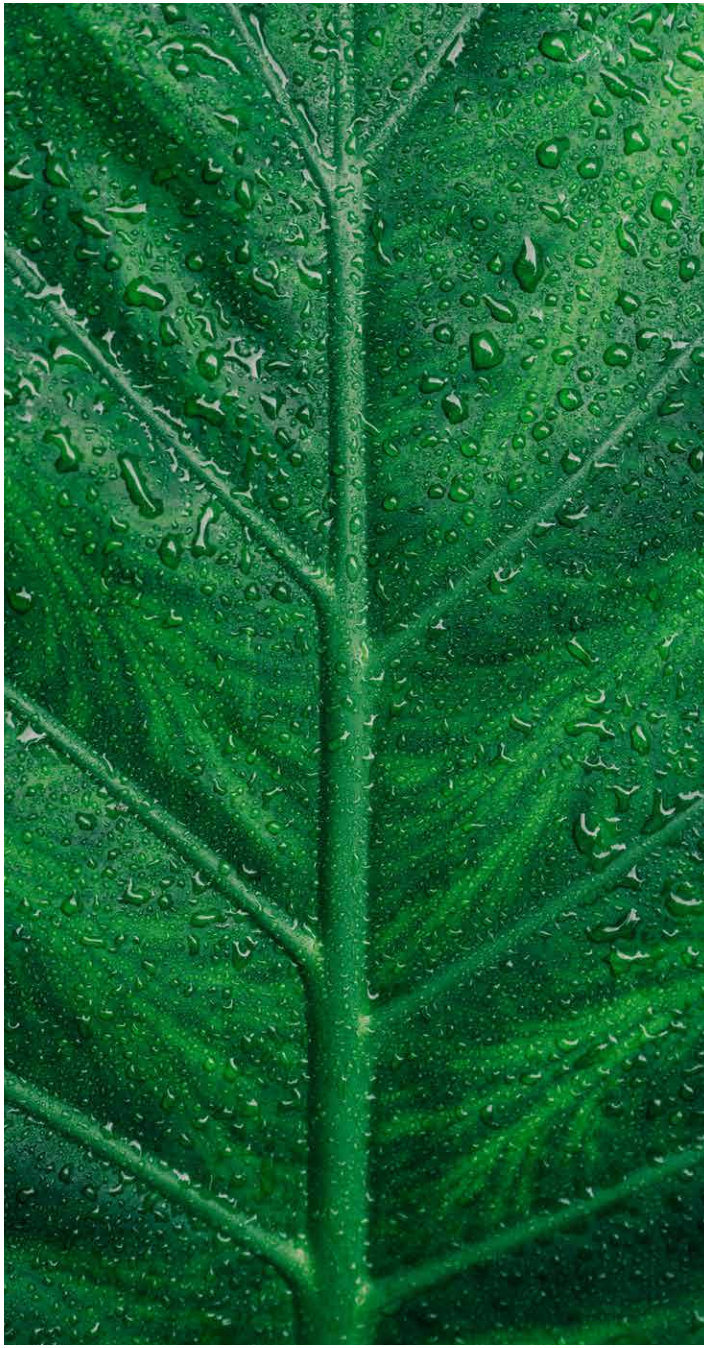
Proportion of the asset manager's investments that are intended to finance activities aligned with the taxonomy, or associated with such activities, relative to its total investments

		LBP AM GROUP	LBP AM	LFDE
Weighted average value of all investments intended to finance or associated with economic activities aligned with the taxonomy, **relative to the total value of assets covered by the KPI,** with the following weightings for investments in companies:	**Based on turnover**	6.34%	6.49%	5.91%
	Based on capital expenditure	8.40%	8.77%	7.31%

Share of the asset manager's investments that are allocated to activities that contribute significantly to the achievement of climate objectives

Weighted average value of all investments that are intended to finance or are associated with economic activities that contribute significantly to the achievement of the environmental objective relative to the total value of assets covered by the KPI

	(1) CLIMATE CHANGE MITIGATION	(2) CLIMATE CHANGE ADAPTATION	(3) SUSTAINABLE USE AND PROTECTION OF AQUATIC AND MARINE RESOURCES	(4) TRANSITION TO A CIRCULAR ECONOMY	(5) POLLUTION PREVENTION AND CONTROL	(6) PROTECTION AND RESTORATION OF BIODIVERSITY AND ECOSYSTEMS
Based on turnover	**LBP AM Group:** 5.75% **LBP AM:** 5.99% **LFDE:** 5.05%	**LBP AM Group:** 0.12% **LBP AM:** 0.12% **LFDE:** 0.13%	**LBP AM Group:** 0.01% **LBP AM:** 0.01% **LFDE:** 0.01%	**LBP AM Group:** 0.41% **LBP AM:** 0.33% **LFDE:** 0.67%	**LBP AM Group:** 0.04% **LBP AM:** 0.04% **LFDE:** 0.06%	**LBP AM Group:** 0% **LBP AM:** 0% **LFDE:** 0%
Based on investment expenditure	**LBP AM Group:** 8.08% **LBP AM:** 8.45% **LFDE:** 7.00%	**LBP AM Group:** 0.05% **LBP AM:** 0.06% **LFDE:** 0.02%	**LBP AM Group:** 0.01% **LBP AM:** 0.01% **LFDE:** 0.01%	**LBP AM Group:** 0.19% **LBP AM:** 0.19% **LFDE:** 0.19%	**LBP AM Group:** 0.07% **LBP AM:** 0.06% **LFDE:** 0.09%	**LBP AM Group:** 0% **LBP AM:** 0% **LFDE:** 0%



4.1.6 Strategy for alignment with the international objectives of articles 2 and 4 of the Paris Agreement

relating to the mitigation of greenhouse gas emissions and, where applicable, for financial products whose underlying investments are made entirely in France, its national low-carbon strategy referred to in Article L. 222-1 B of the Environment Code

LBP AM and LFDE are part of the decarbonisation pathway defined at LBP AM Group level, targeting carbon neutrality across portfolios by 2050.

An intermediate target has been set: 80% of the Group's total assets under management aligned with a Paris Agreement-compatible pathway by 2030, rising to 100% by 2040. This strategy is based on the SBTi Portfolio Coverage methodology, founded on the identification of issuers with targets validated by the SBTi, in line with the commitments made by the Group through its participation in the NZAMI. To date, this target is defined at Group level, with no separate target for LBP AM or LFDE. Progress is monitored semi-annually by the Sustainable Finance Committee and is accessible on a daily basis to portfolio managers through the GREaT 360 platform. A transition plan has been developed within the Group to structure the actions required to achieve this objective. The Group has also formalised a climate policy, updated in 2025, to set out the actions already undertaken in terms of exclusions, engagement and integration into analysis and security selection tools. Both documents are publicly available.

An intermediate target has been set: 80% of the Group's total assets under management aligned with a Paris Agreement-compatible pathway by 2030, rising to 100% by 2040.

4.1.7 Strategy for alignment with long-term biodiversity objectives. The entity provides a strategy for alignment with long-term biodiversity objectives,

specifying the scope of the value chain covered, which includes targets set for 2030 and then every five years thereafter, on the following elements

The measures taken under the LBP AM Group's biodiversity policy contribute to 19 of the 23 targeted actions defined under the Kunming-Montreal Global Biodiversity Framework

Firstly, the LBP AM Group is committed to excluding companies that have a significant adverse impact on biodiversity and do not implement remediation plans. The criteria defining these exclusions, as well as the additional biodiversity-related exclusion measures, are described in Section 3.2. When investment decisions are made, biodiversity is systematically integrated into the proprietary investment rating system, GREaT. The LBP AM Group has also developed a biodiversity-specific score, BIRD, for the management of certain funds and the identification of sustainable investments. LBP AM and LFDE measure the biodiversity footprint of portfolios using a footprint methodology based on Biodiversity Impact Analytics powered by the Global Biodiversity Score™ (BIA-GBS) data, enabling the assessment of a company's impact on biodiversity with regard to 4 of the 5 pressures identified by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES).

Lastly, LBP AM and LFDE engage in dialogue with investee companies to encourage them to reduce their impacts on biodiversity and manage their dependencies on natural capital. This policy is implemented through a range of collaborative engagements addressing targeted themes - such as the publication of corporate action plans - as well as bilateral engagements with companies whose change in practices may represent a significant issue. The LBP AM Group also promotes the integration of biodiversity into voting at General Meetings, through "Say-on-Climate" or "Say-on-Nature" resolutions. Details of the biodiversity engagement policy and its implementation are provided in Section 3.2.

4.1.8 Approach to taking environmental, social, and governance criteria into account in risk management, particularly physical, transition, and liability risks related to climate change and biodiversity

The LBP AM Group assesses climate risks across issuers and portfolios through:

- Its quantitative ESG rating methodology, GREaT, which systematically integrates this dimension through a dedicated criterion;
- A qualitative ESG materiality analysis, used to determine when these risks may represent a sustainability risk for investments, carried out by the fundamental research team for credit portfolios. This analysis is complemented by ongoing monitoring of climate-related controversies;
- Security selection based on GREaT ESG ratings (assets invested in Article 8 and Article 9 funds);
- A portfolio transition strategy built around a quantitative target for aligning the LBP AM Group's assets under management (see indicator 1.7 above);
- The articulation of the various LBP AM Group investment policies that incorporate this issue (exclusion policy, sector policies, engagement policy), resulting in both exclusion and engagement actions;
- Ad hoc measurement indicators applied across all LBP AM investments, as well as a climate risk assessment at portfolio level carried out by the Risk Management Department. This process is described in Section 2.4.

This analysis therefore supports the management of physical, transition and litigation risks related to climate issues affecting these issuers and portfolios. This management is ensured through several components of the investment strategy implemented by LBP AM.

4.1.9 Quantitative Indicators from Article D. 533-16-1 of the Monetary and Financial Code (Appendix D)

N/A: not available (data not calculated)
N/R: not relevant (the distinction by entity is not relevant, please refer to Group-level data)

Detail and indicator/paragraph number	Metric	Indicator figure		
		LBP AM GROUP	LBP AM	LFDE
1. INFORMATION RELATING TO THE ENTITY'S GENERAL APPROACH				
1.c. Overall percentage of assets under management that take into account environmental, social and governance criteria in the total assets managed by the entity	**As a percentage of assets under management**	82%	81%	86%
2. INFORMATION ON INTERNAL RESOURCES DEPLOYED BY THE ENTITY				
2.a. Description of the financial, human and technical resources dedicated to taking environmental, social and governance criteria into account in the investment strategy, relative to the total assets under management or held by the entity. The description includes all or part of the following indicators: percentage share of corresponding full-time equivalents; percentage share and amount in euros of budgets allocated to environmental, social and governance data; amount of investments in research; use of external service providers and data suppliers	**Percentage of FTEs concerned out of total FTEs**	13%	14%	11.5%
	Percentage of dedicated budgets out of the financial institution's total budget	N/A	9%	8%
	Amounts in euros of dedicated budgets	N/A	€2.3M	N/R
	Amount of investments in research [2] (in €)	€943,133	€611,261	€331,872
	Number of external service providers and data suppliers consulted	10	N/R	N/R
4. INFORMATION ON THE ENGAGEMENT STRATEGY WITH ISSUERS OR MANAGEMENT COMPANIES AND ITS IMPLEMENTATION				
4.c. Assessment of the engagement strategy implemented, which may include the proportion of companies with which the entity has initiated dialogue, the topics covered and the follow-up actions to this strategy	**Percentage of companies involved in dialogue out of all companies concerned by the issue covered**	421 ESG areas of improvement identified with 240 companies across 24 countries, including: · 86 areas of improvement on environmental topics, including 39 objectives related to biodiversity; · 91 areas of improvement on social topics, including 91 human rights-related objectives communicated to 80 companies; · 219 areas of improvement on governance-related topics.	N/R	N/R
4.d. Review of the voting policy, in particular with regard to the filing and voting of resolutions on environmental, social and governance issues at general meetings	**Total number of proposals filed on ESG issues**	0	N/R	N/R
	Total number of votes on ESG issues	145	124	74
	Number of proposals filed on environmental issues	0	0	0
	Number of votes on environmental issues	65	58	24
	Number of proposals filed on social issues	0	0	0
	Number of votes on social issues	139	124	70
	Number of proposals filed on governance quality issues	0	0	0
	Number of votes on governance quality issues	24,988	18,302	13,979
	Total % of proposals filed on ESG issues out of total proposals filed	0%	0%	0%
	Total % of votes (yes/no) on ESG issues out of total votes cast	0.56%	0.67%	0.52%
	% of proposals filed on environmental issues out of all proposals filed	0%	0%	0%
	% of votes on environmental issues out of total votes cast	0.26%	0.31%	0.17%
	% of proposals filed on social issues out of total proposals filed	0%	0%	0%
	% of votes on social issues out of total votes cast	0.55%	0.67%	0.49%
	% of proposals filed on governance quality issues out of total proposals filed	0%	0%	0%
	% of votes on governance quality issues out of total votes cast	98.62%	98.36%	98.81%
5. INFORMATION RELATING TO THE EUROPEAN TAXONOMY AND FOSSIL FUELS				
5.b. Share of outstanding amounts in companies active in the fossil fuel sector, as defined in the delegated act pursuant to Article 4 of this Regulation. [1]	**[1] Share of outstanding amounts as a percentage**	6.28%	6.66%	5.04%
6. INFORMATION ON THE STRATEGY FOR ALIGNMENT WITH THE INTERNATIONAL CLIMATE CHANGE MITIGATION OBJECTIVES SET OUT IN THE PARIS AGREEMENT				
6.a. A quantitative target for 2030, reviewed every five years until 2050. This target must be reviewed no later than five years before its expiry date. The target includes direct and indirect greenhouse gas emissions in absolute terms or intensity terms relative to a reference scenario and a reference year. It may be expressed by measuring the implicit temperature increase or by the volume of greenhouse gas emissions	**Quantitative target for 2030 expressed in terms of GHG emissions (if applicable)**	80% of assets under management aligned with Net Zero by 2030 and 100% alignment of assets under management within the Net Zero eligible scope	N/R	N/R
	Unit of measurement for the quantitative target for 2030	% of assets under management aligned with Net Zero	N/R	N/R
	Amount of assets under management (€) covered by the quantitative alignment target expressed in terms of GHG emissions	€59.8bn as of December 31, 2025, i.e. 80% of total assets of €74.7bn	€37.4bn as of December 31, 2025, i.e. 80% of total assets of €46.7bn	€22.4bn as of December 31, 2025, i.e. 80% of total assets of €28bn
	Share of assets under management covered by the quantitative alignment target expressed in terms of GHG emissions out of total assets under management (%)	80%	80%	80%
	Quantitative target for 2030 expressed in terms of implicit temperature increase (if applicable)	-	N/R	N/R
	Amount of assets under management (€) covered by the quantitative alignment target expressed in terms of implicit temperature rise	-	N/R	N/R
	Share of assets under management covered by the quantitative alignment target expressed in terms of implicit temperature rise out of total assets under management (%)	-	N/R	N/R
6.b Where the entity uses an internal methodology, details of this methodology for assessing the alignment of the investment strategy with the Paris Agreement or the national low-carbon strategy	**Use of an internal methodology? (yes/no)**	NO	N/R	N/R
6. b. ii. Level of coverage at portfolio level (the level of coverage between asset classes must be specified in the report)	**Portfolio coverage level in %**	80%	N/R	N/R
6. b. iii. The time horizon used for the assessment	**Time horizon for the assessment (date)**	2030	N/R	N/R
6. c. Quantification of results using at least one indicator (if several indicators are used, add as many columns as there are indicators used)	**Free metric (consistent with the target mentioned in 6.a., if applicable), numerical value in %**	53% of assets under management aligned	53%	55%
	Description of the free metric (text)	The methodology currently used is SBT-PC Science-Based Targets - Portfolio Coverage, which aims to increase the proportion of assets invested in issuers committed to decarbonization and having validated their target with an independent body, such as the SBT initiative. According to this market-based method, if a company has issued a decarbonization target validated by the SBTi, all assets invested in that company are considered aligned.	N/R	N/R
	Free metric measurement unit	% of assets under management aligned with Net Zero Coverage: listed asset classes	N/R	N/R
6.f. Changes in the investment strategy in relation to the Paris Agreement alignment strategy, including policies put in place to phase out coal and unconventional hydrocarbons, specifying the phase-out schedule and the share of total assets managed or held by the entity covered by these policies	**Coal: % of total assets under management or held by the entity**	2.70%	2.96%	1.87%
	Unconventional hydrocarbons: % of total assets under management or held by the entity	1.20%	1.16%	1.3%
	Conventional hydrocarbons: % of total assets under management or held by the entity	1.74%	1.71%	1.85%
	Have you implemented a coal phase-out timetable? (yes/no)	Yes. Since 2019, the LBP AM Group has committed to gradually excluding mining and electricity generation companies with coal-related expansion plans that have not committed to phase out coal by 2030 for OECD countries and by 2040 for the rest of the world. This commitment was strengthened in 2021 to extend it to issuers providing upstream and downstream services that generate at least 20% of their revenue from coal. The data comes from Urgewald's Global Coal Exit List and the provider Trucost.	N/R	N/R
	Have you implemented a hydrocarbons phase-out timetable? (yes/no)	No		
	Does the policy systematically exclude developers of new unconventional hydrocarbon capacities?	No		
	Does the policy systematically exclude developers of new conventional hydrocarbon capacities?	No		
	Indicate the final coal phase-out date set by your policy (date)	2030 for OECD countries and 2040 for the rest of the world	N/R	N/R
7. INFORMATION ON THE STRATEGY FOR ALIGNMENT WITH LONG-TERM BIODIVERSITY OBJECTIVES				
7. c. Mention of support for a biodiversity footprint indicator and, where applicable, how this indicator measures compliance with international biodiversity targets.	**Free metric (MSA.ppb*/€bn invested)**	44 MSA.ppb*/€bn invested	N/R	N/R
	Brief description of the metric (text)	The database (BIA-GBS) assesses the impact of a company's activities on biodiversity in relation to four of the five pressures defined by IPBES: ▪ Land and sea use change; ▪ Over-exploitation of natural resources; ▪ Pollution; ▪ Climate change This impact is expressed in MSA.km^2. MSA (Mean Species Abundance) is a metric recognized by the scientific community as one of the metrics used to aggregate different types of impacts on biodiversity in order to assess the integrity of ecosystems by measuring the average abundance of species in a given location. The metric covers aquatic and terrestrial biomes and is expressed in two timeframes: the static footprint (stock) and the dynamic footprint (flow). A single measure calculated by aggregation is expressed in MSA. ppb*. This footprint measurement makes it possible to report on the estimated impacts on biodiversity of the companies in which the management company invests. As this indicator is based on estimates, it cannot be used on its own to monitor compliance with the Kunming-Montreal Framework objectives. For this reason, it is preferable to use several more specific types of indicators, summarized in LBP AM's biodiversity policy.	N/R	N/R
	Unit of measurement for the free metric (text)	MSA.ppb*	N/R	N/R
	Amount of assets (€) covered by the biodiversity footprint indicator	€52bn	N/R	N/R
	Share of assets under management covered by the biodiversity footprint indicator as a percentage of total assets under management (%)	89.47%	89.63%	89%

^ BACK TO TABLE OF CONTENTS

4.1.10 Continuous improvement plan

Appendix E - Table of correspondence with the provisions of Article D. 533-16-1 of the Monetary and Financial Code, including any improvement plans

		Is the required information presented in the report, and if not, is an explanation provided?	Indicate the sections and pages of the report that deal with the subject	If the information is not presented: narrative explanation of the reasons for the omission with presentation of the improvement plan			
				REASON FOR OMISSION	NARRATIVE EXPLANATION OF THE REASON FOR THE OMISSION	IMPROVEMENT PLAN	DEADLINE (YEAR) FOR PRESENTING THE PLANNED INFORMATION
		0010	0020	0030	0040	0050	0060
1°: GENERAL APPROACH OF THE ENTITY							
Summary of the entity's general approach to taking environmental, social, and governance criteria into account, particularly in its investment policy and strategy	**0010**	Information presented	Part 1.1				
Content, frequency, and means used to inform subscribers, affiliates, contributors, beneficiaries, or customers about the criteria relating to ESG objectives taken into account	**0020**	Information presented	Part 1.3.4				
List of financial products mentioned under Articles 8 and 9 of the Disclosure Regulation (SFDR) (respectively, products that promote environmental and/or social characteristics and products that have sustainable investment objectives)	**0030**	Information presented	Part 4.1.11				
Consideration of ESG criteria in the decision-making process for the allocation of new management mandates	**0040**	Information presented	Part 1.1.3				
Adherence of the entity, or certain financial products, to a charter, code, initiative or label on the consideration of ESG criteria, as well as a summary description thereof, in accordance with Article 4(d) of the SFDR	**0050**	Information presented	Part 1				
2°: INTERNAL RESOURCES DEPLOYED BY THE ENTITY							
Description of the financial, human and technical resources dedicated to taking ESG criteria into account in the investment strategy, relative to the total assets under management or held by the entity. The description includes all or some of the following indicators: percentage share of corresponding full-time equivalents; percentage share and amount in euros of budgets allocated to ESG data; amount of investments in research; use of external service providers and data providers	**0060**	Information presented	Part 1.3.1, 1.3.2				
Actions taken to strengthen the entity's internal capabilities. The description includes all or part of the information relating to training, communication strategy, and the development of financial products and services associated with these actions	**0070**	Information presented	Part 1.3				
3°: APPROACH TO TAKING ENVIRONMENTAL, SOCIAL, AND GOVERNANCE CRITERIA INTO ACCOUNT AT THE ENTITY'S GOVERNANCE LEVEL							
Knowledge, skills, and experience of the governance bodies, in particular the administrative, supervisory, and management bodies, in making decisions on the integration of ESG criteria into the investment policy and strategy of the entity and, where applicable, the entities it controls. The information may include, in particular, the level of supervision and the associated process, the reporting of results, and the skills	**0080**	Information presented	Part 1.2.1				
Inclusion, in accordance with Article 5 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019, in remuneration policies of information on how these policies are tailored to the integration of sustainability risks, including details on the criteria for linking the remuneration policy to performance indicators	**0090**	Information presented	Part 1.2.2				
Integration of ESG criteria into the internal rules of the entity's board of directors or supervisory board	**0100**	Explanation(s) provided for the absence of information		Info N/A		Feasibility of updating the rules to be investigated, taking into account possible changes to Article 29 LEC	2030
4°: ENGAGEMENT STRATEGY WITH ISSUERS							
Scope of companies covered by the engagement strategy	**0110**	Information presented	Part 2.3.1				
Presentation of the voting policy and review	**0120**	Information presented	Part 2.3.2				
Review of the engagement strategy implemented, which may include the proportion of companies with which the entity has initiated dialogue, the topics covered and the follow-up actions to this strategy.	**0130**	Information presented	Part 2.3.1				
Review of the voting policy, in particular with regard to the tabling and voting of resolutions on environmental, social and governance issues at general meetings.	**0140**	Information presented	Part 2.3.2				
Decisions taken regarding investment strategy, particularly with regard to sectoral divestment.	**0150**	Explanation(s) provided for the absence of information	Part 2.2.1	Other	The LBP AM Group increased its investments in the defence sector in 2025.	N/R	2025
Note: If the entity publishes a specific report on its shareholder engagement policy, this information may be included therein by reference to this article.							
5°: EUROPEAN TAXONOMY AND FOSSIL FUELS							
Proportion of outstanding amounts relating to activities that comply with the technical screening criteria defined in the delegated acts relating to Articles 10 to 15 of Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020, on the establishment of a framework to promote sustainable investment and amending Regulation (EU) 2019/2088, in accordance with the delegated act adopted pursuant to Article 8 of that Regulation	**0170**	Information presented	Part 4.1.5				
Share of outstanding exposures in the fossil fuel sector, as defined in the delegated act pursuant to Article 4 of the SFDR	**0180**	Information presented	Part 4.1.5				
6°: STRATEGY FOR ALIGNMENT WITH THE INTERNATIONAL OBJECTIVES OF ARTICLES 2 AND 4 OF THE PARIS AGREEMENT ON THE MITIGATION OF GREENHOUSE GAS EMISSIONS AND, WHERE APPLICABLE, FOR FINANCIAL PRODUCTS WHOSE UNDERLYING INVESTMENTS ARE MADE ENTIRELY IN FRENCH TERRITORY, ITS NATIONAL LOW-CARBON STRATEGY REFERRED TO IN ARTICLE L.222-1B OF THE ENVIRONMENTAL CODE (IN LINE WITH POINT D) OF ARTICLE 4(2) OF THE DISCLOSURE REGULATION - SFDR).							
A quantitative target for 2030, reviewed every five years until 2050. This target must be reviewed no later than five years before its expiry date. The target includes direct and indirect greenhouse gas emissions in absolute terms or intensity terms relative to a reference scenario and a reference year. It may be expressed by measuring the implicit temperature increase or by the volume of greenhouse gas emissions	**0190**	Information presented	Part 3.1.3				
Where the entity uses an internal methodology, details of that methodology for assessing the alignment of the investment strategy with the Paris Agreement or the national low-carbon strategy	**0200**	Explanation(s) provided for the absence of information	Part 3.1.3	Information not relevant (no internal methodology)	N/A	N/A	N/A
A quantification of the results using at least one indicator.	**0210**	Information presented	Part 3.1.2				
For entities managing index funds, information on the use of the Union's "climate transition" and "Paris Agreement" benchmarks defined by Regulation (EU) 2019/2089 of the European Parliament and of the Council of November 27, 2019.	**0220**	Explanation(s) provided for the absence of information		Information not relevant to the entity (no index funds)			
The role and use of assessment in the investment strategy, including the complementarity between the assessment methodology used and other indicators on environmental, social, and governance criteria used more broadly in the investment strategy.	**0230**	Information presented	Part 3.1.2				
Changes to the investment strategy in relation to the strategy for alignment with the Paris Agreement, and the policy in place for a gradual phase-out of coal and unconventional hydrocarbons, specifying the phase-out schedule and the proportion of total assets under management or held covered by these policies.	**0240**	Information presented	Part 3.1.2				
Any follow-up actions on the results and changes made.	**0250**	Information presented	Part 3.1.3				
The frequency of the assessment, the expected dates of updates and the relevant factors for change	**0260**	Information presented	Part 3.1.1				
7°: STRATEGY FOR ALIGNMENT WITH LONG-TERM BIODIVERSITY OBJECTIVES. THE ENTITY PROVIDES A STRATEGY FOR ALIGNMENT WITH LONG-TERM BIODIVERSITY OBJECTIVES, SPECIFYING THE SCOPE OF THE VALUE CHAIN CONSIDERED, WHICH INCLUDES TARGETS SET FOR 2030 AND SUBSEQUENTLY EVERY FIVE YEARS, COVERING THE FOLLOWING ELEMENTS							
Measurement of compliance with the objectives set out in the Convention on Biological Diversity adopted in 1992.	**0270**	Explanation(s) provided for the absence of information	Part 3.2.1	No data available	LBP AM/LFDE has mapped the contribution of its policy to the CBD objectives. The LBP AM Group's investment policy contributes to 19 of the 23 target actions defined in the Kunming Montreal Framework Agreement. More details in the document: LBPAM_Biodiversity_Policy_2025.pdf. However, this dimension cannot be measured. In terms of measurement, a proprietary biodiversity indicator called «BIRD» provides a holistic and qualitative assessment of the quality of biodiversity management.	Active monitoring of the development of quantitative biodiversity impact assessment methodologies, in particular through participation in market initiatives such as Finance for Biodiversity Pledge, or through collaboration with the IFD.	2030
Analysis of contributions to reducing the main pressures and impacts on biodiversity defined by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.	**0280**	Information presented	Part 2.2				
Mention of support for a biodiversity footprint indicator and, where applicable, how this indicator measures compliance with international biodiversity targets.	**0290**	Information presented	Part 2.2				
8°: APPROACH TO INTEGRATING ENVIRONMENTAL, SOCIAL AND GOVERNANCE QUALITY CRITERIA INTO RISK MANAGEMENT. IN ACCORDANCE WITH ARTICLE 3 OF REGULATION (EU) 2019/2088 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF NOVEMBER 27, 2019, THE DISCLOSURE OF INFORMATION ON THE INTEGRATION OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE QUALITY CRITERIA INTO RISK MANAGEMENT INCLUDES, IN PARTICULAR, PHYSICAL, TRANSITION AND LIABILITY RISKS RELATED TO CLIMATE CHANGE AND BIODIVERSITY, AND MORE SPECIFICALLY:							
Process for identifying, assessing, prioritizing, and managing risks related to the consideration of ESG criteria, how risks are integrated into the entity's conventional risk management framework, and how this process meets the recommendations of the European supervisory authorities of the European financial supervisory system.	**0300**	Information presented	Part 3.1.3				
A description of the main ESG risks taken into account and analysed, including for each risk a characterization, segmentation, indication of the economic sectors and geographical areas affected by these risks, and an explanation of the criteria used.	**0310**	Information presented	Part 3.1.3				
An indication of the frequency of the review of the risk management framework.	**0320**	Information presented	Part 3.1				
An action plan to reduce the entity's exposure to the main environmental, social and governance risks taken into account.	**0330**	Information presented	Part 1.2				
A quantitative estimate of the financial impact of the main ESG risks identified and the proportion of assets exposed, and the time horizon associated with these impacts at the level of the entity and the assets concerned, including the impact on the valuation of the portfolio. Where a qualitative statement is published, the entity shall describe the difficulties encountered and the measures envisaged to assess the financial impact of these risks on a quantitative basis.	**0340**	Explanation(s) provided for the absence of information	Part 3.1.2	No data available	Quantitative estimates are made for climate-related risks, but the risk analysis in place does not allow for monetary quantification of risks related to biodiversity and human rights due to methodological difficulties in translating these risks into monetary values and aggregating values in a consistent manner.	Active monitoring to track methodological developments and identify best practices in this area.	2030
An indication of changes in methodological choices and results.	**0350**	Information presented	Part 3.2.2				

4.1.11 List of classified financial products Articles 8 and 9 of the disclosure regulation (SFDR)

Lists of open-ended funds managed by LBP AM and LFDE

LBP AM		LFDE	
ARTICLE 8 FUNDS			
ASSUREURS - CAISSE DES DEPOTS FRANCE - LBP AM - COMPARTIMENT DETTE PRIVEE	LBP AM ISR AVENIR EPARGNE	**AMSELECT ECHIQUIER EUROPE EQUITY MID CAP**	**Echiquier Major SRI Growth Europe**
ASSUREURS - CAISSE DES DEPOTS FRANCE - LBP AM - COMPARTIMENT TOCQUEVILLE FINANCE	LBP AM ISR CONVERTIBLES EUROPE	**CDC ACTIONS EURO ISR**	**Echiquier Major SRI Growth Europe Fund**
DECISIEL ISR ACTIONS	LBP AM ISR CONVERTIBLES MONDE	**CDC DIVERSIFIÉ ISR SOLIDAIRE POCHE**	**Echiquier Patrimoine**
DECISIEL ISR ACTIONS 70 SOLIDAIRE	LBP AM ISR CONVERTIBLES OPPORTUNITES	**Echiquier 2028**	**Echiquier Robotics**
DECISIEL ISR DIVERSIFIE	LBP AM ISR DETTES FINANCIERES FLEXIBLE	**Echiquier Absolute Return Credit**	**Echiquier Short Term Credit SRI**
DECISIEL ISR MONETAIRE	LBP AM ISR EURO HIGH YIELD	**Echiquier Agenor Euro SRI Mid Cap**	**Echiquier Smid Blend Euro SRI**
DECISIEL ISR OBLIGATAIRE	LBP AM ISR FLEX DYNAMIQUE	**Echiquier Agenor Mid Cap Europe**	**Echiquier Space**
ECHIQUIER CHINA	LBP AM ISR FLEX EQUILIBRE	**Echiquier Agenor Mid Cap Europe Fund**	**Echiquier USA**
ECHIQUIER NORTH AMERICA	LBP AM ISR MULTI ACTIONS EURO	**Echiquier Agressor**	**Echiquier Value Europe**
FEDERIS ISR EURO	LBP AM ISR MULTI ACTIONS MONDE	**Echiquier Alpha Major SRI**	**Echiquier World Equity Growth**
FEDERIS ISR FRANCE	LBP AM ISR OBLI ENTREPRISES	**Echiquier Artificial Intelligence**	**Echiquier World Equity Growth Fund**
LBP AM 3 MOIS	LBP AM ISR OBLI EUROPE	**Echiquier Arty SRI**	**Echiquier World Next Leaders**
LBP AM 80 PEA HORIZON DECEMBRE 2025	LBP AM ISR OBLI FEVRIER 2029	**Echiquier Arty SRI Fund**	**IMMO DIVERSIFICATION ISR**
LBP AM 90 HORIZON DECEMBRE 2027	LBP AM ISR OBLI JUILLET 2026	**Echiquier Avenir**	**Novi coté 2020**
LBP AM 90 HORIZON DECEMBRE 2028	LBP AM ISR OBLI JUILLET 2030	**Echiquier Avenir Dynamique**	**SOLYS-LFDE INTERNATIONAL SELECTION**
LBP AM 90 HORIZON JUILLET 2027	LBP AM ISR OBLI JUIN 2029	**Echiquier Credit SRI Europe**	**SOLYS-LFDE TRANSATLANTIC**
LBP AM 90 HORIZON JUILLET 2028	LBP AM ISR OBLI LONG TERME	**Echiquier Credit Target Income 2027**	**Tocqueville Dividende**
LBP AM 90 HORIZON MARS 2028	LBP AM ISR OBLI MARS 2028	**Echiquier Emerging Ex China**	**Tocqueville Europe Strategic Tech SRI**
LBP AM ABSOLUTE RETURN SHORT DURATION SRI	LBP AM ISR OBLI MOYEN TERME	**Echiquier Entrepreneurs**	**Tocqueville Finance**
LBP AM ACTIONS 80	LBP AM ISR OBLI NOVEMBRE 2028	**Echiquier Excelsior**	**Tocqueville France**
LBP AM ACTIONS DIVERSIFIE	LBP AM ISR OBLI REVENUS	**Echiquier Global Flexible**	**TOCQUEVILLE MATERIALS FOR THE FUTURE**
LBP AM ACTIONS EUROPE	LBP AM ISR OPTI EURO EQUITY	**Echiquier Global Tech**	**Tocqueville Megatrends**
LBP AM ACTIONS FRANCE	LBP AM ISR OPTI EURO MODERATE	**Echiquier High Yield SRI Europe**	**TOCQUEVILLE PME**
LBP AM ACTIONS MONDE	LBP AM ISR PRO ALTO	**Echiquier Hybrid Bonds**	**Tocqueville Silver Age SRI**
LBP AM ACTIONS PEA EMERGENTS	LBP AM ISR PRO RENDEMENT GLOBAL	**Echiquier India**	**Tremplin PME M**
LBP AM ACTIONS PEA US	LBP AM ISR PROFIL 25	**Echiquier Japan**	**UFF Tremplin PME C**
LBP AM ALPHA ALLOCATION	LBP AM ISR PROFIL 50	**Echiquier Luxury**	**UFF Valeurs PME**
LBP AM EUROPEAN MID-MARKET LENDING - TERRITOIRES	LBP AM ISR PROFIL HARMONIE		
LBP AM EUROPEAN RESPONSIBLE INFRASTRUCTURE DEBT FUND	LBP AM ISR PROTECT 80-85 MAI 2028		
LBP AM FranceCap 100 NOVEMBRE 2030	LBP AM ISR PROTECT 80-85 SEPTEMBRE 2028		
LBP AM INFLATION FLEXIBLE	LBP AM ISR TAUX		
LBP AM ISR ABSOLUTE RETURN CONVERTIBLES	LBP AM OBLI TRANSITION MARS 2032		
LBP AM ISR ABSOLUTE RETURN CREDIT	LBP AM PRIVATE OPPORTUNITIES		
LBP AM ISR ABSOLUTE RETURN TAUX	LBP AM PROFIL DYNAMIQUE PLUS		
LBP AM ISR ACTIONS ASIE	LBP AM RETRAITE PROTEGEE 85		
LBP AM ISR ACTIONS EMERGENTS	LBP AM SHORT TERM		
LBP AM ISR ACTIONS EURO LARGE CAP	LBP AM SRI HUMAN RIGHTS		
LBP AM ISR ACTIONS EUROMONDE	LBP AM TRANSITION ENERGETIQUE - COMPARTIMENT INFRASTRUCTURE TE		
LBP AM ISR ACTIONS EUROPE MONDE	TOCQUEVILLE CROISSANCE EURO ISR		
LBP AM ISR ACTIONS EX-EURO	Tocqueville Euro Blend Equity		
LBP AM ISR ACTIONS FOCUS EURO	TOCQUEVILLE EURO EQUITY ISR		
LBP AM ISR ACTIONS FOCUS EUROPE	TOCQUEVILLE FRANCE MICRO CAP		
LBP AM ISR ACTIONS FOCUS FRANCE	TOCQUEVILLE MID CAP EURO ISR		
LBP AM ISR ACTIONS HORIZON MONDE	TOCQUEVILLE US EQUITY SRI		
LBP AM ISR ACTIONS JAPON	TOCQUEVILLE VALUE EURO ISR		
LBP AM ISR ACTIONS SMALL CAP EURO	TONI ACTIONS ISR 100		
LBP AM ISR ACTIONS SOLIDAIRE	VIVACCIO ISR ACTIONS		
LBP AM ISR ACTIONS USA 500			

ARTICLE 9 FUNDS	
LBP AM	**LFDE**
DECISIEL ISR DURABLE	Echiquier Health Impact For All
LA POSTE ISR DURABLE	Echiquier Positive Impact Europe
LBP AM INFRASTRUCTURE DEBT CLIMATE IMPACT FUND	
LBP AM ISR THEMATIQUES DURABLES	
LBP AM MID CAP SENIOR DEBT	
TOCQUEVILLE BIODIVERSITY ISR	
TOCQUEVILLE ENVIRONNEMENT ISR	
TOCQUEVILLE GLOBAL CLIMATE CHANGE ISR	

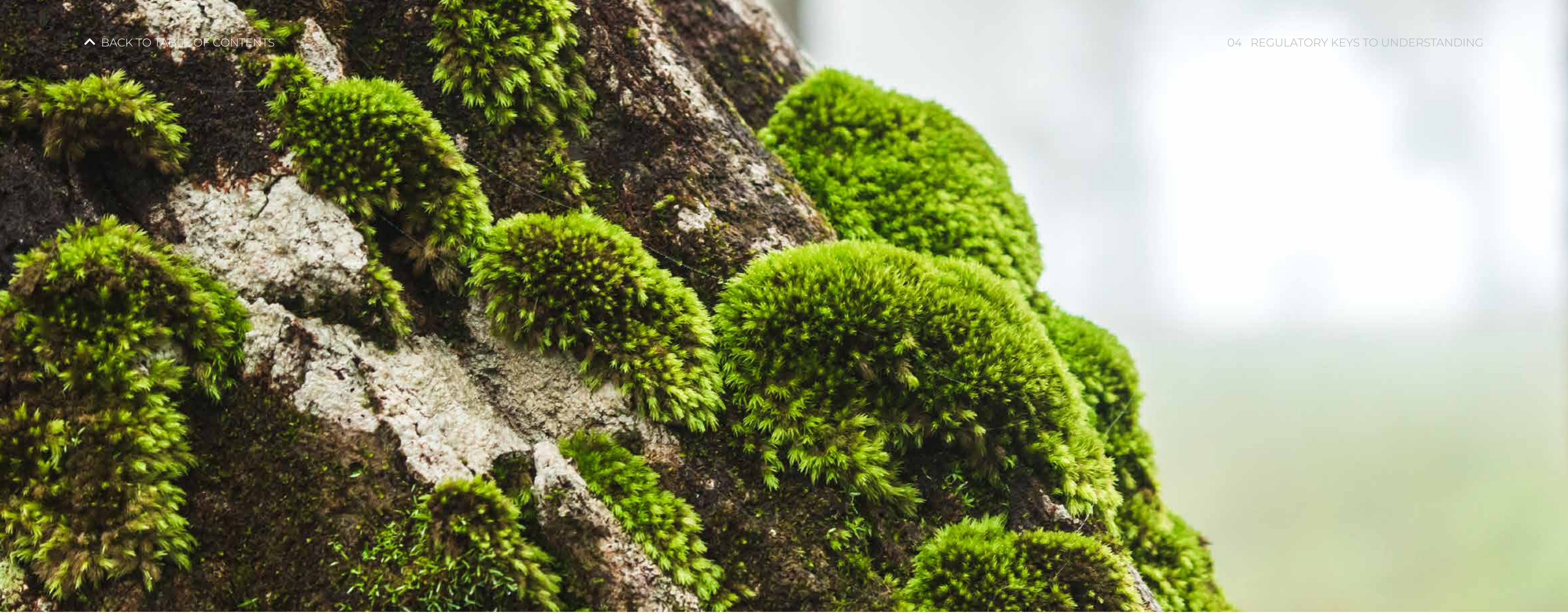
4.2 Information derived from the provisions of Article 4 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019

4.2.1 Introduction

LBP AM (LEI: 9695005YEKXREPY54B44) takes into account principal adverse impacts of investment decisions on sustainability factors. This statement constitutes the consolidated principal adverse impacts statement of LBP AM and its subsidiary, La Financière de l'Échiquier (LEI: 9695009FIABOZ346XE79). The present statement on principal adverse impacts on sustainability factors covers the reference period from January 1 to December 31, 2025.

The identification, prioritisation and management of principal adverse impacts on sustainability factors rely on a comprehensive set of complementary tools, policies and procedures.

First and foremost, this approach is based on LBP AM's cross-functional responsible investment policies, which address each sustainability theme in a holistic manner. These policies specify, for each sustainability topic, the approach adopted in terms of voting rules, security selection, engagement and voting, and are translated into concrete actions. In addition, complementary information on the development and impact of these policies is provided in the relevant sections of this report. LBP AM's policies aim to identify and prioritise the principal adverse impacts on sustainability factors described below.



In addition to these policies, the LBP AM Group applies additional criteria to certain ESG fund ranges to strengthen the consideration of the main negative impacts, including:

- For funds with the French SRI label, the application of requirements relating to the selection of securities based on ESG ratings established by the proprietary GREaT methodology enables a holistic consideration of the negative impacts of investments on sustainability factors. These funds are also subject to two indicators measuring ESG performance and the consideration of principal adverse impacts of investment decisions. In addition to the selection rules, a minimum requirement regarding the existence of a transition plan is applied to sectors with a high climate impact. Additional information on these indicators is available in the section “Description of policies to identify and prioritize the main negative impacts on sustainability factors” below.
- For certain funds that do not have the French SRI label but apply ESG criteria for investment selection, in accordance in particular with the requirements of the AMF Position-Recommendation DOC-2020-03 on information to be provided by collective investment schemes incorporating extra-financial approaches. These funds use the proprietary GREaT methodology in most cases. Funds may also have one or more ESG performance indicators in a similar way to funds with the SRI label.

It should be noted that the selection of issuers based on ESG ratings is not intended to set independent quantitative targets for each sustainability theme. This aggregate rating provides managers with information on the overall ESG performance of companies, with a view to complying with the exclusion or rating upgrade criteria defined in the prospectus or the SFDR annex to the prospectus. As a result, companies with significant negative impacts will tend to be excluded or underweighted in labelled portfolios. Additional information on the GREaT rating methodology is available in the section "Description of policies to identify and prioritize the main adverse impacts on sustainability factors" below. The section "Description of the main adverse impacts on sustainability factors" below provides a quantification of the main adverse impacts of LBP AM - LFDE investment decisions, based on the indicators defined in the Delegated Regulation to REGULATION (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019, on sustainability-related disclosures in the financial services sector ("SFDR"). The table also shows the impact of the various policies and tools mentioned above on each of the indicators. Details of the assumptions and choices made for calculating the indicators are provided at the top of the table.

4.2.2 Summary of the main adverse impacts on sustainability factors

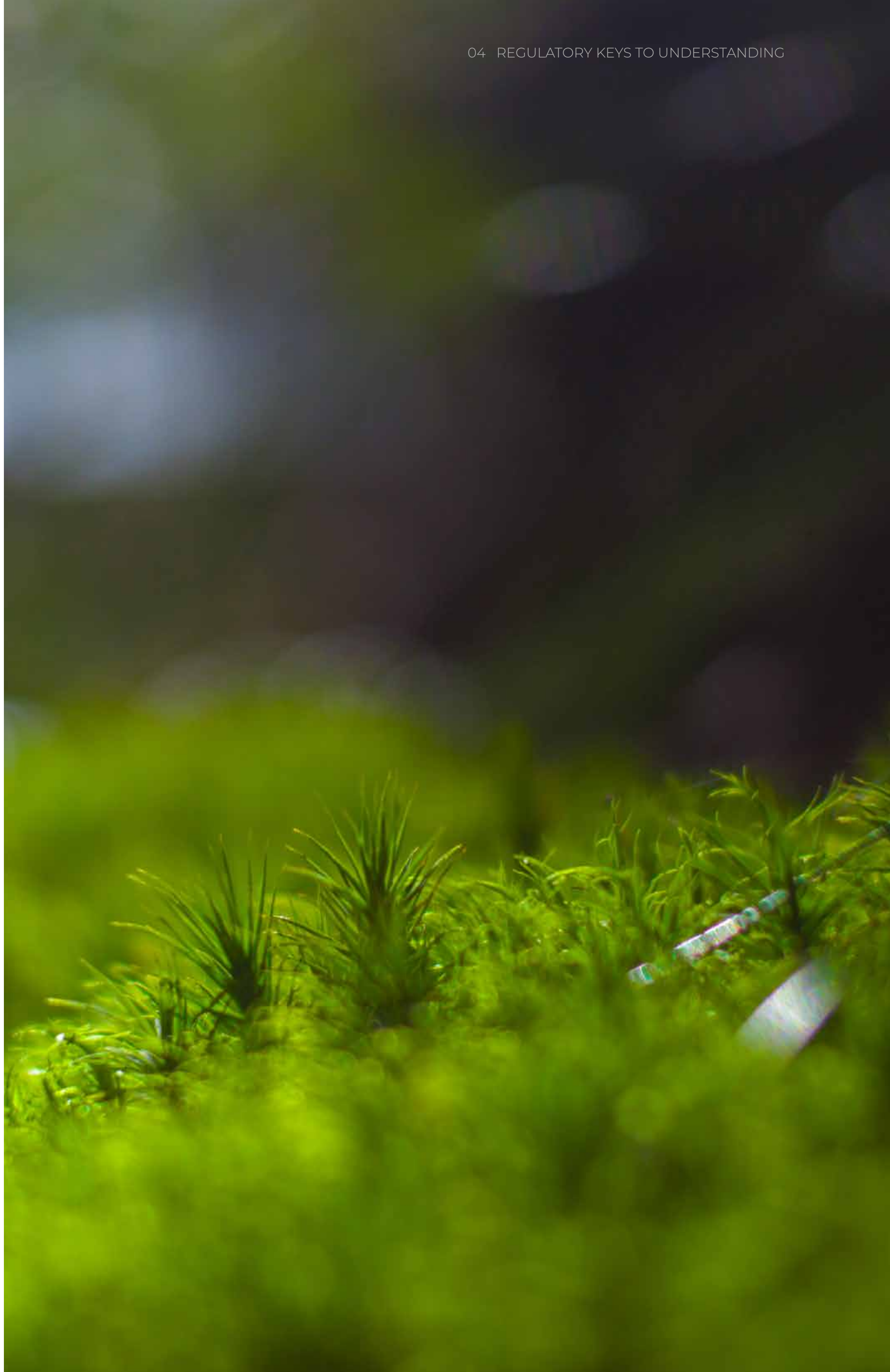
The LBP AM Group has chosen to distinguish between listed assets and private assets given the significantly different nature of the assets in question. For each indicator, the Group has therefore produced a report for listed assets on the one hand and a report for real and private assets on the other.

The assets under management considered are as follows:

- Listed assets: €53.1bn
- Real and private assets – infrastructure and corporate: €4.6bn
- Real and private assets – real estate: €0.9bn

For the data relating to listed assets, LBP AM and LFDE use several providers for the calculation of principal adverse impact indicators: Clarity AI, ISS ESG and MSCI. The data provided by these providers partly consist of estimated data, but the LBP AM Group is not able to provide a breakdown between company-reported data and estimated data for this reporting period. Regarding assets for which no information is available (equities and bonds), the LBP AM Group has chosen, from a methodological perspective, to replace missing values with the average observed for listed assets covered by the indicator, except for calculations relating to total exposure assets. Non-eligible securities are considered to have no impact (i.e. 0). This approach may lead to either an overestimation or an underestimation of the indicator's value. An alternative approach could have consisted in assigning a null value to missing data, which would have led to a systematic underestimation and potentially significant inaccuracies in the assessment of investment decisions' adverse impacts on sustainability factors. The values presented should therefore be considered with caution, and their quality should improve as issuer reporting improves. In addition, the LBP AM Group provides the share of eligible assets and covered assets in order to allow readers to reconstruct the indicator on the basis of available data.

With regard to private assets and private debt data, the LBP AM Group sought to obtain information directly from counterparties. However, data collection for existing investments remains difficult in the absence of contractual obligations requiring counterparties to provide such information. The LBP AM Group is making its best efforts to incorporate reporting requirements into new contracts. For this asset class, PAI indicators are calculated solely on the basis of available data. No estimation is made for missing data, given the limited volume of available information and the high specificity of each investment, which do not allow for the development of relevant estimates. The PAI indicators are therefore expressed on the basis of covered assets.



The following table summarizes the list of PAIs monitored by LBP AM – LFDE:

Application	Theme	Indicator of negative impact on sustainability	ESG
Investment in companies	**Greenhouse gas emissions**	GHG emissions (levels 1, 2 and 3)	**1**
		Carbon footprint	**2**
		GHG intensity of companies benefiting from investments	**3**
		Exposure to companies active in the fossil fuel sector	**4**
		Share of non-renewable energy consumption and production	**5**
		Energy consumption intensity by climate-impacting sector	**6**
	Biodiversity	Activities with a negative impact on biodiversity-sensitive areas	**7**
	Water	Discharges to water	**8**
	Waste	Ratio of hazardous and radioactive waste	**9**
	Social and personal issues	Violations of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises	**10**
		Lack of compliance processes and mechanisms to monitor adherence to the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises	**11**
		Uncorrected gender pay gap	**12**
		Gender diversity in governance bodies	**13**
		Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical or biological weapons)	**14**
Investment in sovereign and supranational issuers	**Environment**	GHG intensity	**15**
	Social	Investment countries with social violations	**16**
Investment in real estate assets	**Fossil fuels**	Exposure to fossil fuels via real estate assets	**17**
	Energy efficiency	Exposure to energy-inefficient real estate assets	**18**

4.2.3 Description of the main negative impacts on sustainability factors and historical comparison

Appendix G – Description of the main impacts on sustainability factors (Annex 1 of Regulation (EU) 2022/1288)
Indicators applicable to investments in companies

Table 1.1

<table>
<tr><th>Climate indicators and other environmental indicators</th><th>Impact 2024</th><th>Impact 2025</th><th>Explanation</th><th>Measures taken, measures planned and targets set for the next reporting period</th></tr>
<tr><td colspan="5">1. GREENHOUSE GAS EMISSIONS</td></tr>
<tr><td rowspan="3">Scope 1 GHG emissions in tons of CO_2 equivalents</td><td>LBP AM Group:
1,538,798 tCO_2e</td><td>LBP AM Group:
1,835,986 tCO_2e</td><td>LBP AM Group:
Eligible assets: 86.03%
Coverage of eligible assets: 95.82%
Change of +676,960 tCO_2e (+45%)[7]</td><td rowspan="3">Strategy for achieving carbon neutrality
The LBP AM Group joined the Net Zero Asset Managers Initiative (NZAMi) in 2021 in order to align its asset management with a GHG emissions management trajectory compatible with the Paris Agreement's goal of «pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.». Within this framework, it defined and published an ambitious decarbonization trajectory for its investment portfolios in 2022. This trajectory has been extended to the Group's new entities following the acquisition of Financière de l'Échiquier in 2023, which is also a member of the NZAMI. It is currently based on the following milestone for 2030: 80% of total assets under management in line with the 2050 carbon neutrality target

Shareholder engagement
In line with its transition ambition, the LBP AM Group pursues an active engagement policy with companies to encourage them to initiate or accelerate the transition of their business models. To achieve its objectives, the LBP AM Group encourages companies to:
■ Formalize robust transition plans to align their activities and practices over time with a scenario that limits global warming to 1.5°C. Regularly consult their shareholders on this transition plan and its implementation, in particular through «Say-on-Climate» resolutions.
■ Assess, reduce, and decarbonize their exposure to physical and transition climate risks, in particular by applying the TCFD reporting framework. These expectations apply to all sectors and are implemented with particular attention and prioritization in so-called «high-stakes» sectors.

In addition to bilateral engagements, the LBP AM Group has participated in the following collaborative initiatives:
■ The Carbon Disclosure Project (CDP) Science-Based Targets Campaign: The Science Based Targets initiative (SBTi) is an international association that certifies that companies' GHG emission reduction targets are consistent with the international targets of the Paris Agreement. The CDP's engagement campaign aims to encourage companies to commit to the Science Based Targets initiative to set science-based decarbonization targets aligned with the 1.5°C global warming scenario.
■ The Carbon Disclosure Project (CDP) Non-Disclosure Campaign: this initiative aims to improve the environmental transparency of portfolio companies on climate, water and forest issues. As part of this campaign, the LBP AM Group has committed as a lead/co-lead investor with nine companies on climate change to encourage them to disclose more indicators. The 2025 activity report is available here: CA-100-Progress-Update-2025-PDF-version.pdf
■ The Climate Action 100+ initiative, led by the PRI and the IIGCC, aims to encourage major global emitters of greenhouse gases to reduce their emissions in line with the Paris Agreement targets. By signing the initiative's charter, the LBP AM Group is committed to working to encourage the energy transition through its fund investments. In 2025, Engie and TotalEnergies were engaged by the LBP AM Group as supporting investors through CA 100+.

Voting policy
The LBP AM Group's support for climate plans submitted to shareholders for a vote is conditional on the following:
■ The plan contains specific short- and long-term GHG emission reduction targets;
■ The plan is aligned with the trajectory set out in the Paris Climate Agreement.
■ Variable executive compensation includes non-financial criteria aligned with the announced objectives.
■ The board of directors undertakes to consult shareholders on a regular basis (at least every three years).
In 2025, the LBP AM Group voted on 17 say-on-climate resolutions.

ESG rating of issuers used for portfolio selection
The rating assigned to issuers based on the proprietary GREaT analysis methodology includes a criterion relating to their procedures for measuring and reducing their carbon emissions throughout their value chain.</td></tr>
<tr><td>LBP AM:
1,214,156 tCO_2e</td><td>LBP AM:
1,441,820 tCO_2e</td><td>LBP AM:
Eligible assets: 83.04%
Coverage of eligible assets: 96.11%</td></tr>
<tr><td>LFDE:
323,289 tCO_2e</td><td>LBP AM:
393,048 tCO_2e</td><td>LFDE:
Eligible assets: 95.42%
Coverage of eligible assets: 95%

Issuers' carbon footprints generally decreased over the reporting period. However, this effect was more than offset by the increase in coverage and by allocation decisions. In particular, the increase in the position in ArcelorMittal accounted for 88% of the overall change.</td></tr>
<tr><td>PAI regarding private debt

Scope 1 GHG emissions in tons of CO_2 equivalents</td><td>67,865 tCO_2e

Coverage of eligible assets: 36%</td><td>606,136.68 tCO_2e

Coverage of eligible assets: 40%</td><td>Eligible assets: 100% of AuM

The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated.

The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).</td><td>Strategy for achieving carbon neutrality
Investments in real and private assets are integrated into the carbon neutrality strategy mentioned above

ESG rating of issuers used to assess investment projects
The rating assigned to issuers based on the proprietary GREaT analysis methodology, tailored to the specific characteristics of the asset classes in question, includes a criterion relating to the initiatives implemented to measure and reduce their carbon emissions.

Shareholder engagement
The engagement policy specified for listed assets is tailored to take into account the specific characteristics of these asset classes. The private debt management teams engage with counterparties during the due diligence phase to gather information and deepen their understanding of their ESG practices. In addition, as part of certain strategies, they may negotiate the inclusion of impact indicators in loan agreements to encourage borrowers to improve their practices on the most material environmental and social issues. For certain investments currently being deployed, LBP AM is negotiating the inclusion of indicators relating to the measurement and reduction of carbon footprints covering all three scopes of CO_2 emissions. This will enable LBP AM to support data collection and encourage counterparties to reduce their negative carbon impacts</td></tr>
<tr><td rowspan="3">Scope 2 GHG emissions in tons of CO_2 equivalents</td><td>LBP AM Group:
518,693 tCO_2e</td><td>LBP AM Group:
557,180 tCO_2e</td><td>LBP AM Group:
Eligible assets: 86.03% Coverage of eligible assets: 95.82% - Change of +66,805.68 tCO_2e (+13%)[8]</td><td rowspan="3">Strategy for achieving carbon neutrality
The LBP AM Group joined the Net Zero Asset Managers Initiative (NZAMi) in 2021 in order to align its asset management with a GHG emissions management trajectory compatible with the Paris Agreement's goal of «pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.». Within this framework, it defined and published an ambitious decarbonization trajectory for its investment portfolios in 2022. This trajectory has been extended to the Group's new entities following the acquisition of Financière de l'Échiquier in 2023, which is also a member of the NZAMI. It is currently based on the following milestone for 2030: 80% of total assets under management in line with the 2050 carbon neutrality target

Shareholder engagement
In line with its transition ambition, the LBP AM Group pursues an active engagement policy with companies to encourage them to initiate or accelerate the transition of their business models. To achieve its objectives, the LBP AM Group encourages companies to:
■ Formalize robust transition plans to align their activities and practices over time with a scenario that limits global warming to 1.5°C. ■ Regularly consult their shareholders on this transition plan and its implementation, in particular through «Say-on-Climate» resolutions.
■ Assess, reduce, and decarbonize their exposure to physical and transition climate risks, in particular by applying the TCFD reporting framework. These expectations apply to all sectors and are implemented with particular attention and prioritization in so-called «high-stakes» sectors.

In addition to bilateral engagements, the LBP AM Group has participated in the following collaborative initiatives:
■ The Carbon Disclosure Project (CDP) Science-Based Targets Campaign: The Science Based Targets initiative (SBTi) is an international association that certifies that companies' GHG emission reduction targets are consistent with the international targets of the Paris Agreement. The CDP's engagement campaign aims to encourage companies to commit to the Science Based Targets initiative to set science-based decarbonization targets aligned with the 1.5°C global warming scenario.
■ The Carbon Disclosure Project (CDP) Non Disclosure Campaign: this initiative aims to improve the environmental transparency of portfolio companies on climate, water and forest issues. As part of this campaign, the LBP AM Group acted as lead investor in engagements with two companies on climate-related issues, with the objective of encouraging greater disclosure of indicators. The 2025 activity report is available here.
■ The Climate Action 100+ initiative, led by the PRI and the IIGCC, aims to encourage major global emitters of greenhouse gases to reduce their emissions in line with the Paris Agreement targets. By signing the initiative's charter, the LBP AM Group is committed to working to encourage the energy transition through its fund investments.

Voting policy
The LBP AM Group's support for climate plans submitted to shareholders for a vote is conditional on the following:
■ The plan contains specific short- and long-term GHG emission reduction targets;
■ The plan is aligned with the trajectory set out in the Paris Climate Agreement.
■ Variable executive compensation includes non-financial criteria aligned with the announced objectives.
■ The board of directors undertakes to consult shareholders on a regular basis (at least every three years).
In 2025, the LBP AM Group voted on 17 say-on-climate resolutions.

ESG rating of issuers used for portfolio selection
The rating assigned to issuers based on the proprietary GREaT analysis methodology includes a criterion relating to their procedures for measuring and reducing their carbon emissions throughout their value chain.</td></tr>
<tr><td>LBP AM:
405,268 tCO_2e</td><td>LBP AM:
428,014 tCO_2e</td><td>LBP AM:
Eligible assets: 83.04%
Coverage of eligible assets: 96.11%</td></tr>
<tr><td>LFDE:
113,033 tCO_2e</td><td>LFDE:
128,930 tCO_2e</td><td>LFDE:
Eligible assets: 95.42%
Coverage of eligible assets: 95%

Issuers' carbon footprints generally declined over the reporting period. However, this effect was more than offset by the increase in coverage and by allocation decisions, notably the increase in the position in ArcelorMittal, which accounted for 50% of the overall variation.</td></tr>
<tr><td>PAI regarding private debt

Scope 2 GHG emissions in tons of CO_2 equivalents</td><td>5,023 tCO_2e

Coverage of eligible assets: 38%</td><td>114,767.05 tCO_2e

Coverage of eligible assets: 40%</td><td>Eligible assets: 100% of AuM

The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated.

The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).</td><td>Strategy for achieving carbon neutrality
Investments in real and private assets are integrated into the carbon neutrality strategy mentioned above.

ESG rating of issuers used to assess investment projects
The rating assigned to issuers based on the proprietary GREaT analysis methodology, tailored to the specific characteristics of the asset classes in question, includes a criterion relating to the initiatives implemented to measure and reduce their carbon emissions.

Shareholder engagement
The engagement policy specified for the listed assets is adapted to take into account the specific characteristics of these asset classes. The private debt management teams engage with counterparties during the due diligence phase to gather information and deepen their understanding of their ESG practices. In addition, as part of certain strategies, they may negotiate the inclusion of impact indicators in loan agreements to encourage borrowers to improve their practices on the most material environmental and social issues. For certain investments currently being deployed, LBP AM is negotiating the inclusion of indicators relating to the measurement and reduction of carbon footprints covering all three scopes of CO_2 emissions. This will enable LBP AM to support data collection and encourage counterparties to reduce their negative carbon impacts.</td></tr>
<tr><td rowspan="3">Scope 3 GHG emissions in tons of CO_2 equivalents</td><td>LBP AM Group:
28,333,268 tCO_2e</td><td>LBP AM Group:
33,102,265 tCO_2e</td><td>LBP AM Group:
Eligible assets: 86.03% Coverage of eligible assets: 93.50% - Change of +8,838,610.84 tCO_2e (+31%)[9]</td><td rowspan="3">Strategy for achieving carbon neutrality
The LBP AM Group joined the Net Zero Asset Managers Initiative (NZAMi) in 2021 in order to align its asset management with a GHG emissions management trajectory compatible with the Paris Agreement's goal of «pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.». Within this framework, it defined and published an ambitious decarbonization trajectory for its investment portfolios in 2022. This trajectory has been extended to the Group's new entities following the acquisition of Financière de l'Échiquier in 2023, which is also a member of the NZAMI. It is currently based on the following milestone for 2030: 80% of total assets under management in line with the 2050 carbon neutrality target

Shareholder engagement:
In line with its transition ambition, the LBP AM Group pursues an active engagement policy with companies to encourage them to initiate or accelerate the transition of their business models. To achieve its objectives, the LBP AM Group encourages companies to:
■ Formalize robust transition plans to align their activities and practices over time with a scenario that limits global warming to 1.5°C. ■ Regularly consult their shareholders on this transition plan and its implementation, in particular through «Say-on-Climate» resolutions.
■ Assess, reduce, and decarbonize their exposure to physical and transition climate risks, in particular by applying the TCFD reporting framework.

These expectations apply to all sectors and are implemented with particular attention and prioritization in so-called «high-stakes» sectors.
In addition to bilateral engagements, the LBP AM Group has participated in the following collaborative initiatives:
■ The Carbon Disclosure Project (CDP) Science-Based Targets Campaign: The Science Based Targets initiative (SBTi) is an international association that certifies that companies' GHG emission reduction targets are consistent with the international targets of the Paris Agreement. The CDP's engagement campaign aims to encourage companies to commit to the Science Based Targets initiative to set science-based decarbonization targets aligned with the 1.5°C global warming scenario.
■ The Carbon Disclosure Project (CDP) Non Disclosure Campaign: this initiative aims to improve the environmental transparency of portfolio companies on climate, water and forest issues. As part of this campaign, the LBP AM Group acted as lead investor in engagements with two companies on climate-related issues, with the objective of encouraging greater disclosure of indicators. The 2025 activity report is available here.
■ The Climate Action 100+ initiative, led by the PRI and the IIGCC, aims to encourage major global emitters of greenhouse gases to reduce their emissions in line with the Paris Agreement targets. By signing the initiative's charter, the LBP AM Group is committed to working to encourage the energy transition through its fund investments.

Voting policy
The LBP AM Group's support for climate plans submitted to shareholders for a vote is conditional on the following:
■ he plan contains specific short- and long-term GHG emission reduction targets;
■ The plan is aligned with the trajectory set out in the Paris Climate Agreement.
■ Variable executive compensation includes non-financial criteria aligned with the announced objectives.</td></tr>
<tr><td>LBP AM:
23,291,256 tCO_2e</td><td>LBP AM:
26,671,946 tCO_2e</td><td>LBP AM:
Eligible assets: 83.04%
Coverage of eligible assets: 94.25%</td></tr>
<tr><td>LFDE:
4,785,620 tCO_2e</td><td>LFDE:
6,358,055 tCO_2e</td><td>LFDE:
Eligible assets: 95.42%
Coverage of eligible assets: 91.47%

Change: A general decrease in Scope 3 indicators can be observed among the main issuers. However, 25% of the increase observed is related to the inclusion of new instruments.
15% of the variation is attributable to issuers newly covered by the data.

50% of the variation is attributable to Siemens and BPER Banca, following the correction by MSCI of a substantial error concerning these two issuers.</td></tr>
<tr><td>PAI regarding private debt

Scope 3 GHG emissions in tons of CO_2 equivalents</td><td>275,529 tCO_2e

Coverage of eligible assets: 35%</td><td>4,054,905 tCO_2e

Coverage of eligible assets: 35%</td><td>Eligible assets: 100% of AuM

The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated which can lead to important change.

The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).</td><td>Strategy for achieving carbon neutrality
Investments in real and private assets are integrated into the carbon neutrality strategy mentioned above.

ESG rating of issuers used to assess investment projects
The rating assigned to issuers based on the proprietary GREaT analysis methodology, tailored to the specific characteristics of the asset classes in question, includes a criterion relating to the initiatives implemented to measure and reduce their carbon emissions.

Shareholder engagement
The engagement policy specified for the listed assets is adapted to take into account the specific characteristics of these asset classes. The private debt management teams engage with counterparties during the due diligence phase to gather information and deepen their understanding of their ESG practices. In addition, as part of certain strategies, they may negotiate the inclusion of impact indicators in loan agreements to encourage borrowers to improve their practices on the most material environmental and social issues. For certain investments currently being deployed, LBP AM is negotiating the inclusion of indicators relating to the measurement and reduction of carbon footprints covering all three scopes of CO_2 emissions. This will enable LBP AM to support data collection and encourage counterparties to reduce their negative carbon impacts.</td></tr>
</table>

7 Comparison of Q4 data to minimise seasonal effects and provide a closer "year-end to year-end" comparison
8 Comparison of Q4 data to minimise seasonal effects and provide a closer "year-end to year-end" comparison
9 Comparison of Q4 data to minimise seasonal effects and provide a closer "year-end to year-end" comparison

<table>
<tr><th>Climate indicators and other environmental indicators</th><th>Impact 2024</th><th>Impact 2025</th><th>Explanation</th><th>Measures taken, measures planned and targets set for the next reporting period</th></tr>
<tr><td colspan="5">2. CARBON FOOTPRINT</td></tr>
<tr><td rowspan="3">Carbon footprint in tons of CO_2 equivalents per million euros invested</td><td>LBP AM Group:
605.13 tCO_2e per € million invested eligible</td><td>LBP AM Group:
622.84 tCO_2e per € million invested eligible</td><td>LBP AM Group:
Coverage of eligible assets: 93.5%</td><td rowspan="3">Strategy to achieve carbon neutrality and reduce the LBP AM Group's exposure to high-carbon assets
In line with our ambition, the LBP AM Group joined the Net Zero Asset Managers Initiative (NZAMi) in 2021 in order to align its asset management with a greenhouse gas emissions management trajectory compatible with the Paris Agreement's goal of «pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.». Within this framework, it has defined and published, as of 2022, an ambitious decarbonization trajectory for the investment portfolios.
This trajectory has been extended to the Group's new entities following the acquisition of Financière de l'Échiquier in 2023, which is also a member of the NZAMI. It is currently based on the following milestones:
■ 2030 target: 80% of total assets under management in line with the 2050 carbon neutrality target
■ 2040 ambition: 100% of assets under management in line with the 2050 carbon neutrality target
■ 2050 ambition: carbon neutrality of assets under management.

Performance indicator applied to certain funds
Certain funds that have obtained the French SRI label have a performance indicator that measures the CO_2 emissions attributable to the fund's investments. This indicator is expressed in tCO_2 per million euros invested and covers Scope 1 and 2 emissions. The fund must achieve a better score than its benchmark index or its defined ESG analysis universe in order to apply the selection criteria of the French SRI label. The use of this indicator is indicated in the SFDR annex to the prospectus of the funds concerned.

Measurement indicator – ESG integration
The fund's carbon footprint for all emissions (scopes 1, 2, and 3) is calculated for each fund and made available to managers</td></tr>
<tr><td>LBP AM:
675.35 tCO_2e per € million invested eligible</td><td>LBP AM:
727.10 tCO_2e per € million invested eligible</td><td>LBP AM:
Coverage of eligible assets: 94.25%</td></tr>
<tr><td>LFDE:
391.66 tCO_2e per € million invested eligible</td><td>LFDE:
481.30 tCO_2e per € million invested eligible</td><td>LFDE:
Coverage of eligible assets: 91.98%

The increase is primarily attributable to higher assets under management invested in carbon-intensive companies, notably Siemens Energy, BPER Banca and ArcelorMittal.</td></tr>
<tr><td>PAI regarding private debt

Carbon footprint in tons of CO_2 equivalents per million euros invested</td><td>334 tCO_2e per € million invested

Coverage of eligible assets: 38%</td><td>391.92 tCO_2e per € million invested

Coverage of eligible assets: 40%</td><td>Eligible assets: 100% of AuM

The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated.

The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).</td><td>Strategy to achieve carbon neutrality and reduce the LBP AM Group's exposure to high-carbon assets
Investments in real and private assets are integrated into the carbon neutrality strategy mentioned above.

ESG rating of issuers used to assess investment projects
The rating assigned to issuers based on the proprietary GREaT analysis methodology, tailored to the specific characteristics of the asset classes in question, includes a criterion relating to the initiatives implemented to measure and reduce their carbon emissions.

Shareholder engagement
The engagement policy specified for the listed assets is adapted to take into account the specific characteristics of these asset classes. The private debt management teams engage with counterparties during the due diligence phase to gather information and deepen their understanding of their ESG practices. In addition, as part of certain strategies, they may negotiate the inclusion of impact indicators in loan agreements to encourage borrowers to improve their practices on the most material environmental and social issues. For certain investments currently being deployed, LBP AM is negotiating the inclusion of indicators relating to the measurement and reduction of carbon footprints covering all three scopes of CO_2 emissions. This will enable LBP AM to support data collection and encourage counterparties to reduce their negative carbon impacts.</td></tr>
<tr><td colspan="5">3. GHG INTENSITY OF COMPANIES BENEFITING FROM INVESTMENTS</td></tr>
<tr><td rowspan="3">GHG intensity of companies benefiting from investments in tons of CO_2 equivalents per million euros of turnover of companies benefiting from investments</td><td>LBP AM Group:
1,013.2 tCO_2e per € million in revenue</td><td>LBP AM Group:
1,306.72 tCO_2e per € million in revenue</td><td>LBP AM Group:
Eligible assets: N/A
Coverage of eligible assets: 93.54%</td><td rowspan="3">Strategy for achieving carbon neutrality
The LBP AM Group joined the Net Zero Asset Managers Initiative (NZAMi) in 2021 to align its asset management with a GHG emissions management trajectory compatible with the Paris Agreement's goal of «pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.». Within this framework, it defined and published an ambitious decarbonization trajectory for its investment portfolios in 2022. This trajectory has been extended to the Group's new entities following the acquisition of Financière de l'Échiquier in 2023, which is also a member of the NZAMI. It is currently based on the following milestone for 2030: 80% of total assets under management in line with the 2050 carbon neutrality target. This trajectory has been extended to the Group's new entities following the acquisition of Financière de l'Échiquier in 2023, which is also a member of the NZAMI. It is currently based on the following milestones:
■ 2030 target: 80% of total assets under management in line with the 2050 carbon neutrality target
■ 2040 ambition: 100% of assets under management in line with the 2050 carbon neutrality target
■ 2050 ambition: carbon neutrality of assets under management.

Shareholder engagement
In line with its transition ambition, the LBP AM Group pursues an active engagement policy with companies to encourage them to initiate or accelerate the transition of their business models. To achieve its objectives, the LBP AM Group encourages companies to:
■ Formalize robust transition plans that enable the implementation of a transparent and credible transition strategy in order to align their activities and practices over the long term with a scenario that limits global warming to 1.5°C.
■ Regularly consult their shareholders on this transition plan and its implementation, in particular through dedicated climate resolutions submitted to a vote at the general meeting, commonly known as «Say-on-Climate» resolutions. These enable shareholders to vote specifically on companies' energy transition strategies and targets, and on their implementation during a financial year.
■ Assess, reduce, and disclose its exposure to physical and transition climate risks, in particular by applying the TCFD reporting framework. These expectations apply to all sectors and are implemented with particular attention and prioritization in so-called «high-stakes» sectors. They are therefore set out and implemented in two sectoral policies: oil and gas, and coal. In accordance with this policy, the LBP AM Group participated in the Science-Based Targets Campaign organized by the Carbon Disclosure Project (CDP), which targeted more than a thousand companies with a view to obtaining a commitment from them to transition their activities in line with the Science-Based Target Initiative. In addition, the LBP AM Group actively encourages companies to submit their climate strategies to a shareholder vote, for which it has established specific requirements (Say-on-Climate voting policy). Where necessary, the LBP AM Group may also participate in the submission of resolutions.
In 2025, the LBP AM Group formally voted on 17 Say-on-Climate resolutions. Among these, it opposed 12 resolutions whose transition plans did not meet the criteria set out in its voting policy. The LBP AM Group opposed all Say-on-Climate resolutions submitted by oil, gas and mining companies on which it voted.

Measurement indicator – ESG integration
The fund's carbon intensity across all emissions (scopes 1, 2 and 3) is calculated for each fund and made available to managers.</td></tr>
<tr><td>LBP AM:
1,115.17 tCO_2e per € million in revenue</td><td>LBP AM:
1,416.11 tCO_2e per € million in revenue</td><td>LBP AM:
Eligible assets: N/A
Coverage of eligible assets: 94.32%</td></tr>
<tr><td>LFDE:
702.84 tCO_2e per € million in revenue</td><td>LFDE:
997.67 tCO_2e per € million in revenue</td><td>LFDE:
Eligible assets: N/A
Coverage of eligible assets: 91.39%

Change of 358.68 t/€M of revenue, i.e. +35%[10]

The increase is linked to higher assets under management in the following companies: Siemens Energy, BPER Banca, RENK Group and Banco BPM. These companies account for 80% of the increase observed. The remaining variation is attributable to the average increase in the indicator.</td></tr>
<tr><td>PAI regarding private debt

GHG intensity of companies benefiting from investments in tons of CO_2 equivalents per million euros of revenue of companies benefiting from investments</td><td>1,442 tCO_2e per € million in revenue

Coverage of eligible assets: 35%</td><td>2,009 tCO_2e per € million in revenue

Coverage of eligible assets: 38%</td><td>Eligible assets: 100% of AuM

The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated.

The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).</td><td>Strategy for achieving carbon neutrality
Investments in real and private assets are integrated into the carbon neutrality strategy mentioned above.

ESG rating of issuers used to assess investment projects
The rating assigned to issuers based on the proprietary GREaT analysis methodology, tailored to the specific characteristics of the asset classes in question, includes a criterion relating to the initiatives implemented to measure and reduce their carbon emissions.</td></tr>
<tr><td colspan="5">4. EXPOSURE TO COMPANIES ACTIVE IN THE FOSSIL FUEL SECTOR</td></tr>
<tr><td rowspan="3">Share of investments in companies active in the fossil fuel sector</td><td>LBP AM Group:
6.68%</td><td>LBP AM Group:
6.24%</td><td>LBP AM Group:
Amount invested in coal: €1,680,250,000
Amount invested in oil and gas: €2,199,360,000</td><td rowspan="3">Exclusion policy - Coal
Exclusion of issuers involved in the exploration, production, storage, distribution, and sale of thermal coal based on the following criteria:
■ No plan for a controlled phase-out of coal by 2030 (for companies headquartered in an OECD country) and by 2040 (rest of the world)
■ Development of new projects involving the use of thermal coal or expansion of existing projects.
■ Generation of more than 5% of revenue from the extraction and sale of thermal coal. Other exclusion criteria, based on activity thresholds, are established according to the type of company and may be waived if the company has put in place a credible exit plan.

Exclusion policy – Oil & Gas
The LBP AM Group's Oil & Gas sector policy on investments in companies and project companies operating (exploration, production, processing, transportation, refining, distribution, directly or as a partner or shareholder) in the oil and gas sector, defines the principles applicable by LBP AM and LFDE to align their sector allocation in the oil and gas sector by 2030 with the goal of carbon neutrality by 2050, by:
■ Promoting and supporting the orderly and just energy transition of the real economy necessary to achieve the objectives of the Paris Agreement
■ Contributing to the management of climate-related financial risks – transition risks, legal risks and physical risks – for their own portfolios.
The oil and gas policy excludes companies that derive 20% or more of their revenue from unconventional energy sources. Companies that are unable to complete their energy transition by 2030 are also excluded, insofar as they do not currently have a target for carbon neutrality for scope 1 and 2 emissions or a target for reducing scope 3 GHG emissions.

Strategy for achieving carbon neutrality
The LBP AM Group joined the Net Zero Asset Managers Initiative (NZAMi) in 2021 in order to align its asset management with a trajectory for managing associated GHG emissions that is compatible with the Paris Agreement's goal of «pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels». Within this framework, the group has defined and published an ambitious decarbonization trajectory for its investment portfolios, including open-ended and dedicated funds across all asset classes, with the aim of achieving carbon neutrality by 2050. This trajectory has been extended to the Group's new entities following the acquisition of Financière de l'Échiquier in 2023, which is also a member of the NZAMI. It is currently based on the following milestones:
■ 2030: 80% of total assets under management in line with the 2050 carbon neutrality target

Shareholder engagement – Coal:
With regard to thermal coal, the LBP AM Group has implemented a specific engagement strategy for issuers whose activity/exposure exceeds certain quantitative thresholds defined in the policy, but who have plans to phase out coal. It is based on a qualitative analysis of the quality and credibility of these plans to determine the applicable treatment. The decision to retain the security in the portfolio is made at the end of the calendar year.

Shareholder engagement – Oil and gas:
The LBP AM Group has implemented a demanding shareholder engagement strategy to support the companies in which it invests in their energy transition, requiring them to adopt and publish a clear and credible energy transition strategy towards carbon neutrality that is aligned with climate and energy scenarios that limit global warming to 1.5°C, using primarily permanent measures that are the quickest to implement and the most cost-effective:
■ This strategy must, in particular, adapt investment management to the challenge of investment concentration in existing fields. The aim is to avoid lock-in effects on regional economies and companies invested in fossil fuels and, where appropriate, depending on the operating costs of assets and their position in the value chain, to avoid increasing the risk of stranded assets or a decline in commercial activities.
■ It should also make it possible to control the physical risks arising from climate change and take into account the challenges of a just transition.</td></tr>
<tr><td>LBP AM:
7.07%</td><td>LBP AM:
6.65%</td><td>LBP AM:
Amount invested in coal: €1,399,490,000
Amount invested in oil and gas: €1,740,900,000</td></tr>
<tr><td>LFDE:
5.46%</td><td>LFDE:
4.93%</td><td>LFDE:
Amount invested in coal: €280,770,000
Amount invested in oil and gas: €458,470,000

The 5.5% decrease is mainly attributable to a higher number of companies exiting the perimeter than companies entering it.</td></tr>
<tr><td>PAI regarding private debt

Share of investments in companies active in the fossil fuel sector</td><td>0%

Coverage of eligible assets: 40%</td><td>7.0%

Coverage of eligible assets: 40%</td><td>Eligible assets: 100% of AuM

The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated.

The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).</td><td>Exclusion policy - Coal
Exclusion of issuers in the mining and electricity production sectors that have not committed to phasing out coal within a timeframe compatible with the IPCC recommendations to limit global warming to 1.5°C. For the rest of the value chain (upstream and downstream service providers), exclusion of issuers that generate more than 20% of their revenue from thermal coal.

Exclusion policy – Oil and gas
For private debt investments, the requirements applied to listed assets are applied. For infrastructure investments, exclusion since September 1, 2022, of all new greenfield or brownfield projects dedicated to unconventional resources, as well as any investment in greenfield gas (fossil) and oil projects.

Strategy for achieving carbon neutrality
Investments in real and private assets are integrated into the carbon neutrality strategy mentioned above.</td></tr>
</table>

10 Comparison of Q4 data to minimise seasonal effects and provide a closer "year-end to year-end" comparison

Climate indicators and other environmental indicators	Impact 2024	Impact 2025	Explanation	Measures taken, measures planned and targets set for the next reporting period
5. SHARE OF NON-RENEWABLE ENERGY CONSUMPTION AND PRODUCTION				
Share of energy consumption and production of investee companies that comes from non-renewable energy sources, compared to that from renewable energy sources, expressed as a percentage of total energy sources	**LBP AM Group:** Energy consumed: 56% Energy produced: 46%	**LBP AM Group:** **Energy consumed: 53.14%** **Energy produced: 37.91%**	Eligible assets: 86.03% **LBP AM Group:** Coverage of eligible assets: 95.3% (energy consumed) and 93.63% (energy produced)	**ESG rating of issuers used for portfolio selection** The rating assigned to issuers based on the proprietary GREaT analysis methodology includes a criterion relating to their strategy on energy consumption and emissions from their energy consumption. The following are taken into account: technological choices and developments; use of renewable energies; management of atmospheric emissions linked to energy consumption.
	LBP AM: Energy consumed: 56% Energy produced: 50%	**LBP AM:** **Energy consumed: 53.57%** **Energy produced: 38.17%**	**LBP AM:** Coverage of eligible assets: 95.69% (energy consumed) and 93.67% (energy produced)	
	LFDE: Energy consumed: 57% Energy produced: 31%	**LFDE:** **Energy consumed: 51.93%** **Energy produced: 36.90%**	**LFDE:** Coverage of eligible assets: 94.24% (energy consumed) and 93.49% (energy produced) The value presented is calculated on covered eligible assets only (i.e. no estimates are applied to missing data). A general decrease in non-renewable energy consumption was observed in 2025. together with a decrease in non-renewable energy production.	
PAI regarding private debt **Share of energy consumption and production of investee companies that comes from non-renewable energy sources, compared to that from renewable energy sources, expressed as a percentage of total energy sources**	Energy consumed: 36.6% Coverage of eligible assets: 37% Energy produced: 2.6% Coverage of eligible assets: 20%	**Energy consumed: 42%** **Coverage of eligible assets: 38%** **Energy produced: 15%** **Coverage of eligible assets: 23%**	Eligible assets: 100% of AuM The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated. The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	
6. ENERGY CONSUMPTION INTENSITY BY SECTOR WITH HIGH CLIMATE IMPACT				
Energy consumption in GWh per million euros of turnover of companies benefiting from investments, by sector with high climate impact	**LBP AM Group:** Sector A: 0.42 GWh/€ million of turnover Sector B: 0.98 GWh/€ million of turnover Sector C: 0.34 GWh/€ million of turnover Sector D: 2.13 GWh/€ million of turnover Sector E: 1.57 GWh/€ million of turnover Sector F: 0.25 GWh/€ million of turnover Sector G: 0.07 GWh/€ million of turnover Sector H: 0.73 GWh/€ million of turnover Sector L: 0.35 GWh/€ million of turnover	**LBP AM Group:** **Sector A: 0.47 GWh/€ million of turnover** **Sector B: 1.1 GWh/€ million of turnover** **Sector C: 0.32 GWh/€ million of turnover** **Sector D: 2.01 GWh/€ million of turnover** **Sector E: 0.87 GWh/€ million of turnover** **Sector F: 0.20 GWh/€ million of turnover** **Sector G: 0.06 GWh/€ million of turnover** **Sector H: 0.72 GWh/€ million of turnover** **Sector L: 0.43 GWh/€ million of turnover**	**LBP AM Group:** Sector A: Eligible assets: < 1% Coverage 100.00% Sector B: Eligible assets: 0.77% Coverage 93.21% Sector C: Eligible assets: 33.78% Coverage 97.35% Sector D: Eligible assets: 3.71% Coverage 98.49% Sector E: Eligible assets: 0.82% Coverage 97.89% Sector F: Eligible assets: 1.79% Coverage 99.41% Sector G: Eligible assets: 3.19% Coverage 97.85% Sector H: Eligible assets: 1.82% Coverage 95.69% Sector L: Eligible assets: 1.94% Coverage 95.66% Limited changes, except for Sector E, which is attributable to the decrease in the indicator reported for Veolia Environnement SA.	ESG rating of issuers used for portfolio selection The rating assigned to issuers based on the proprietary GREaT analysis methodology includes a criterion relating to their investment policies in low-carbon technologies and the energy efficiency of their infrastructure.
	LBP AM: Sector A: 0.42 GWh/€ million of turnover Sector B: 0.94 GWh/€ million of turnover Sector C: 0.35 GWh/€ million of turnover Sector D: 2.26 GWh/€ million of turnover Sector E: 1.48 GWh/€ million of turnover Sector F: 0.21 GWh/€ million of turnover Sector G: 0.06 GWh/€ million of turnover Sector H: 0.86 GWh/€ million of turnover Sector L: 0.35 GWh/€ million of turnover	**LBP AM:** **Sector A: 0.47 GWh/€ million of turnover** **Sector B: 1.03 GWh/€ million of turnover** **Sector C: 0.34 GWh/€ million of turnover** **Sector D: 2.07 GWh/€ million of turnover** **Sector E: 0.88 GWh/€ million of turnover** **Sector F: 0.19 GWh/€ million of turnover** **Sector G: 0.06 GWh/€ million of turnover** **Sector H: 0.85 GWh/€ million of turnover** **Sector L: 0.45 GWh/€ million of turnover**	**LBP AM:** Sector A: Eligible assets: < 1% Coverage: 100.00% Sector B: Eligible assets: 0.8% Coverage: 92.39% Sector C: Eligible assets: 31.04% Coverage: 97.74% Sector D: Eligible assets: 4.05% Coverage: 98.87% Sector E: Eligible assets: 0.86% Coverage: 97.34% Sector F: Eligible assets: 1.97% Coverage: 99.68% Sector G: Eligible assets: 2.56% Coverage: 97.65% Sector H: Eligible assets: 1.86% Coverage: 96.69% Sector L: Eligible assets: 2.16% Coverage: 96.70%	
	LFDE: Sector A: N/A Sector B: 1.23 GWh/€ million of turnover Sector C: 0.32 GWh/€ million of turnover Sector D: 1.59 GWh/€ million of turnover Sector E: 2.03 GWh/€ million of turnover Sector F: 0.48 GWh/€ million of turnover Sector G: 0.08 GWh/€ million of turnover Sector H: 0.28 GWh/€ million of turnover Sector L: 0.36 GWh/€ million of turnover	**LFDE:** **Sector A: N/A** **Sector B: 1.36 GWh/€ million of turnover** **Sector C: 0.28 GWh/€ million of turnover** **Sector D: 1.73 GWh/€ million of turnover** **Sector E: 0.85 GWh/€ million of turnover** **Sector F: 0.21 GWh/€ million of turnover** **Sector G: 0.06 GWh/€ million of turnover** **Sector H: 0.3 GWh/€ million of turnover** **Sector L: 0.32 GWh/€ million of turnover**	**LFDE:** Sector A: Eligible assets N/A Coverage: N/A Sector B: Eligible assets: 0.66% Coverage: 96.25% Sector C: Eligible assets: 42.16% Coverage: 96.46% Sector D: Eligible assets: 2.68% Coverage: 96.74% Sector E: Eligible assets: 0.71% Coverage: 99.91% Sector F: Eligible assets 1.25% Coverage: 98.11% Sector G: Eligible assets 5.11% Coverage: 98.14% Sector H: Eligible assets 1.72% Coverage: 92.36% Sector L: Eligible assets: 1.29% Coverage: 90.37%	
PAI regarding private debt **Energy consumption in GWh per million euros of turnover of companies benefiting from investments, by sector with high climate impact**	Sector C: 23.8 GWh per € million in revenue Total coverage of eligible assets: 3% Sector D: 0.4GWh per € million in revenue Total coverage of eligible assets: 9% Sector F: 0.0 GWh per € million in revenue Total coverage of eligible assets: 7% Sector G: 0.1 GWh per € million in revenue Total coverage of eligible assets: 1% Sector H: 0.0 GWh per € million in revenue Total coverage of eligible assets: 4%	**Sector C: 0.1 GWh per € million in revenue Total coverage of eligible assets: 3%** **Sector D: 0.5 GWh per € million in revenue Total coverage of eligible assets: 6%** **Sector E: 0.39 GWh per € million in revenue Total coverage of eligible assets: 0.3%** **Sector F: 0.1 GWh per € million in revenue Total coverage of eligible assets: 4%** **Sector G: 0.02 GWh per € million in revenue Total coverage of eligible assets: 2%** **Sector H: 0.51 GWh per € million in revenue Total coverage of eligible assets: 10%** **Sector L: 0.02 GWh per € million in revenue Total coverage of eligible assets: 2%**	LBP AM was not able to obtain eligible assets under management by sector, but only sector coverage rates relative to the overall portfolio. The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated (for instance presence of sector E in 2025). The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	ESG rating of issuers used to assess investment projects The rating assigned to the project based on the proprietary GREaT analysis methodology, adapted to the specific characteristics of the asset class in question, was updated in 2022 to include the indicators shown opposite.
7. BIODIVERSITY				
Activities with a negative impact on biodiversity-sensitive areas				
Proportion of investments made in companies with sites/facilities located in or near biodiversity-sensitive areas, if the activities of these companies have a negative impact on these areas	**LBP AM Group:** 2.05%	**LBP AM Group:** **0.72%**	**LBP AM Group:** Eligible assets: 86.03% Coverage of eligible assets: 93.97%	Exclusion Exclusion of companies that have a significant negative impact on biodiversity, according to the management company's analysis, and that have not implemented an internal policy or action plan to reduce this negative impact. The company's analysis is based, among other things, on the msa.ppb* biodiversity footprint in absolute terms and relative to its peers, and on the level of severe controversy surrounding biodiversity. Exclusion of producers and traders of agricultural raw materials deemed to be at high risk of deforestation by the European «EU Deforestation-Free Regulation» (EUDR), which have been the subject of controversy relating to a high impact on deforestation and have not made any commitments to corrective measures or have not implemented risk identification principles with formalized objectives. Exclusion of players whose turnover derives more than 20% from the manufacture or sale of pesticides. Shareholder engagement The LBP AM Group is implementing a policy to encourage companies to identify and monitor their impact on biodiversity. This engagement strategy primarily targets sectors identified as high-risk, based on an analysis of dependencies and impacts on investments. The engagement takes the form of individual or collective initiatives alongside NGOs or associations. These shareholder engagement initiatives encourage companies to: ▪ Integrate these issues into their governance and report in accordance with the TNFD framework by analysing the impacts and dependencies related to biodiversity and ecosystem services ▪ Define a biodiversity policy that includes setting targets and implementing actions The full list of collaborative engagements on this topic in which the LBP AM Group is involved is available on the management companies' websites. ESG rating of issuers used for portfolio selection The rating assigned to issuers based on the proprietary GREaT analysis methodology includes a criterion relating to the impact of their activities on fragile ecosystems. In particular, the biodiversity protection and land use policies implemented by companies are taken into account.
	LBP AM: 2.15%	**LBP AM:** **0.67%**	**LBP AM:** Eligible assets: 83.04% Coverage of eligible assets: 93.65%	
	LFDE: 1.73%	**LFDE:** **0.87%**	**LFDE:** Eligible assets: 95.42% Coverage of eligible assets: 94.84% The decrease is primarily attributable to the evolution of the three largest contributors: Nestlé SA, Rio Tinto PLC and Sanofi	
PAI regarding private debt **Proportion of investments made in companies with sites/facilities located in or near biodiversity-sensitive areas, if the activities of these companies have a negative impact on these areas**	14.2% Coverage of eligible assets: 41%	**15.6%** **Coverage of eligible assets: 39%**	Eligible assets: 100% of AuM The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated. The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	ESG rating of issuers used to assess investment projects ▪ Private debt financing: the rating assigned to issuers based on the proprietary GREaT analysis methodology, tailored to the specific characteristics of the asset class in question, includes a criterion relating to initiatives implemented to reduce impacts on biodiversity. ▪ Infrastructure financing: the rating assigned to the project based on the proprietary GREaT analysis methodology, adapted to the specific characteristics of the asset class in question, includes a criterion relating to the procedures put in place to protect biodiversity. The analysis grid was updated in 2022 to include the indicator defined by European regulations, as well as an indicator measuring land artificialization and a controversy indicator applied to the counterparty. In addition, in 2025, as part of the enhancement of the GREaT methodology, an environmental and social risk analysis was integrated into private debt and infrastructure investments. This analysis makes it possible to identify, during the pre-investment phase, the main E&S risks based on the sector of activity and geographical location, thereby strengthening our due diligence process, particularly with regard to biodiversity issues.

Climate indicators and other environmental indicators	Impact 2024	Impact 2025	Explanation	Measures taken, measures planned and targets set for the next reporting period
WATER				
8. Discharges into water				
Tons of discharges into water from investee companies, per million euros invested, weighted average	LBP AM Group: 0.0016 t/€M invested LBP AM: 0.0019 t/€M LFDE: 0.00049 t/€M	**LBP AM Group: 0.0034 t/€M invested** **LBP AM: 0.0032 t/€M** **LFDE: 0.0039 t/€M**	**LBP AM Group:** Value calculated on eligible assets covered Eligible assets: 86.03% Coverage of eligible assets: 37.98% **LBP AM:** Eligible assets: 83.04% Coverage: 39.46% **LFDE:** Eligible assets: 95.42% Coverage: 33.93% The increase is primarily attributable to the improvement in coverage, which rose by nearly 40%, with newly covered issuers such as TotalEnergies, Solvay and Suez SA. In addition, Aperam, which was already covered last year, recorded a 140-fold increase in its intensity. This increase is partially offset by the disposal of Kuala Lumpur Kepong Bhd from the portfolios, which accounted for 40% of last year's value.	Shareholder engagement The LBP AM Group has implemented a policy to encourage companies to better identify and control the pressures their activities place on freshwater and seawater resources. This policy is implemented through individual or collective initiatives alongside NGOs and associations. As a member of the Valuing Water Finance Initiative, the LBP AM Group engages with the most at-risk companies to encourage them to: ▪ Manage the amount of water consumed and its impact on access to water by calculating their water footprint, mapping water withdrawal sites and their correlation with areas of high water stress, and setting water consumption reduction targets. ▪ Manage water quality and pollutant emissions and ecosystem degradation by implementing water pollution reduction action plans and remediation plans. ▪ Integrate these issues into governance and relations with suppliers and customers ESG rating of issuers used for portfolio selection The rating assigned to issuers based on the proprietary GREaT analysis methodology includes a criterion relating to water consumption linked to their activities, water stress in their area of activity, and their policies for managing water-related risks and opportunities.
PAI regarding private debt **Tons of discharges into water from investee companies, per million euros invested, weighted average**	0 tons per € million invested Coverage of eligible assets: 37%	**0 tons per € million invested** **Coverage of eligible assets: 29%**	Eligible assets: 100% of AuM The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated. The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	ESG rating of issuers used to assess investment projects ▪ Private debt financing: the rating assigned to issuers based on the proprietary GREaT analysis methodology, adapted to the specific characteristics of the asset class in question, includes a criterion relating to initiatives implemented to reduce water consumption. The analysis grid was updated in 2022 to include a measure of the volume of water reused. Infrastructure financing: the rating assigned to the project based on the proprietary GREaT analysis methodology, adapted to the specific characteristics of the asset class in question, includes a criterion relating to procedures put in place to promote good water management. The analysis grid was updated in 2022 to include a measure of water recycling and a controversy indicator applied to the counterparty. In addition, in 2025, as part of the enhancement of the GREaT methodology, an environmental and social risk analysis was integrated into private debt and infrastructure investments. This analysis makes it possible to identify, during the pre-investment phase, the main E&S risks based on the sector of activity and geographical location, thereby strengthening our due diligence process, particularly with regard to water issues.
WASTE				
9. Hazardous and radioactive waste ratio				
Tons of hazardous and radioactive waste produced by investee companies, per million euros invested, weighted average	**LBP AM Group:** 5.49 t/€M invested **LBP AM:** 3.33 t/€M invested **LFDE:** 11.36 t/€M invested	**LBP AM Group: 28.97 t/€M invested** **LBP AM: 23.95 t/€M invested** **LFDE: 42.61 t/€M invested**	**LBP AM Group:** Value calculated on eligible assets covered Coverage: 95.49% **LBP AM:** Coverage: 95.19% **LFDE:** Coverage: 96.30% A 537% increase was observed. The main contributors account for the majority of the change, driven by a very significant increase in the indicator for Aperam, Rio Tinto, Boliden and Anglo American, together with increased positions in the other main contributors.	Exclusion The LBP AM Group excludes companies from its investments if more than 20% of their revenue comes from the manufacture or sale of pesticides Shareholder engagement The LBP AM Group participates in collaborative engagement initiatives led by NGOs such as Chemsec and ShareAction on issues specific to the use of pesticides and other highly polluting products. In this regard, LBP AM expects the following measures from the companies in which it invests and which are committed to sustainability: ▪ a plan to reduce pesticide use or production by 2030, in line with Target 7 of the Kunming-Montreal Global Biodiversity Framework; ▪ a credible plan to phase out the use or production of highly hazardous pesticides (HHPs) by 2030 ESG rating of issuers used for portfolio selection The rating assigned to issuers based on the proprietary GREaT analysis methodology includes a criterion relating to waste production in their activities, waste management and reduction policies and measures (electronic, packaging, hazardous and radioactive waste).
PAI regarding private debt **Tons of hazardous and radioactive waste produced by investee companies, per million euros invested, weighted average**	1.3 tons per € million invested Coverage of eligible assets: 40%	**1.28 tons per € million invested** **Coverage of eligible assets: 37%**	Eligible assets: 100% of AuM The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated. The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	ESG rating of issuers used to assess investment projects ▪ Private debt financing: the rating assigned to issuers based on the proprietary GREaT analysis methodology, tailored to the specific characteristics of the asset class in question, includes a criterion relating to initiatives implemented to reduce impacts on biodiversity. ▪ Infrastructure financing: the rating assigned to the project based on the proprietary GREaT analysis methodology, adapted to the specific characteristics of the asset class in question, includes a criterion relating to the procedures put in place to protect biodiversity. The analysis grid was updated in 2022 to include the indicator defined by European regulations, as well as an indicator measuring land artificialization and a controversy indicator applied to the counterparty. In addition, in 2025, as part of the enhancement of the GREaT methodology, an environmental and social risk analysis was integrated into private debt and infrastructure investments. This analysis makes it possible to identify, during the pre-investment phase, the main E&S risks based on the sector of activity and geographical location, thereby strengthening our due diligence process, particularly with regard to waste issues.
INDICATORS RELATED TO SOCIAL ISSUES, PERSONNEL, RESPECT FOR HUMAN RIGHTS, AND THE FIGHT AGAINST CORRUPTION AND ACTS OF CORRUPTION				
SOCIAL AND PERSONNEL ISSUES				
10. Violations of the principles of the United Nations Global Compact and the OECD guidelines for multinational enterprises				
Share of investments in companies that have participated in violations of the principles of the United Nations Global Compact or the OECD Guidelines for multinational enterprises (expressed as a percentage)	**LBP AM Group:** 2.42% **LBP AM:** 2.13% **LFDE:** 3.33%	**LBP AM Group: 0%** **LBP AM: 0%** **LFDE: 0%**	**LBP AM Group:** Eligible assets: N/A Coverage: 97.16% **LBP AM:** Eligible assets: N/A Coverage: 96.33% **LFDE:** Eligible assets: N/A Coverage: 98.02% Non-covered eligible assets are considered "neutral" (i.e. no breach identified). The decrease is attributable to a methodological change introduced by the data provider regarding the assessment of controversy severity.	Exclusion Exclusion of companies that risk causing, contributing to or being linked to a severe impact on human rights, the environment or the principles of good governance and/or that seriously, repeatedly and without remedy violate international standards on human rights, the environment and good governance, and for which LBP AM has assessed that exclusion is the best lever to reduce the risk of ongoing and future violations of standards, including the UNGPs and the OECD Guidelines. Shareholder engagement The LBP AM Group applies an engagement policy that prioritizes 1) companies that have a serious impact or risk of seriously impacting human rights or the environment, 2) companies exposed to risks identified as salient at the LBP AM Group level, 3) strengthening human rights and environmental due diligence within companies, taking into account LBP AM Group's equity holdings and the weight these companies represent in the Group's total investments. These engagements, which may be bilateral or collective, aim to strengthen companies' practices in terms of due diligence and respect for human rights. The LBP AM Group's expectations are based on the following elements, tailored to the specific issues facing the company: the implementation of human rights due diligence in accordance with the expectations of the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises; the identification, prevention, mitigation and remediation of salient risks specific to the sector in which the company operates; the remediation of negative impacts; and consultation with stakeholders and persons affected by the company's activities or their legitimate representatives. ESG rating of issuers used for portfolio selection The rating assigned to issuers based on the proprietary GREaT analysis methodology incorporates a number of indicators relating to the implementation of due diligence, including the existence of a human rights policy within the company, including an explicit commitment to the UNGPs and the OECD Guidelines, the existence and implementation of a due diligence policy in supply chains...
PAI regarding private debt **Share of investments in companies that have participated in violations of the principles of the United Nations Global Compact or the OECD Guidelines for multinational enterprises (expressed as a percentage)**	2.2% Coverage of eligible assets: 43%	**0.0%** **Coverage of eligible assets: 43%**	Eligible assets: 100% of AuM The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated. The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	Exclusion: Exclusion of companies guilty of serious and/or repeated violations of the principles of the UN Global Compact, according to LBP AM's analysis. ESG rating of issuers used to assess investment projects: The rating assigned to issuers based on the proprietary GREaT analysis methodology, adapted to the specific characteristics of the asset classes in question, includes criteria relating to respect for trade union rights, the fight against discrimination and the promotion of these social criteria in the value chain. In addition, in 2025, as part of the enhancement of the GREaT methodology, an environmental and social risk analysis was integrated into private debt and infrastructure investments. This analysis makes it possible to identify, during the pre-investment phase, the main E&S risks based on the sector of activity and geographical location, thereby strengthening our due diligence process, particularly with regard to social issues.
11. Absence of compliance processes and mechanisms to monitor adherence to the principles of the United Nations Global Compact and the OECD guidelines for multinational enterprises				
Share of investments in companies that do not have a policy to monitor compliance with the United Nations Global Compact or the OECD Guidelines for multinational enterprises, or mechanisms for handling complaints or disputes to remedy such violations	**LBP AM Group:** 0.31% Indicator coverage: 94.4% **LBP AM:** 0.15% Indicator coverage 94.25% **LFDE:** 0.82% Indicator coverage: 94.8%	**LBP AM Group: 0.24% Indicator coverage: 95.11%** **LBP AM: 0.22% Indicator coverage 94.94%** **LFDE: 0.31% Indicator coverage: 95.56%**	The change is attributable to the decrease in the number of issuers lacking compliance processes and mechanisms, from 19 in 2024 to 14 in 2025.	Exclusion Exclusion of companies that risk causing, contributing to or being linked to a severe impact on human rights, the environment or the principles of good governance and/or that seriously, repeatedly and without remedy violate international standards on human rights, the environment and good governance, and for which LBP AM has assessed that exclusion is the best lever to reduce the risk of ongoing and future violations of standards, including the UNGPs and the OECD Guidelines. Shareholder engagement Engagement policy targeting as a priority 1) companies with a serious impact or risk of seriously impacting human rights or the environment, 2) companies exposed to risks identified as significant at the LBP AM Group level, 3) strengthening human rights and environmental due diligence within companies, taking into account the LBP AM Group's equity holdings and the weight of these companies in the Group's total investments. These engagements, which may be bilateral or collective, aim to strengthen companies' practices in terms of due diligence and respect for human rights. ESG rating of issuers used for portfolio selection The rating assigned to issuers based on the proprietary GREaT analysis methodology incorporates a number of indicators relating to the implementation of due diligence, including the existence of a human rights policy within the company, including an explicit commitment to the UNGPs and the OECD Guidelines, the existence and implementation of a due diligence policy in supply chains...
PAI regarding private debt **Share of investments in companies that do not have a policy to monitor compliance with the United Nations Global Compact or the OECD Guidelines for multinational enterprises, or mechanisms for handling complaints or disputes to remedy such violations**	**11.8%** **Coverage of eligible assets: 33%**	**6.2%** **Coverage of eligible assets: 28%**	Eligible assets: 100% of AuM The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated. The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	ESG rating of issuers used to assess investment projects The rating assigned to issuers based on the proprietary GREaT analysis methodology, tailored to the specific characteristics of the asset classes in question, incorporates criteria relating to the implementation of procedures to ensure respect for trade union rights and to combat discrimination. In addition, in 2025, as part of the enhancement of the GREaT methodology, an environmental and social risk analysis was integrated into private debt and infrastructure investments. This analysis makes it possible to identify, during the pre-investment phase, the main E&S risks based on the sector of activity and geographical location, thereby strengthening our due diligence process, particularly with regard to social issues.
12. Unadjusted gender pay gap				
Unadjusted average gender pay gap within companies benefiting from investments	**LBP AM Group:** 9.73% Indicator coverage: 58.42% **LBP AM:** 9.67% Indicator coverage: 60.36% **LFDE:** 9.92% Indicator coverage: 53.06%	**LBP AM Group: 14.29% Indicator coverage: 73.49%** **LBP AM: 14.48% Indicator coverage: 74.67%** **LFDE: 13.76% Indicator coverage: 70.28%**	The increase is attributable to the significant improvement in coverage and the substantial increase in indicator levels. The average value of the indicator increased from 12 to 14.7, which explains the variation observed.	ESG rating of issuers used for portfolio selection The rating assigned to issuers based on the proprietary GREaT analysis methodology, tailored to the specific characteristics of the asset classes in question, incorporates criteria relating to the implementation of procedures to ensure respect for trade union rights and to combat discrimination.
PAI regarding private debt **Unadjusted average gender pay gap within companies benefiting from investments**	38% Coverage of eligible assets: 21%	**22.1%** **Coverage of eligible assets: 31%**	Eligible assets: 100% of AuM The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated. The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	ESG rating of issuers used to assess investment projects The rating assigned to issuers based on the proprietary GREaT analysis methodology, tailored to the specific characteristics of the asset classes in question, incorporates criteria relating to the implementation of procedures to ensure respect for trade union rights and to combat discrimination
13. Gender diversity within governance bodies				
Average ratio of women to men in the governance bodies of the companies concerned, as a percentage of the total number of members	**LBP AM Group:** 40.54% Indicator coverage: 96.54% **LBP AM:** 40.65% Indicator coverage 96.41% **LFDE:** 40.23% Indicator coverage: 96.89%	**LBP AM Group: 40.35% Indicator coverage: 95.99%** **LBP AM: 40.38% Indicator coverage 95.74%** **LFDE: 40.27% Indicator coverage: 96.63%**	An increase in gender diversity within governance bodies across all regions compared with 2024 was offset by a reallocation effect from North America, where average board gender diversity stood at 43%, towards Emerging Markets, where average board gender diversity stood at 22%.	Shareholder engagement The LBP AM Group participates in the collaborative engagement initiative of the 30% Club France Investor Group, created in November 2020 to promote gender diversity within the governing bodies of the SBF 120. LBP AM is a founding member of the French initiative. The coalition's goal is to encourage companies to promote the inclusion of women in positions of responsibility. Companies are expected to be transparent about the procedures used to find and appoint new members to the management team and to explain how this process ensures diversity within management teams. Companies are also asked to provide information on how diversity is reflected at all levels of responsibility within the company. LBP AM also expects evidence of a culture of commitment to gender diversity. Voting policy LBP AM makes its support for the election of male candidates to company boards conditional on women accounting for at least 40% of the board. ESG rating of issuers used for portfolio selection The rating assigned to issuers based on the proprietary GREaT analysis methodology includes a criterion relating to their employee compensation, profit-sharing, training, and incentive policies.
PAI regarding private debt **Average ratio of women to men in the governance bodies of the companies concerned, as a percentage of the total number of members**	25.6%[11] Coverage of eligible assets: 37%	**22.0%** **Coverage of eligible assets: 31%**	Eligible assets: 100% of AuM The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated. The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	ESG rating of issuers used to assess investment projects The rating assigned to issuers based on the proprietary GREaT analysis methodology, tailored to the specific characteristics of the asset classes in question, was updated in 2022 to include a criterion measuring the ratio of women on the boards of directors of companies benefiting from investments or counterparties. Shareholder engagement The engagement policy specified for the listed assets is adapted to take into account the specific characteristics of these asset classes. The private debt management teams engage with counterparties during the due diligence phase to gather information and deepen their understanding of their ESG practices. In addition, as part of certain strategies, they may negotiate the inclusion of impact indicators in loan agreements to encourage borrowers to improve their practices on the most material environmental and social issues. For certain investments currently being deployed, LBP AM is negotiating the inclusion of indicators relating to gender parity and equality.
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical or biological weapons)				
Share of investments in companies involved in the manufacture or sale of controversial weapons	**LBP AM Group:** 0% Indicator coverage: 100% **LBP AM:** 0% Indicator coverage: 100% **LFDE:** 0% Indicator coverage: 100%	**LBP AM Group: 0% Indicator coverage: 100%** **LBP AM: 0.7% Indicator coverage: 78.75%** **LFDE: 0% Indicator coverage: 100%**		Exclusion Exclusion of companies that produce, develop, use, store, market or distribute controversial weapons or essential and dedicated components of such weapons, regardless of the proportion of controversial weapons in the companies' turnover. The identification of controversial weapons is based on the Oslo Convention (or Convention on Cluster Munitions), the Ottawa Treaty (or Convention on the Prohibition of Anti-Personnel Mines), the Biological Weapons Convention, the Chemical Weapons Convention, the Nuclear Non-Proliferation Treaty, and Protocols II and IV of the Convention on Certain Conventional Weapons targeting blinding laser weapons and incendiary weapons. This policy aims to ensure zero exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, or biological weapons).
PAI regarding private debt **Share of investments in companies involved in the manufacture or sale of controversial weapons**	0% Coverage of eligible assets: 41%	**0%** **Coverage of eligible assets: 41%**	Eligible assets: 100% of AuM The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated. The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	Exclusion Application of the exclusion policy specified for listed assets

11 Update of the indicator published in 2024 (originally 74.3%)

Table 2.1

Climate indicators and other environmental indicators	Impact 2024	Impact 2025	Explanation	Measures taken, measures planned and targets set for the next reporting period
EMISSIONS				
4. Investments in companies that have not taken initiatives to reduce their carbon emissions				
Share of investment in companies that have not taken initiatives to reduce their carbon emissions in order to comply with the Paris Agreement (in %)	**LBP AM Group:** 36.97% **LBP AM:** 34.6% **LFDE:** 44.39%	**LBP AM Group:** **34.12%** **LBP AM:** **32.44%** **LFDE:** **39.42%**	**LBP AM Group:** Net Zero-aligned eligible assets under management (SBTI): €21,244,750,784 **LBP AM:** Net Zero-aligned eligible assets under management (SBTI): €15,332,539,333 **LFDE:** Net Zero-aligned eligible assets under management (SBTI): €5,912,211,451	Strategy for achieving carbon neutrality The LBP AM Group joined the Net Zero Asset Managers Initiative (NZAMi) in 2021 to align its asset management with a GHG emissions management trajectory compatible with the Paris Agreement's goal of "pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels". Within this framework, it defined and published an ambitious decarbonization trajectory for its investment portfolios in 2022. This trajectory has been extended to the Group's new entities following the acquisition of Financière de l'Échiquier in 2023, which is also a member of the NZAMI. It is currently based on the following milestone for 2030: 80% of total assets under management in line with the 2050 carbon neutrality target Shareholder engagement In line with its transition ambition, the LBP AM Group pursues an active engagement policy with companies to encourage them to initiate or accelerate the transition of their business models. To achieve its objectives, the LBP AM Group encourages companies to: ■ Formalize robust transition plans that enable the implementation of a transparent and credible transition strategy in order to align their activities and practices over the long term with a scenario that limits global warming to 1.5°C. ■ Regularly consult their shareholders on this transition plan and its implementation, in particular through dedicated climate resolutions submitted to a vote at the general meeting, commonly known as «Say-on-Climate» resolutions. These enable shareholders to vote specifically on companies' energy transition strategies and targets, and on their implementation during a financial year. ■ Assess, reduce, and disclose its exposure to physical and transition climate risks, in particular by applying the TCFD reporting framework. These expectations apply to all sectors and are implemented with particular attention and prioritization in so-called «high-stakes» sectors. They are therefore set out and implemented in two sectoral policies: oil and gas, and coal. In accordance with this policy, the LBP AM Group participated in the Science-Based Targets Campaign organized by the Carbon Disclosure Project (CDP), which targeted more than a thousand companies with a view to obtaining a commitment from them to transition their activities in line with the Science-Based Target Initiative. In addition, the LBP AM Group actively encourages companies to submit their climate strategies to a shareholder vote, for which it has established specific requirements (Say-on-Climate voting policy). Where necessary, the LBP AM Group may also participate in the submission of resolutions. Measurement indicator - ESG integration The carbon intensity of the fund across all emissions (scopes 1, 2 and 3) is calculated for each fund and made available to managers.
PAI regarding private debt **Investment share in companies that have not taken initiatives to reduce their carbon emissions in order to comply with the Paris Agreement (in %)**	24% Coverage of eligible assets: 42%	**28.8%** **Coverage of eligible assets: 36%**	Eligible assets: 100% of AuM The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated.	Strategy for achieving carbon neutrality & reduce the LBP AM Group's exposure to high-carbon assets Investments in real and private assets are integrated into the carbon neutrality strategy mentioned above. ESG rating of issuers used to assess investment projects The rating assigned to issuers based on the proprietary GREaT analysis methodology, adapted to the specific characteristics of the asset classes in question, includes a criterion relating to initiatives implemented to measure and reduce their carbon emissions.
WATER, WASTE AND OTHER MATERIALS				
7. Investments in companies without a water management policy				
Share of investments in companies without a water management policy	4.45% Coverage of eligible assets: 94.87% This indicator is being monitored since the 2024 reporting period.	**LBP AM Group:** 8.5% **LBP AM:** 8.26% **LFDE:** 9.29%	**LBP AM Group:** Coverage: 95.60% **LBP AM:** Coverage: 95.32% **LFDE:** Coverage: 96.35% The significant increase is attributable to a general rise in the number of issuers identified as lacking a water management policy (+20%), particularly in two sectors: - Financials, where the proportion of companies lacking a management policy increased by 46%, while portfolio exposure to the sector increased by 9% in 2025 - Consumer discretionary, which, despite a stable weight in assets under management, contributed to the increase as a result of portfolio reallocations and the increase in the position in Prosus NV (+55% / +€130m).	Shareholder engagement As dependence on water resources is one of the most significant dependencies, the LBP AM Group engages companies in the sectors most dependent on this natural resource to encourage them to measure and manage their water footprints, map production sites to identify those located in areas of water stress, and set targets for reducing water use. ESG rating of issuers used for portfolio selection The rating assigned to issuers based on the proprietary GREaT analysis methodology includes a criterion relating to water consumption linked to their activities, water stress in their area of activity, and their policies for managing water-related risks and opportunities.
15. DEFORESTATION				
Share of investments in companies without a policy to combat deforestation	51.85% Coverage of eligible assets: 94.17% This indicator is being monitored since the 2024 reporting period.	**LBP AM Group:** **59.13%** **LBP AM:** **56.51%** **LFDE:** **67.37%**	**LBP AM Group:** Coverage: 81.52% **LBP AM:** Coverage: 78.79% **LFDE:** Coverage: 90.12% The increase in the indicator is primarily attributable to increased investments in companies that did not have a policy in place in 2024 and still do not have one in 2025. It is also driven by the improvement in indicator coverage, with newly covered issuers lacking a policy contributing more than issuers leaving the scope. The remaining variation is mainly attributable to new issuers entering the scope that have a deforestation policy in place.	Exclusion Exclusions of producers and traders of agricultural commodities at risk of deforestation (according to the EUDR) and which have not put in place sufficient measures to prevent this negative impact, in particular through the presence of a credible anti-deforestation policy. Shareholder engagement In accordance with its policy to combat deforestation, the LBP AM Group engages certain companies at risk for which engagement has been deemed more appropriate than exclusion in order to encourage them to implement a zero deforestation and land conversion policy by 2030.

Table 3.1

Climate indicators and other environmental indicators	Impact 2024	Impact 2025	Explanation	Measures taken, measures planned and targets set for the next reporting period
SOCIAL AND PERSONNEL ISSUES				
4. No code of conduct for suppliers				
Share of investment in companies without a supplier code of conduct (combating hazardous working conditions, precarious work, child labour, and forced labour) expressed as a percentage	17.7% Coverage of eligible assets: 41%	**22.0%** **Coverage of eligible assets: 37%**	Eligible assets: 100% of AuM The 2025 analysis perimeter was expanded to include Capital Solutions investments (funds of funds), thereby impacting the indicators calculated. The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	ESG rating of issuers used for the assessment of investment projects The rating assigned to issuers based on the proprietary GREaT analysis methodology, tailored to the specific characteristics of the asset classes in question, includes a criterion relating to the implementation of a policy aimed at promoting good environmental and social practices among their suppliers. In addition, in 2025, as part of the enhancement of the GREaT methodology, an environmental and social risk analysis was integrated into private debt and infrastructure investments. This analysis makes it possible to identify, during the pre-investment phase, the main E&S risks based on the sector of activity and geographical location, thereby strengthening our due diligence process, particularly with regard to social issues.
HUMAN RIGHTS				
10. Lack of due diligence				
Proportion of investments in entities that do not have a due diligence process in place to identify, prevent, mitigate and address adverse impacts on human rights	8.59% Coverage of eligible assets: 66.78% This indicator is being monitored since the 2024 reporting period	**LBP AM Group: 4.41%** **LBP AM: 4.09%** **LFDE: 5.41%**	**LBP AM Group:** Coverage: 81.36% **LBP AM:** Coverage: 78.5% **LFDE:** Coverage: 90.38% Indicator coverage increased significantly. Among the companies identified by Clarity as presenting a lack of due diligence in 2024, 126 no longer present any breach in 2025 according to Clarity's assessment.	Exclusion Exclusion of companies that risk causing, contributing to or being linked to a severe impact on human rights, the environment or the principles of good governance and/or that seriously, repeatedly and without remedy violate international standards on human rights, the environment and good governance, and for which LBP AM has assessed that exclusion is the best lever to reduce the risk of ongoing and future violations of standards, including the UNGPs and the OECD Guidelines. Shareholder engagement Engagement policy targeting as a priority 1) companies with a serious impact or risk of seriously impacting human rights or the environment, 2) companies exposed to risks identified as salient at the LBP AM Group level, 3) strengthening human rights and environmental due diligence within companies, taking into account LBP AM's equity holdings and the weight these companies represent in the Group's total investments. These engagements, which may be bilateral or collective, aim to strengthen companies' practices in terms of due diligence and respect for human rights. The LBP AM Group's expectations are based on the following elements, tailored to the specific issues facing the company: the implementation of human rights due diligence in accordance with the expectations of the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises; the identification, prevention, mitigation and remediation of salient risks specific to the sector in which the company operates; the remediation of negative impacts; and consultation with stakeholders and persons affected by the company's activities or their legitimate representatives. ESG rating of issuers used for portfolio selection The rating assigned to issuers based on the proprietary GREaT analysis methodology incorporates a number of indicators relating to the implementation of due diligence, including the existence of a human rights policy within the company, including an explicit commitment to the UNGPs and the OECD Guidelines, the existence and implementation of a due diligence policy in supply chains...

Table 1.2

Indicators applicable to investments in sovereign and supranational issuers

Climate indicators and other environmental indicators	Impact 2024	Impact 2025	Explanation	Measures taken, measures planned and targets set for the next reporting period
ENVIRONMENT				
15. GHG intensity				
GHG intensity of investment countries in tons of CO_2 equivalents per million euros of gross domestic product	**LBP AM Group:** 328.6 t/€M GDP	**LBP AM Group: 421.13 t/€M GDP**	**LBP AM Group:** Eligible assets: 5.35% of total assets under management Coverage of eligible assets under management: 100%	For financial products managed by the LBP AM Group, the ESG rating assigned to each country in the portfolio includes criteria assessing the country's policies and practices adopted and implemented to mitigate global warming. The country's mitigation practices take into account its ability to stabilize greenhouse gas concentrations in the atmosphere at a level that prevents dangerous anthropogenic interference with the climate system, in accordance with the long-term goal set by the Paris Agreement on limiting temperature rise. These criteria include a GDP CO_2 intensity indicator. For financial products whose management is delegated to Ostrum Asset Management, the delegate measures the GHG intensity of its investments in sovereign issuers.
	LBP AM: 329.03 t/€M GDP	**LBP AM: 421.21 t/€M GDP**	**LBP AM:** Eligible assets: 7.00% of total assets under management Coverage of eligible assets under management: 92.56%	
	LFDE: 297.3 t/€M GDP	**LFDE: 420.26 t/€M GDP**	**LFDE:** Eligible assets: 0.16% of total assets under management Coverage of eligible assets under management: 100% An average increase of 25% was observed in the GHG_INTENSITY_SOVEREIGN indicator used for the calculation.	
SOCIAL				
16. Countries of investment with social violations				
Number of investment countries with social violations as defined by international treaties and conventions, United Nations principles or, where applicable, national law	**LBP AM Group:** 0 **LBP AM:** 0 **LFDE:** 0	**LBP AM Group: 0** **LBP AM: 0** **LFDE: 0**	Coverage of eligible assets under management: 100%	For financial products managed by LBP AM Group, the ESG rating assigned to each country in the portfolio includes criteria assessing the extent to which a country's laws and practices ensure respect for and protection of fundamental human rights. More specifically, these criteria assess whether a country's laws and practices ensure respect for the right to life, privacy and physical integrity of individuals, civil liberties, fundamental workers' rights, and the principles of non-discrimination and combating violence against women and members of the LGBTQI+ community. For financial products whose management is delegated to Ostrum Asset Management, the delegate excludes issuers for which there are proven serious controversies with the principles upheld by commonly established international standards (United Nations, OECD), seriously affecting: Human Rights, Labor Rights, Environmental Preservation, and Business Ethics. Through a dedicated committee, identified issuers may be placed on the «Worst Offenders» exclusion list (excluded issuers) or on the «Watch List» (issuers not excluded but under surveillance).
Proportion of the total number of countries benefiting from investments that violate social standards as defined by international treaties and conventions, United Nations principles or, where applicable, national law	**LBP AM Group:** 0% **LBP AM:** 0% **LFDE:** 0%	**LBP AM Group: 0%** **LBP AM: 0%** **LFDE: 0%**	Coverage of eligible assets under management: 100%	For financial products managed by LBP AM Group, the ESG rating assigned to each country in the portfolio includes criteria assessing the extent to which a country's laws and practices ensure respect for and protection of fundamental human rights. More specifically, these criteria assess whether a country's laws and practices ensure respect for the right to life, privacy and physical integrity of individuals, civil liberties, fundamental workers' rights, and the principles of non-discrimination and combating violence against women and members of the LGBTQI+ community. For financial products whose management is delegated to Ostrum Asset Management, the delegate excludes issuers for which there are proven serious controversies with the principles upheld by commonly established international standards (United Nations, OECD), seriously affecting: Human Rights, Labor Rights, Environmental Preservation, and Business Ethics. Through a dedicated committee, identified issuers may be placed on the «Worst Offenders» exclusion list (excluded issuers) or on the «Watch List» (issuers not excluded but under surveillance).

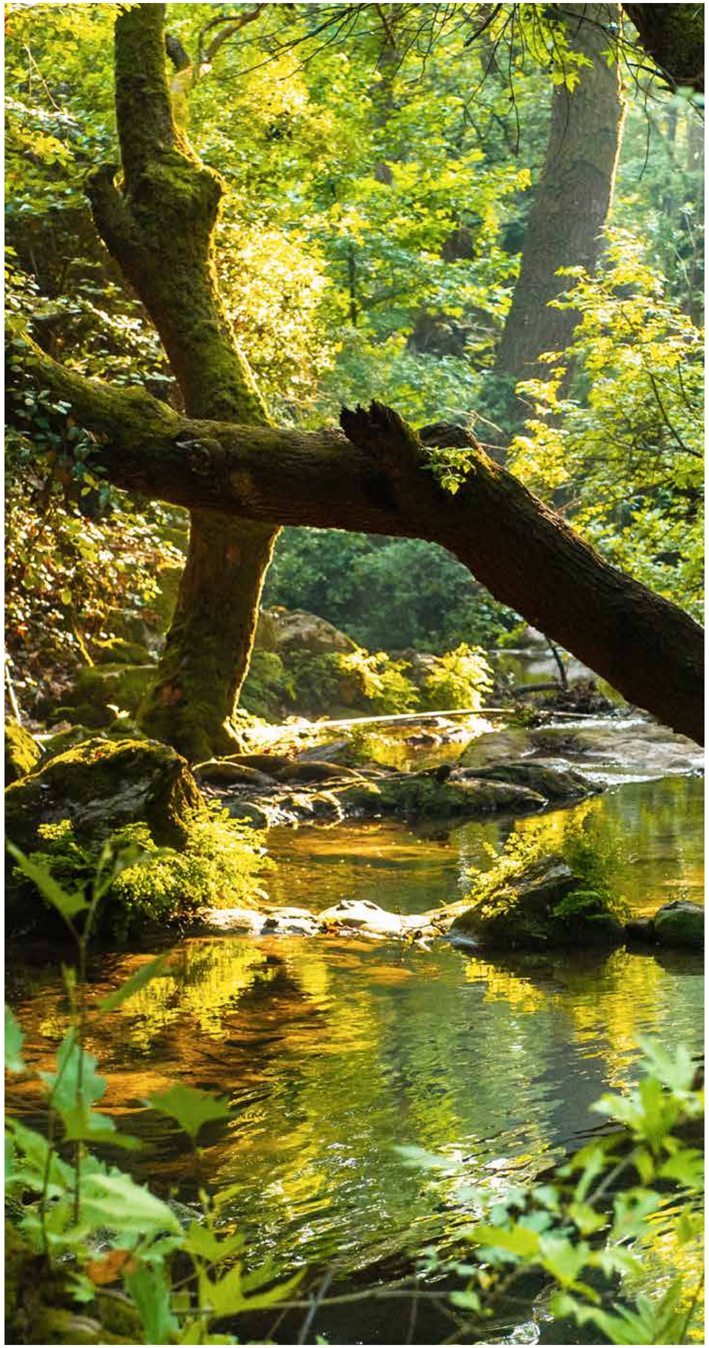
^ BACK TO TABLE OF CONTENTS

Table 1.3 Indicators applicable to investments in real estate assets

Climate indicators and other environmental indicators	Impact 2024	Impact 2025	Explanation	Measures taken, measures planned and targets set for the next reporting period
FOSSIL FUELS				
17. Exposure to fossil fuels via real estate assets				
PAI regarding private debt **Share of investment in real estate assets used for the extraction, storage, transport or production of fossil fuels**	0% Coverage of eligible assets: 100%	**0%** **Coverage of eligible assets: 100%**	Eligible assets: 100% of AuM The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	The LBP AM Group has no exposure to fossil fuels in its existing real estate assets, and the oil and gas policy will prevent any new investments.
ENERGY EFFICIENCY				
18. Exposure to energy-inefficient real estate assets				
PAI regarding private debt	18.6% Coverage of eligible assets: 40%	**19.9%** **Coverage of eligible assets: 27%**	Eligible assets: 100% of AuM The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	An Energy Performance Certificate (EPC) is systematically produced for investments located in France. For investments in other countries (Europe), LBP AM encourages the completion of such assessments. In France, an asset with an EPC rating below C is considered energy inefficient. In addition, LBP AM enhanced its ESG rating framework to incorporate the collection of information relating to the energy performance of buildings, with the objective of improving the visibility and coverage of this indicator for this asset class.

Table 2.3

Climate indicators and other environmental indicators	Impact 2024	Impact 2025	Explanation	Measures taken, measures planned and targets set for the next reporting period
GREENHOUSE GAS EMISSIONS				
18. GHG emissions				
PAI regarding private debt **Level 1 GHG emissions generated by real estate assets in tons of CO_2 equivalents**	327 tCO_2e Coverage of eligible assets: 29%	**42.2 tCO_2e** **Coverage of eligible assets: 23%**	Eligible assets: 100% of AuM Real estate investment-related emissions decreased significantly in 2025 as a result of lower assets under management compared with 2024, mechanically reducing the associated indicators. The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	Strategy to achieve carbon neutrality and reduce the LBP AM Group's exposure to high-carbon assets Investments in real and private assets are integrated into the carbon neutrality strategy mentioned above, for assets that are methodologically eligible. Shareholder engagement The engagement policy specified for listed assets is tailored to take into account the specific characteristics of these asset classes. The private debt management teams engage with counterparties during the due diligence phase to gather information and deepen their understanding of their ESG practices. In addition, as part of certain strategies, they may negotiate the inclusion of impact indicators in loan agreements to encourage borrowers to improve their practices on the most material environmental and social issues. For certain investments currently being deployed, LBP AM is negotiating the inclusion of indicators relating to the measurement and reduction of carbon footprints covering all three scopes of CO_2 emissions. This will enable LBP AM to support data collection and encourage counterparties to reduce their negative carbon impacts. ESG rating of issuers used to assess investment projects The rating assigned to issuers based on the proprietary GREaT analysis methodology, adapted to the specific characteristics of the asset classes in question, includes a criterion relating to initiatives implemented to measure and reduce their carbon emissions.
PAI regarding private debt **Level 2 GHG emissions generated by real estate assets in tons of CO_2 equivalents**	1,306 tCO_2e Coverage of eligible assets: 31%	**424.9 tCO_2e** **Coverage of eligible assets: 23%**	Eligible assets: 100% of AuM Real estate investment-related emissions decreased significantly in 2025 as a result of lower assets under management compared with 2024, mechanically reducing the associated indicators. The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	Strategy to achieve carbon neutrality and reduce the LBP AM Group's exposure to high-carbon assets Investments in real and private assets are integrated into the carbon neutrality strategy mentioned above, for assets that are methodologically eligible. Shareholder engagement The engagement policy specified for listed assets is tailored to take into account the specific characteristics of these asset classes. The private debt management teams engage with counterparties during the due diligence phase to gather information and deepen their understanding of their ESG practices. In addition, as part of certain strategies, they may negotiate the inclusion of impact indicators in loan agreements to encourage borrowers to improve their practices on the most material environmental and social issues. For certain investments currently being deployed, LBP AM is negotiating the inclusion of indicators relating to the measurement and reduction of carbon footprints covering all three scopes of CO_2 emissions. This will enable LBP AM to support data collection and encourage counterparties to reduce their negative carbon impacts. ESG rating of issuers used to assess investment projects The rating assigned to issuers based on the proprietary GREaT analysis methodology, adapted to the specific characteristics of the asset classes in question, includes a criterion relating to initiatives implemented to measure and reduce their carbon emissions
PAI regarding private debt **Level 3 GHG emissions generated by real estate assets in tons of CO_2 equivalents**	22,027 tCO_2e Coverage of eligible assets: 22%	**3,188.7 tCO_2e** **Coverage of eligible assets: 17%**	Eligible assets: 100% of AuM Real estate investment-related emissions decreased significantly in 2025 as a result of lower assets under management compared with 2024, mechanically reducing the associated indicators. The value presented is calculated on covered eligible assets only (i.e. no estimates are made for missing values).	Strategy to achieve carbon neutrality and reduce the LBP AM Group's exposure to high-carbon assets Investments in real and private assets are integrated into the carbon neutrality strategy mentioned above, for assets that are methodologically eligible. Shareholder engagement The engagement policy specified for listed assets is tailored to take into account the specific characteristics of these asset classes. The private debt management teams engage with counterparties during the due diligence phase to gather information and deepen their understanding of their ESG practices. In addition, as part of certain strategies, they may negotiate the inclusion of impact indicators in loan agreements to encourage borrowers to improve their practices on the most material environmental and social issues. For certain investments currently being deployed, LBP AM is negotiating the inclusion of indicators relating to the measurement and reduction of carbon footprints covering all three scopes of CO_2 emissions. This will enable LBP AM to support data collection and encourage counterparties to reduce their negative carbon impacts. ESG rating of issuers used to assess investment projects The rating assigned to issuers based on the proprietary GREaT analysis methodology, adapted to the specific characteristics of the asset classes in question, includes a criterion relating to initiatives implemented to measure and reduce their carbon emissions
Total GHG emissions generated by real estate assets in tons of CO_2 equivalents	**23,660 tCO_2e**	**3,656 tCO_2e**		**Sum of the above 3**



4.2.4 Description of policies to identify and prioritize the main negative impacts on sustainability factors

The identification, prioritization, and management of the main negative impacts on sustainability factors are based on a set of complementary tools, policies, and procedures.

This is carried out in particular within the LBP AM Group's cross-functional policies designed to address each sustainability issue in a holistic manner, defining the treatment to be applied in terms of exclusion, selection, engagement and voting rules. These policies are developed jointly by SRI experts and the management and research teams. The GREaT committee, composed of the heads of the management and analysis teams, SRI Solutions and the risk management department, supervises its proper application by the various teams concerned.

LBP AM thus has policies on the following topics, which are available on the LBP AM website:

- Thermal coal
- Oil and gas,
- Biodiversity,
- Human rights.

These policies are broken down into exclusion, voting and shareholder engagement policies that are applied across the entire LBP AM organization and impact the stock selection strategies.

A more detailed description of how these policies are applied to manage the negative impact of investment decisions on sustainability factors is available in the table of indicators above, in the column "Measures taken, measures planned and targets set for the next reporting period." Voting and shareholder engagement reports are available on the LBP AM website.

For certain issues such as controversial weapons, tobacco and gambling, LBP AM believes that only exclusion policies can limit the negative impacts associated with potential investments in these sectors. These policies are available on the websites of LBP AM's management companies. This approach covers a wide range of relative negative impacts:

- Greenhouse gas emissions;
- Pressure on biodiversity, water, and marine resources;
- Pollution and waste management;
- Respect for diversity and gender equality;
- Human rights and working conditions.

It should be noted that this approach is not intended to establish specific criteria for which quantitative targets on each sustainability theme would be set ex ante.

In terms of portfolio selection and construction, it aims rather to provide managers with information on the overall ESG performance of companies, summarized in a rating defined according to the systematic quantitative AGIR algorithm, which can be supplemented qualitatively, with a view to complying with the portfolio exclusion or rating improvement criteria set by the French SRI label. As a result, companies with significant negative impacts will tend to be excluded or underweighted in labelled portfolios. The AGIR systematic quantitative analysis framework is not applied to real assets and private debt in the Infrastructure, Real Estate and Corporate sectors. It is impossible to apply the selection rules set out in the SRI label to these assets, as investments are made in a targeted manner on specific projects rather than from a broad universe of issuers. However, the philosophy behind the GREaT methodology has been transposed to these asset classes, and ESG analysis is given the same weight as risk and compliance analysis by the Investment Committee. Therefore, the PAIs mentioned above are also taken into account in investment decisions

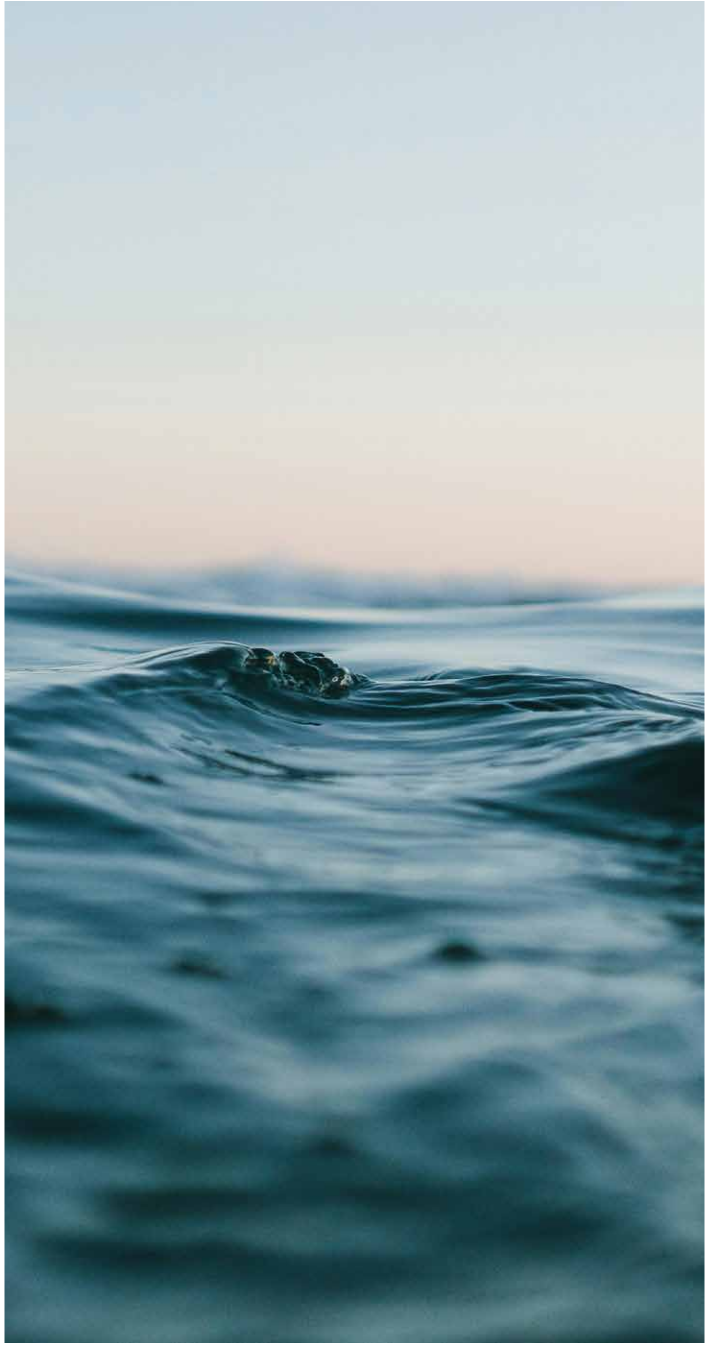
LFDE has adopted cross-functional policies, applied by the LBP AM Group, designed to address each sustainability issue in a holistic manner, defining the treatment to be applied in terms of exclusion, selection, engagement and voting rules.

These policies are developed jointly by SRI experts and the management and research teams. LFDE's policies address the following issues, which were last updated in May 2025:

- Thermal coal,
- Oil and gas,
- Biodiversity, also covering the negative impacts of pollution and waste,
- Compliance with fundamental ethical standards.

These policies are available on LFDE’s website. These policies are implemented through exclusion, voting and shareholder engagement policies applied across the entire LFDE and impact the securities selection strategies. A more detailed description of how these policies are applied to manage the negative impact of investment decisions on sustainability factors is available in the table of indicators above, in the column "Measures taken, measures planned and targets set for the next reporting period." The policies, as well as voting and shareholder engagement reports, are available on the LFDE website. For certain issues such as controversial weapons, tobacco and gambling, LFDE believes that only exclusion policies can limit the negative impacts associated with potential investments in these sectors.

For certain issues such as controversial weapons, tobacco and gambling, LBP AM believes that only exclusion policies can limit the negative impacts associated with potential investments in these sectors.



4.2.5 Engagement policy

The LBP AM Group has made a strategic choice to actively engage with the companies it supports financially through their investment decisions, in order to encourage them to pursue continuous progress in managing sustainable development issues

The LBP AM Group's engagement policy covers a wide range of sustainability issues, thereby contributing to efforts to reduce negative impacts on the climate and the environment (including issues relating to biodiversity, pollution and waste), on fundamental human rights and on good corporate governance.

The main objectives, scope, and usual procedures for implementing commitments are formalized in the global engagements policy, supplemented by ESG thematic policies, which specify and detail the technical expectations for specific issues and sectors. These various policies are available on the websites of the LBP AM Group companies.

The LBP AM Group's engagement policy applies to the management companies LBP AM and LFDE. As such, all companies invested in the LBP AM Group's portfolios are likely to be engaged on ESG issues. All engagement activities are carried out on behalf of the LBP AM Group for its individual and professional clients. The identification of companies to be engaged takes into account several factors:

- The weight of the LBP AM Group in the company's capital, which partly determines its influence;
- The weight of the investment in the company for the LBP AM Group, which determines its level of exposure to the negative impacts of companies;
- The degree of salience and materiality of an ESG controversy or risk of critical impact on people or the environment;
- The importance of the engagement theme in relation to the company's business sector (concept of sector at risk/risk in relation to an issue);
- Opportunities for engagement that may arise through market initiatives.

With regard to securities, engagements are made in respect of both equity and bond holdings in companies, for all holdings. The engagement policy may also cover real and private assets, tailored to take into account the specific characteristics of these asset classes. The private debt management teams (corporate, infrastructure and real estate) engage with counterparties during the due diligence phase to gather information and deepen their understanding of their ESG practices.

In addition, as part of certain strategies, they may negotiate the inclusion of impact indicators in loan agreements to encourage borrowers to improve their practices on the most material environmental and social issues.

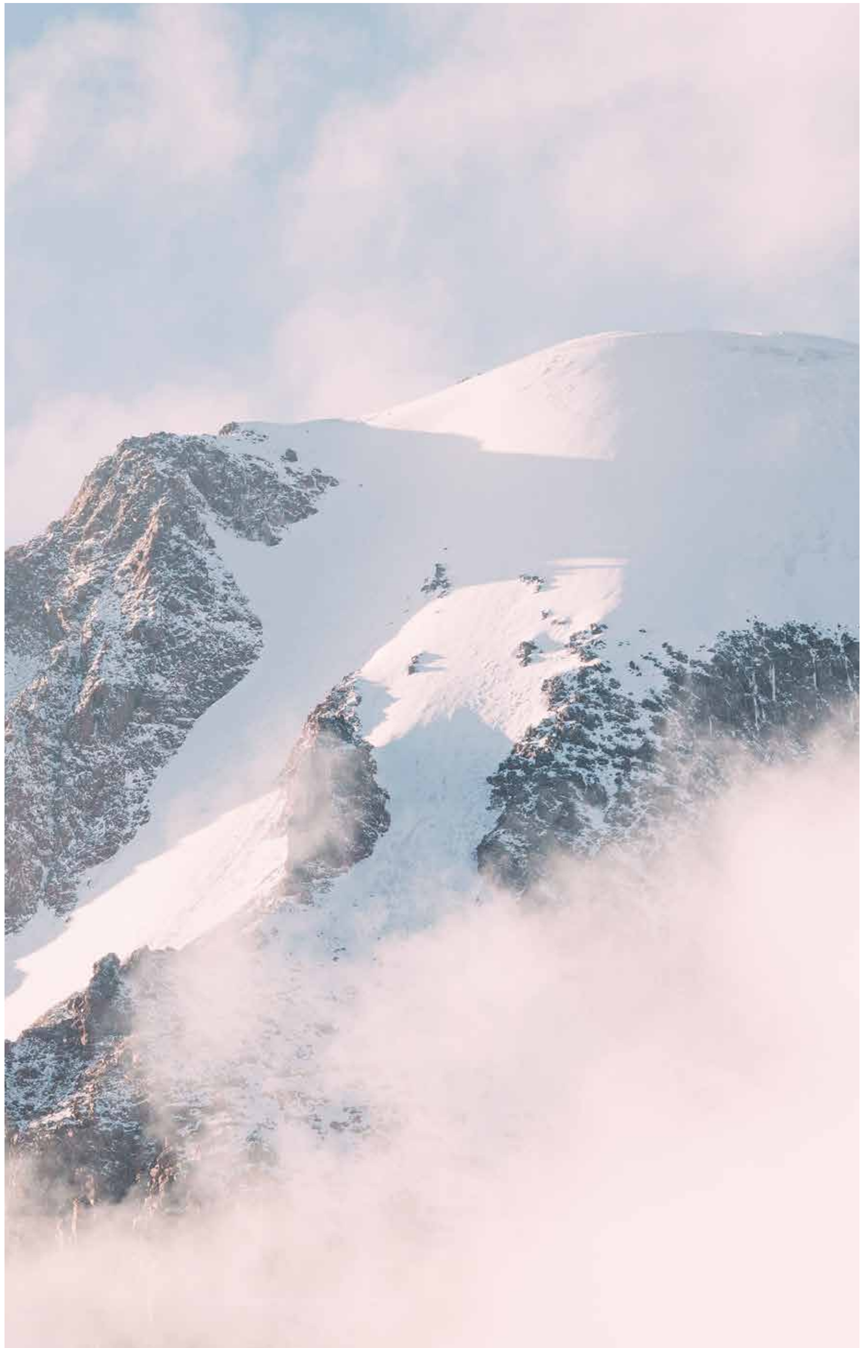
In order to implement engagement and dialogue practices, the various teams involved (analysts, portfolio managers and SRI experts) regularly communicate with the management and/or specialist teams of the companies in which the LBP AM Group invests. These exchanges take two forms, which are sometimes combined: bilateral engagement and collaborative engagement.

When dialogue is unsuccessful, the LBP AM Group may use additional "escalation" tools. These escalation levers fall into three categories:

- Enhanced dialogue: sending a letter to the company, changing to a higher-level contact, collaborating with other investors or market initiatives, and submitting a reasoned opposition to resolutions submitted by the board at the general meeting.
- Public actions at general meetings: pre-announcement of voting intentions on a resolution at a general meeting, submission of written or oral questions at the general meeting, inclusion of items on the agenda, tabling of resolutions at the general meeting;
- Internal management levers: downgrading of the ESG rating of the security, reduction of the position in the portfolio, placing under surveillance corresponding to a ban on new investments and divestment when the engagement results in a finding of failure (lack of satisfactory corrective action, limited openness to dialogue, etc.)

A more detailed description of how the engagement policy is applied to manage the negative impacts of investment decisions on sustainability factors is available in the table of indicators above, in the column "Measures taken, measures planned and targets set for the next reporting period."

*Access to the various policies mentioned above: LBP AM in the "News" section— “Publications & Reports” — « Publications & Rapports » - https://www.lbpam.com/fr/publications/publications-rapports

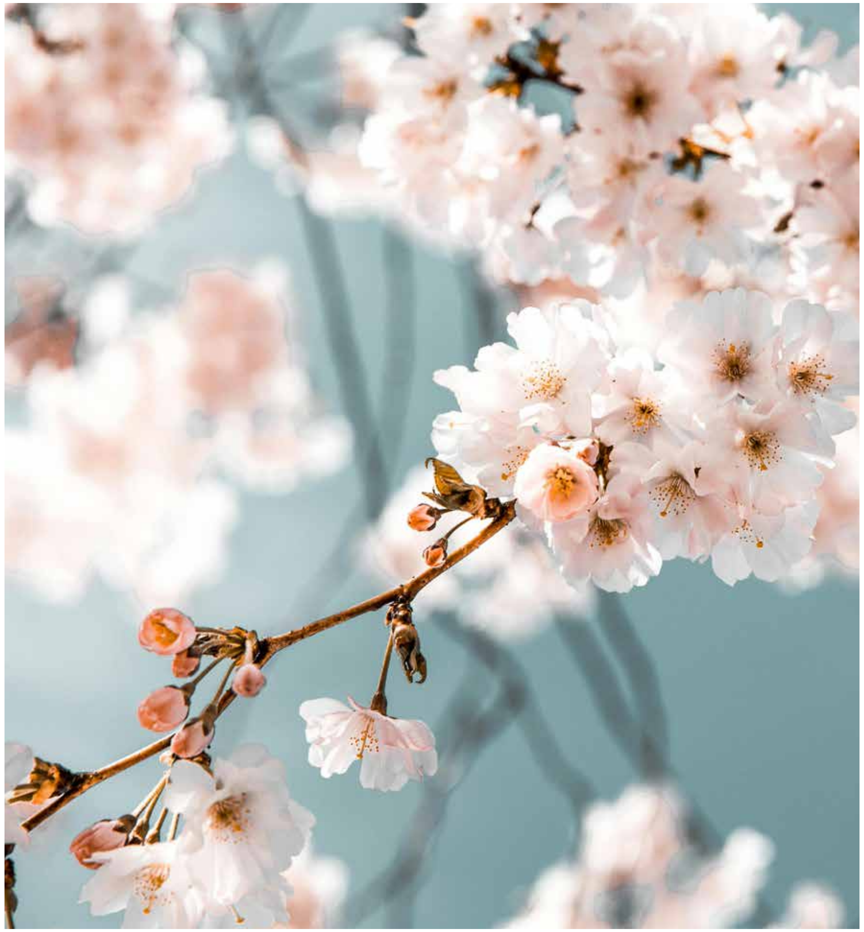


4.2.6 References to international standards

The LBP AM Group attaches great importance to international standards in defining its thematic policies, which enable it to take into account the negative impacts of its investment decisions on sustainability factors.

With regard to climate change impacts, the LBP AM Group aims to align itself with a 1.5°C trajectory, using the IPCC's P2 scenario established in 2018 as a reference. The LBP AM Group has therefore committed to achieving carbon neutrality for its portfolios by 2050, with an interim target of 80% of assets under management aligned with "net zero" as defined by the Science Based Target initiative ("SBTi") by 2030 as part of the Net Zero Asset Managers Initiative. This scenario will require a profound transformation of society and a significant reduction in anthropogenic CO_2 emissions over the coming decades. Global net CO_2 emissions must therefore fall by around 45% in 2030 compared to 2010, and be zero by 2050, limiting the use of carbon capture and storage technologies. In order to achieve its ambitions, the LBP AM Group has adopted more specific policies on coal, oil and gas, based on the International Energy Agency's Net Zero by 2050 scenario. These various elements, presented in the previous sections, contribute directly to the management of almost all of the negative impacts measured by the GHG emission indicators mentioned in the table above, and more indirectly to indicator 5. relating to the share of non-renewable energy consumption and production. The engagement actions carried out with companies aim in particular to publish a transition plan as recommended by the GFANZ based on an analysis of all market practices, the implementation of reporting in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework, and the alignment of these elements with future CSRD standards and the new version of the OECD Guidelines for Multinational Enterprises.

With regard to biodiversity, the biodiversity policy mentioned in the previous sections is aligned with the draft Global Biodiversity Framework for the post-2020 period established in July 2021 by the United Nations Convention on Biological Diversity (UN CBD), which resulted in the Kunming-Montreal Global Biodiversity Framework in December 2022. The LBP AM Group's policy is also part of the Finance for Biodiversity Pledge,



The LBP AM Group attaches great importance to international standards in defining its thematic policies, which enable it to take into account the negative impacts of its investment decisions on sustainability factors.

of which the LBP AM Group is a member, and the actions taken with companies are aimed in particular at rolling out reporting in line with the Taskforce on Nature-related Financial Disclosures (TNFD) framework and compliance with future CSRD standards. The various actions resulting from this, as detailed in the previous sections, contribute to the management of the negative impacts measured by indicator 7 relating to activities that have a negative impact on biodiversity-sensitive areas in the table from the previous section.

With regard to human rights, the LBP AM Group has defined its policy in line with the OECD Guidelines for Multinational Enterprises (the "Guidelines"), the United Nations Guiding Principles on Business and Human Rights (the "UNGPs") and the ten principles of the United Nations Global Compact (the "UNGC"). The integration of these various standards into management, voting and engagement policies is detailed in the previous sections and contributes to the management of negative impacts measured by indicators 10 and 11 relating to violations of the principles of the United Nations Global Compact and the OECD Guidelines and the absence of compliance processes and mechanisms to monitor adherence to the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises. Finally, the LBP AM Group exercises due diligence in accordance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. This is a fundamental requirement and focus of analysis for the companies in which the LBP AM Group invests.

Finally, with regard to the arms sector, the LBP AM Group has defined its exclusion policy in line with the Oslo Convention (or Convention on Cluster Munitions), the Ottawa Treaty (or Convention on the Prohibition of Anti-personnel Mines), the Biological Weapons Convention, the Chemical Weapons Convention, the Nuclear Non-Proliferation Treaty, and Protocols II and IV of the Convention on Certain Conventional Weapons targeting blinding laser weapons and incendiary weapons. This policy aims to ensure zero exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, or biological weapons), as measured by indicator 14 in the table from the previous section.

4.3 To find out more

4.3.1 Glossary

AFNOR
French Standardization Association.

AIM/CGE
Asia-Pacific Integrated Model/ Computable General Equilibrium.

ARTICLE 29 LEC
Article of the Energy and Climate Law defining the information to be published by market participants on the consideration of environmental, social and governance criteria in their investment policies and on the means implemented to contribute to the energy and ecological transition.

BIA-GBS
Biodiversity Impact Analytics database powered by the Global Biodiversity Score created by CDC Biodiversité and Carbon 4 Finance to model a company's footprint on biodiversity.

COFRAC
Parapublic body that ensures the quality of certifiers.

DCCI
Compliance and Internal Control Department.

DNSH
Do No Significant Harm, a principle at the heart of European financial regulation that consists of not causing any harm to the six European environmental objectives.

EFRAG
European Financial Reporting Advisory Group, mandated by the European Commission to propose sustainability reporting standards.

ESG
Environmental, social, and governance.

GREAT
G-Responsible governance, R-Sustainable management of natural and human resources, E-Energy and economic transition, T-Territorial development.

IEA
International Energy Agency.

IPCC
Intergovernmental Panel on Climate Change.

LBP AM
La Banque Postale Asset Management.

LFDE
La Financière de l'Échiquier

OPC
Collective investment undertakings.

PORTFOLIO COVERAGE
Method for steering the alignment of financial portfolios with the Paris Agreement objective, standardized by the SBTi initiative, whereby financial actors define commitment targets with their issuers and counterparties so that 100% of the companies in their portfolios have validated SBT targets by 2040, according to a linear progression.

SBTI
Science Based Targets initiative, an international partnership of specialized actors that enables companies to commit to setting clear and transparent targets for reducing their carbon footprint, based on a "climate science-based" framework, and to have their compliance with this framework validated.

SFDR
Sustainable Finance Disclosure Regulation, a European regulation setting standards for the disclosure of sustainability-related information by funds, asset management companies, and credit institutions.

SRI
Socially responsible investment.

Taxonomy
European regulation establishing a classification and reporting system for economic activities using scientific criteria to help investors recognize sustainable activities, i.e., those contributing to one of the EU's six environmental objectives (climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, pollution prevention and reduction, transition to a circular economy, protection and restoration of biodiversity and ecosystems) without harming any other.

TNFD
Task Force on Nature Financial Disclosure, a voluntary initiative developing financial reporting standards related to biodiversity.

4.3.2 Publications and communications relating to LBP AM – LFDE’s SRI initiatives

TYPE OF DOCUMENT	SOURCE	PUBLICATION FORMAT
Transparency code by management process/fund	LBP AM website, Publications section and LFDE, “ESG approaches and methodologies” section	Annual
Energy and Climate Law report	LBP AM and LFDE websites, Publications section	Annual
Voting policy	LBP AM website, Publications section	Annual
SRI engagement policy	LBP AM and LFDE websites, Publications section	Ad hoc
SRI engagement report	LBP AM website, Publications section	Annual
Exclusion policy	LBP AM website, Publications section	Ad hoc
Coal policy	LBP AM and LFDE websites, Publications section	Ad hoc
Oil & Gas policy	LBP AM and LFDE websites, Publications section	Ad hoc
Biodiversity policy	LBP AM and LFDE websites, Publications section	Ad hoc
Human rights policy	LBP AM and LFDE websites, Publications section	Ad hoc
Investment policy in the defence industry	LBP AM and LFDE websites, Publications section	Ad hoc
Remuneration policy	LBP AM and LFDE websites, Publications section	Ad hoc
Sustainability risk policy	LBP AM and LFDE websites, Publications section	Ad hoc
Conflict of interest management policy	LBP AM and LFDE websites, Publications section	Annual
SRI reporting by funds	LBP AM and LFDE websites, Our Funds section	Monthly
Fund inventory	LBP AM and LFDE websites, Our Funds section	Quarterly
Responsible purchasing policy	LBP AM and LFDE websites, Publications section	Ad hoc
Glossary	LBP AM website, Publications section	Ad hoc

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LBPAM

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