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EXCLUSION POLICY

SG 29 HAUSSMANN

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1. PREAMBLE

As a responsible investor, SG 29 Haussmann applies a targeted exclusion policy. This policy applies to equities and bonds held directly by SG 29 Haussmann (unless indicated otherwise). The exclusion policy is defined and periodically reviewed by an ESG¹ committee.

SG 29 Haussmann therefore excludes certain companies due to:

- Its adherence to certain guiding principles and international standards
- Its desire to divest from certain controversial sectors
- Its vigilance in terms of controversy and sustainability risk management

By implementing a policy of excluding companies which practices are considered controversial from an environmental, social and/or governance point of view for some of its investment strategies, SG 29 Haussmann aims to mitigate sustainability risks. In addition, when a fund follows a socially responsible investment (SRI) approach, sustainability risk management is all the more central, and certain additional exclusions may apply. However, there is no guarantee that sustainability risks will be completely neutralised.

¹ Environment, Social, Governance

2. EXCLUSIONS BASED ON INTERNATIONAL STANDARDS AND REGULATION

2.1. Exclusion of companies tied with controversial weapon activities

In accordance with the obligations of the Ottawa (1999) and Oslo (2008) conventions applicable to all French asset management companies, SG 29 Haussmann excludes companies active in the following weapons, which are considered prohibited or controversial:

- Anti-personnel landmines, cluster bombs or their key components, depleted uranium munitions as well as biological, chemical, nuclear, or radiological weapons.

This exclusion is guaranteed by the exclusion of companies included on the Société Générale Group's Environmental and Social Exclusion List, which is extracted from external data providers and updated every six months.

This exclusion is applied to the entire SG 29 Haussmann perimeter.

2.2. Exclusion of companies implicated in « very severe » controversies

We exclude from our investment universe any company exposed to a “very severe” controversy. This exclusion is guaranteed by the exclusion of “red flag” controversies according to MSCI².

An ESG (Environment, Social and Governance) controversy can be defined as an incident or situation involving a company facing allegations of negative behaviour towards various parties (employees, suppliers, communities, the environment, shareholders, or society at large). The aim of ESG Controversies research is to assess the seriousness of these situations. For each issuer, the ESG rating is accompanied by a controversy indicator:

- Green flag: indicates less significant disputes or that there is nothing to report.
- Yellow flag: indicates a dispute worth reporting.
- Orange flag: indicates one or more recent serious disputes that are still ongoing.
- Red flag: indicates at least one very serious dispute (including non-compliance with the UN Global Compact guidelines and the OECD guidelines for multinational enterprises).

This exclusion is applied to the entire SG 29 Haussmann perimeter.

² MSCI is a financial and extra-financial data provider chosen by SG 29 Haussmann.

3. SECTORAL EXCLUSIONS

3.1. Thermal Coal

SG 29 Haussmann is committed to a complete phase-out of the thermal coal sector by 2030 for EU and OECD countries and 2040 for the rest of the world, while stepping up its dialogue with the companies concerned to encourage greater transparency.

As part of this gradual withdrawal, companies with the following characteristics are excluded from the investment universe:

- More than 10% of their turnover is generated by the extraction of thermal coal;
- Members of the energy sector where more than 30% of their electricity production comes from coal;
- Those developing new thermal coal mines, new coal-fired power generation capacity or new transport projects dedicated to thermal coal.

These exclusions are applied to the entire SG 29 Haussmann perimeter.

3.2. Oil and gas

In application of the objective of carbon neutrality by 2050, SG 29 Haussmann excludes from its investment universe companies that are pure players of the Oil and Gas sector of which more than 90% of their turnover derived from production or exploration activities.

In addition, SG 29 Haussmann excludes from its investment universe companies whose turnover is more than 10% linked to the exploration and production of tar sands, oil or gas produced in the Arctic or shale oil or gas.

These exclusions are applied to the entire SG 29 Haussmann perimeter.

3.3. Tobacco

In 2022, SG 29 Haussmann signed the Tobacco-Free Finance Pledge and committed to gradually withdrawing from the tobacco sector. In this context, all tobacco producers (from the first euro of sales) are excluded. Besides, suppliers and distributors with an exposure equal to or greater than 15% of sales are also excluded.

These exclusions are applied to the entire SG 29 Haussmann perimeter.

3.4. Palm Oil

As part of the Finance for Biodiversity pledge, SG 29 Haussmann has defined a biodiversity strategy. Considering palm oil production to be one of the main sources of deforestation and, consequently, of biodiversity loss, SG 29 Haussmann excludes palm oil producers and distributors (i.e. mills, traders and refiners) of palm oil from the first euro of sales from this

activity, with the exception of palm oil producers certified by the Roundtable Sustainable Palm Oil (RSPO) with a minimum certification level of 70%, and with a commitment to reach 100% by 2030.

This exclusion is applied to the entire SG 29 Haussmann perimeter.

4. EXCLUSIONS APPLIED TO SPECIFIC SCOPES

4.1. Exclusion of issuers with inadequate sustainability risk management practices

Sustainability risks are linked, among other things, to climatic hazards (the “Physical Risks”) or to society's response to climate change (the “Transition Risks”), which may lead to unexpected losses that could affect the investments made by the funds. Social hazards (e.g. inequality, inclusiveness, labour relations, investment in human capital, accident prevention, changing customer behaviour, etc.) or lack of governance (e.g. significant and repeated breaches of international agreements, corruption issues, product quality and safety, sales practices, etc.) can also give rise to Sustainability Risks.

SG 29 Haussmann, through the ESG analysis carried out by its partner MSCI, assesses issuers' sustainability risk management. It provides an assessment of a company's position in relation to sustainable development issues by assigning a score on the three ESG pillars and then an overall aggregate ESG score. The aim of this rating is to identify the companies that are doing the best job of limiting the ESG risks they face and seizing the opportunities offered by sustainable development.

Each analysed company receives an ESG rating on a scale from AAA to CCC (CCC being the lowest). In this context, issuers with an ESG rating equal to CCC are excluded. This exclusion applies to all SG 29 Haussmann funds, excluding delegated management funds.

4.2. Exclusions specific to SRI³ funds

Funds that benefit from the French government label “Label ISR” are subject to additional exclusions. The detail of these exclusions are provided in the 7th appendix of the [Label ISR repository](#) that entered into force the 1st of march 2024.

This exclusion is applied to all funds that have received the “Label ISR”.

Additionally, for these same funds, SG 29 Haussmann is committed to excluding issuers whose turnover is more than 15% linked to the following activities: Gambling, Adult content, GMOs, Weapons.

This exclusion is applied to all SG 29 Haussmann’s funds that have received the “Label ISR” excluding delegated management funds⁴.

³ Socially Responsible Investment

⁴29 Haussmann Equilibre, 29 Haussmann Euro Rendement, 29 Haussmann Euro Crédit, 29 Haussmann Euro Obligations d’Etats, 29 Haussmann Sélection Europe.

5. DISCLAIMER

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SG 29 Hausmann is a portfolio management company approved by the Autorité des Marchés Financiers (AMF) under the number GP 06000029, S.A.S which capital is 2 000 000€, based in PARIS, 29 Boulevard Hausmann, 75009 Paris, registered with the Commercial and Companies Register of PARIS under the number 450 777 008.

More details can be found on SG 29 Hausmann's website:

<https://sg29hausmann.societegenerale.fr/en/>

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