

PRINCIPAL ADVERSE IMPACT STATEMENT

2024

CA Indosuez

Registered office:

17, rue du Docteur Lancereaux
75382 Paris cedex 08 France

Tél : +33 (0)1 40 75 62 62

Fax : +33 (0)1 45 63 85 20

www.ca-indosuez.com

Société anonyme au capital

Of euros 584325015

RCS Paris 572,171,635

Credit institution and Company

Insurance Brokerage,

Registered with the

Insurance intermediaries under

No. 07,004,759

Financial market participant

CA Indosuez Wealth - LEI : 969500IHDSNRRY5LDB67

Summary

CA Indosuez Wealth, 969500IHDSNRRY5LDB67, considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated principal adverse sustainability impacts statement of CA Indosuez Wealth and its subsidiaries, namely:

- CA Indosuez, 17 rue du Docteur Lancereaux 75008 Paris, France
- CA Indosuez Gestion, 17 Rue du Docteur Lancereaux 75008 Paris, France
- CA Indosuez Wealth Europe 39 allée Scheffer L-2520 Luxembourg
- CA Indosuez (Switzerland) SA Quai du Général-Guisan 4, 1204 Genève, Suisse
- CFM Indosuez Wealth, 11 boulevard Albert 1er 98000 Monaco
- CFM Indosuez Gestion, 2 Rue des Princes 98000 Monaco
- CA Indosuez Wealth Asset Management, 31-33 Avenue Pasteur, L-2311 Luxembourg, Luxembourg

This principal adverse impacts statement covers the reference period from 1st January to 31 December 2023.

Description of principal adverse sustainability impacts

Under the SFDR regulations, all financial market participants operating in the EU or offering financial products in the EU are required to disclose the negative impacts of their investment decisions on sustainable development through what are commonly referred to as principal adverse impacts (PAIs).

Indosuez Wealth Management has therefore developed its own methodology for calculating these principal adverse impacts in line with European regulations (in particular the “Sustainable Finance Disclosure Regulation” (SFDR) delegated regulations 2022/1288 and 2022/1288).

The latter defines 18 mandatory indicators, 14 of which apply to investments in companies, 2 to investments in sovereign or supranational states and 2 to investments in real estate. It also defines two lists of optional indicators, one comprising 22 environmental indicators and the other 24 social and governance indicators.

European regulations require all financial market participants to disclose the 18 mandatory indicators, but it is also necessary to take into account at least one environmental and one additional social and governance indicator.

Indosuez Wealth Management's approach to PAIs is detailed in its PAI policy, available via the following link : <https://ca-indosuez.com/pdfPreview/37004>

Indosuez Wealth Management uses a data provider to calculate the main negative impacts. It is important to note that regulations do not specify the methodology to be applied for calculating the main negative impacts, and so the results of these calculations may differ from one market player to another. Moreover, some indicators are estimated by data providers (e.g. scope 3 greenhouse gas emissions) whose methodology may affect the result of these indicators to a greater or lesser extent. Added to this, not all companies yet report data on these PAIs, and the completeness of the data may be affected.

For these reasons, it is important to consider this plurality of methodologies within the various data providers, as well as the lack of data when comparing the principal adverse impacts between market players.

In the interests of consistency and transparency, Indosuez Wealth Management has not applied its methodology for calculating the main negative impacts to private equity, derivatives and structured products. The latter are included in Indosuez Wealth Management's assets under management, but are not subject to an analysis of the principal adverse impacts. However, in 2024, Indosuez Wealth Management included the UCITS in which it invests in its scope of analysis as soon as data on the main negative impacts was available in the EET - European ESG Template. The Indosuez Wealth Management Group is actively working to develop a methodology that will enable the remaining perimeters to be integrated over the next few years.

Please note that due to the continuous evolution of regulations and the progressive provision of data by companies, the methodology for calculating the principal adverse impacts developed by the Indosuez Wealth Management Group may be subject to change.

Indicators applicable to investments in investee companies

<i>Adverse sustainability indicator</i>	<i>Metric</i>	<i>Impact [year n]</i>	<i>Impact [year n-1]</i>	<i>Explanation</i>	<i>Actions taken</i>
---	---------------	------------------------	--------------------------	--------------------	----------------------

CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS

Greenhouse gas emissions

1. GHG emissions	Scope 1 GHG emissions - tCO2e	8,203,220.54	2,456,123.40	The PAI is calculated according to the formula given in Annex I of Delegated Regulation (UE) 2022/1288 which follows: $\sum_i \left(\frac{\text{current value of investment}_i}{\text{investee company's enterprise value}_i} \times \text{investee company's Scope}(x) \text{ GHG emissions}_i \right)$	Coverage: 14.96%	PAI taken into account through the ESG ratings and voting group policy
	Scope 2 GHG emissions - tCO2e	1,518,790.57	451,785.44		Coverage: 14.96%	
	Scope 3 GHG emissions - tCO2e	111,560,048.28	15,990,762.10		Coverage: 14.12%	
	Total GHG emissions - tCO2e	121,184,934.03	18,884,795.77		Coverage: 15.15%	
2. Carbon footprint	Carbon footprint – tCO2eq/€m invested	626.41	170.70	The PAI is calculated according to the formula given in Annex I of the Delegated Regulation (UE) 2022/1288 which follows: $\frac{\sum_i \left(\frac{\text{current value of investment}_i}{\text{investee company's enterprise value}_i} \times \text{investee company's Scope 1, 2 and 3 GHG emissions}_i \right)}{\text{current value of all investments (€M)}}$	Coverage: 14.81%	PAI taken into account through the ESG ratings and voting group policy

3. GHG intensity of investee companies	GHG intensity of investee companies - <i>tCO2eq/€m revenues</i>	267.30	275.31	<p>The PAI is calculated according to the formula given in Annex I of the Delegated Regulation (UE) 2022/1288 which follows:</p> $\sum_n \left(\frac{\text{current value of investment}_i}{\text{current value of all investments (€M)}} \times \frac{\text{investee company's Scope 1, 2 and 3 GHG emissions}_i}{\text{investee company's €M revenue}_i} \right)$	Coverage: 14.61%	PAI taken into account through the ESG ratings and voting group policy
4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector - %	2.22	2.49	Any company involved in the extraction, processing, storage or transport of petroleum products, natural gas or metallurgical coal will be marked "yes" to indicate its involvement in the fossil fuel sector.	Coverage: 6.52%	PAI taken into account through exclusion and voting policies
5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources - %	<p>Share of non-renewable energy consumption: 11.87</p> <p>Share of non-renewable energy production: 0.84</p>	<p>Share of non-renewable energy consumption: 11.96</p> <p>Share of non-renewable energy production: 0.03</p>	At corporate level, Indosuez Wealth Management directly retrieves the percentage of energy consumption and production from non-renewable sources from its data provider.	<p>Coverage share of non-renewable energy consumption: 11.94%</p> <p>Coverage share of non-renewable energy production: 1.01%</p>	PAI taken into account through the ESG ratings and voting group policy

<p>6. Energy consumption intensity per high impact climate sector</p>	<p>Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector - <i>GWh/€m revenues</i></p>	<p>A-Agriculture, forestry and fishing: 4.00</p> <p>B-Mining and quarrying: 3.01</p> <p>C-Manufacturing: 24.14</p> <p>D-Electricity, gas, steam and air conditioning supply: 3.88</p> <p>E- Water supply, sewerage, waste management and remediation activities: 1.56</p> <p>F-Construction: 0.19</p> <p>G-Wholesale and retail Trade, repair of motor vehicles and motorcycles: 0.18</p> <p>H-Transportation and storage: 7.64</p> <p>L-Real estate activities: 0.35</p>	<p>A-Agriculture, forestry and fishing: 0.25</p> <p>B-Mining and quarrying: 19.7</p> <p>C-Manufacturing: 13.44</p> <p>D-Electricity, gas, steam and air conditioning supply: 76.07</p> <p>E- Water supply, sewerage, waste management and remediation activities: 89.81</p> <p>F-Construction: 1.12</p> <p>G-Wholesale and retail Trade, repair of motor vehicles and motorcycles: 3.99</p> <p>H-Transportation and storage: 14.03</p> <p>L-Real estate activities: 4.19</p>	<p>In accordance with SFDR regulations, this measure only applies to companies in what the regulations define as high climate impact sectors.</p> <p>Sectors with a high climate impact are defined as belonging to one of the following categories:</p> <ul style="list-style-type: none"> • NACE A: Agriculture, forestry and fishing • NACE B: Mining and quarrying • NACE C: Manufacturing • NACE D: Electricity, gas, steam and air conditioning supply • NACE E: Water supply, sewerage and waste management activities • NACE F: Construction • NACE G: Wholesale and retail trade, repair of motor vehicles and motorbikes • NACE H: Transportation and storage • NACE L: Real estate activities <p>At company level, Indosuez Wealth Management directly recovers the energy consumption in GWh per million euros of turnover supplied by the data provider.</p> <p>Indosuez Wealth Management aggregates the value of this PAI according to the following formula :</p> $\sum_{i=1}^n \left(\frac{\text{company's total consumption of energy(GWh)}}{\text{investee company's €M revenue}_i} \times \frac{\text{current value of investment}_i}{\text{current value of all investment in the NACE section (x)}} \right)$	<p>Coverage A : 42.51%</p> <p>Coverage B : 31.97%</p> <p>Coverage C : 62.09%</p> <p>Coverage D : 20.06%</p> <p>Coverage E : 14.36%</p> <p>Coverage F : 19.09%</p> <p>Coverage G : 22.92%</p> <p>Coverage H : 13.06%</p> <p>Coverage L : 33.92%</p>	<p>PAI taken into account through the ESG ratings and voting group policy</p>
---	--	---	--	--	--	---

Biodiversity

<p>7. Activities negatively affecting biodiversity-sensitive areas</p>	<p>Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas - %</p>	<p>3.10</p>	<p>0.24</p>	<p>At company level, Indosuez Wealth Management relies on data supplied by its data provider.</p> <p>A "yes" to this criterion implies that the company has sites/operations located in or near biodiversity-sensitive areas.</p> <p>To provide this data, the supplier relies on two measures:</p> <ol style="list-style-type: none"> 1. If a company owns, leases or manages operational sites in protected areas or areas of high biodiversity value outside or adjacent to protected areas, as declared by the company. 2. If the company is involved in a serious controversy related to the use or management of the company's natural resources, according to the supplier's own methodology. 	<p>Coverage : 14.20%</p>	<p>PAI taken into account through the ESG ratings and controversies monitoring</p>
--	---	-------------	-------------	--	------------------------------	--

Water						
8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average - <i>t/€m invested</i>	0.15	1.38	At company level, Indosuez Wealth Management applies the formula below to calculate the PAI: $\frac{\text{company's emissions to water (metric tonnes)}_i}{\text{investee company's enterprise value (€M)}_i}$	Coverage : 0.47%	PAI taken into account through the ESG ratings and controversies monitoring
Waste						
9. Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average - <i>t/€m invested</i>	2.41	0.91	At company level, Indosuez Wealth Management applies the formula below to calculate the PAI: $\frac{\text{company's hazardous waste (metric tonnes)}_i}{\text{investee company's enterprise value (€M)}_i}$	Coverage : 10.31%	PAI taken into account through the ESG ratings and controversies monitoring

SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS

Social and employee matters

<p>10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises</p>	<p>Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises - %</p>	<p align="center">0.05</p>	<p align="center">0.47</p>	<p>At company level, Indosuez Wealth Management relies on data supplied by its data provider.</p> <p>A "red" for this criterion implies that the company's activities and/or products violate the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises.</p>	<p align="center">Coverage : 6.16%</p>	<p>PAI taken into account through the exclusion and voting group policy and controversies monitoring</p>
<p>11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises</p>	<p>Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises - %</p>	<p align="center">21.83</p>	<p align="center">9.74</p>	<p>At company level, Indosuez Wealth Management relies on data supplied by its data provider</p> <p>A "no evidence" indicates that the company is not a signatory to the United Nations Global Compact.</p>	<p align="center">Coverage : 13.98%</p>	<p>PAI taken into account through the voting group policy and controversies monitoring</p>

12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies - %	8.70	1.04	<p>In accordance with regulations, the pay gap between men and women is calculated by taking the difference between the average gross hourly pay of male and female employees.</p> <p>At company level, Indosuez Wealth Management retrieves the gender pay gap directly from its data provider.</p>	Coverage : 5.60%	PAI taken into account through the voting group policy and controversies monitoring
13. Board gender diversity	Average ratio of female to male board members in investee companies - %	7.10	8.59	Defined as the average ratio between the number of female and male board members in the companies held, expressed as a percentage of all board members.	Coverage : 13.38%	PAI taken into account through the voting group policy
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons - %	0.03	0.05	Any company involved in owning, manufacturing or investing in landmines, anti-personnel landmines, cluster munitions, chemical or biological weapons will be marked with a "yes" to indicate exposure to controversial weapons.	Coverage : 14.42%	PAI taken into account through the exclusion group policy

Indicators applicable to investments in sovereigns and supranationals

<i>Adverse sustainability indicator</i>	<i>Metric</i>	<i>Impact [year n]</i>	<i>Impact [year n-1]</i>	<i>Explanation</i>	<i>Actions taken</i>	
Environmental						
15. GHG intensity	GHG intensity of investee countries - <i>tCO2eq/€m PIB</i>	11.93	2.97	<p>The PAI is calculated according to the formula given in Annex I of the Delegated Regulation (UE) 2022/1288 which follows:</p> $\sum_n \left(\frac{\text{current value of investment}_i}{\text{current value of all investments (€M)}} \times \frac{\text{The country's Scope 1, 2 and 3 GHG emissions}_i}{\text{Gross Domestic Product}_i(\text{€M})} \right)$	Coverage : 1.67%	PAI taken into account trough the ESG ratings
Social						
16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law - %	Absolute: 7 Relative: 6.6e-7	Absolute: 0 Relative: 0.00	<p>This PAI is defined as the number of countries invested in that are subject to social violations (absolute number and relative number).</p> <p>Indosuez Wealth Management uses its supplier's data to determine whether or not an investment country is subject to social violations, based on the UN's list of unilateral sanctions.</p> <p>A 'yes' to this criterion implies that the country of investment is subject to social violations.</p>	Coverage: 0.85%	PAI taken into account trough the exclusion group policy

Indicators applicable to investments in real estate assets

<i>Adverse sustainability indicator</i>	<i>Metric</i>	<i>Impact[year n]</i>	<i>Impact [year n-1]</i>	<i>Explanation</i>	<i>Actions taken</i>
Fossils fuels					
17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels - %	n/a	n/a	n/a	n/a
Energy efficiency					
18. Exposure to energy inefficient real estate assets	Share of investments in energy inefficient real estate assets - %	n/a	n/a	n/a	n/a

Other indicators for principal adverse impact

<i>Adverse sustainability indicator</i>	<i>Metric</i>	<i>Impact [year n]</i>	<i>Impact [year n-1]</i>	<i>Explanation</i>	<i>Actions taken</i>
---	---------------	------------------------	--------------------------	--------------------	----------------------

CLIMATE AND OTHER ENVIRONMENTAL INDICATORS

Gas emissions

4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement - %	8.67	7.94	At company level, Indosuez Wealth Management relies on data supplied by its data provider A "no" indicates that the company has not taken any initiatives to reduce their carbon emissions.	Coverage : 9.54%	
---	---	------	------	--	------------------	--

INDICATORS RELATING TO SOCIAL ISSUES, EMPLOYEES, RESPECT FOR HUMAN RIGHTS AND THE FIGHT AGAINST CORRUPTION AND BRIBERY

Human rights

09. Lack of a human rights policy	Share of investments in entities without a human rights policy - %	21.02	2.49	At company level, Indosuez Wealth Management relies on data supplied by its data provider A 'not reported' indicates that the company has no human rights policy.	Coverage : 13.08%	
-----------------------------------	--	-------	------	--	-------------------	--

Description of policies to identify and prioritise principal adverse sustainability impacts

Introduction

Principal Adverse Impacts (“PAI”) are the negative effects of investment decisions on sustainability factors. Sustainability factors include environmental, social and labor issues, respect for human rights, and the fight against corruption and bribery.

As a responsible asset manager, Indosuez Wealth Management takes into account the main negative impacts on sustainability factors in its investment decisions. This consideration is based on a combination of approaches that may vary depending on the asset class, type of strategy and SFDR classification of the portfolios managed or advised.

Indosuez Wealth Management's analysis and consideration of the main negative impacts makes it possible to assess the sustainable nature of investment opportunities and risks, both upstream of the investment decision and during the asset management phases. This policy applies to both investment advisory and asset management activities.

General principles

Through its Responsible Investment policies, Indosuez Wealth Management commits to the the PAIs' consideration through the application of the different processes implemented within the Group to identify and mitigate the PAIs.

The exclusion group policy

Indosuez Wealth Management covers some of the PAIs by excluding of the investment universe companies in sectors that do not fit our view as responsible investors. Thus, companies in tobacco, controversial weapons or thermal coal are excluded from all of our investment universes. For more information on our exclusion policy, please see our ESG policy.

ESG analysis and rating

Indosuez Wealth Management has implemented the sustainability criteria monitoring for all ESG ratable/rated instruments such as securities and funds. Indosuez Wealth Management's ESG rating methodology consists in general sustainability criteria applicable to all sectors completed by more material and specific sustainability criteria which depends on the company's sector ("Best-in-class" approach). These criteria were designed to consider the principal adverse impacts on sustainability factors with a view to mitigate them.

Voting policy

Indosuez Wealth Management has implemented a voting policy for all its entities as evidence of its commitment for long-term sustainability to our stakeholders and notably our clients. For more information, please refer to our voting policy: <https://ca-indosuez.com/pdfPreview/49387>

Controversies monitoring

Indosuez Wealth Management acknowledges the importance of the controversies monitoring, designed to identify, assess and proactively address issues that could impact the long term value of our clients' investments.

Engagement policies

Introduction

SFDR (Sustainable Finance Disclosure Regulation) is the European Regulation 2022/1288 adopted on 27 November 2019 which requires sustainability-related disclosures from financial services players. It is part of the European Union Action Plan to finance sustainable growth and a greener Europe. This plan aims to: 1/ redirect capital flows towards sustainable environmental, social and governance investments; 2/ integrate sustainability into risk management; 3/ promote transparency and a long-term vision of economic and financial activities ESG: the acronym ESG (Environmental, Social and Governance) is commonly used by the international financial community to designate these three areas, which form the three pillars of a company's extra-financial analysis. The environmental criterion takes into account factors such as waste management, reduction of greenhouse gas emissions and prevention of environmental risks. The social criterion takes into account, in particular, accident prevention, training, respect for employees' rights, social dialogue, etc. The governance criterion concerns, among other things, the independence of the Board of Directors or diversity within a company. A sustainability risk is an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential negative material impact on the value of an investment.

Dedicated Governance

Indosuez Wealth Management has chosen to put ESG at the heart of its investment offer and has dedicated resources for this purpose within its various entities. With the support of these various actors, socially responsible investment is monitored by an ESG committee that meets monthly whose objective is to harmonise approaches, define methodologies, decide on exceptions and assess ESG risks and ensure that management decisions within the Indosuez Wealth Management Group are consistent.

For more information : <https://ca-indosuez.com/pdfPreview/16822>

References to international standards

Our IFA process is based on demanding international standards. All our funds and mandates comply with the following international standards:

- United Nations Global Compact (2003);
- The Paris (1973), Ottawa (1999) and Oslo (2008) conventions on controversial weapons;
- Net-Zero Banking Alliance (2022);
- Tobacco-Free Finance Pledge (2020);
- International timetable for phasing out thermal coal, 2030 for Europe and the OECD, and 2040 for the rest of the world.

Historical comparison

As the declaration on the main negative impact indicators has only been applicable since 01/01/2023, there is currently no comparison with the previous five periods, in accordance with Article 10 of Delegated Regulation (EU) 2022/1288, other than that already mentioned in the above declaration. Indosuez Wealth Management will therefore complete this historical comparison in the next financial year. It is also important to note that, at this stage, it is difficult to compare PAIs, given the constant improvement in available data and their integration into our calculations. The integration of data from EETs - as mentioned in the description - enables a clear improvement in PAI coverage at product and entity level. Indosuez Wealth Management never stops improving the quality and transparency of these indicators.