



Ofi invest
Asset Management



ANNUAL IMPACT REPORT

Ofi Invest Act4 Positive Economy

2022 EDITION

Report prepared by OFI ASSET MANAGEMENT for 2021

OFI Asset Management became Ofi Invest Asset Management on 1st January 2023. Ofi Invest Asset Management is an integral part of the Ofi Invest group, the asset management arm of Aéma group (Macif, Abeille Assurances, AÉSIO mutuelle), which itself was borne of the merger of the businesses of Ofi group, Aéma REIM and the asset management business of Abeille Assurances. This report deals with the Ofi Invest Act4 Positive Economy, formerly known as OFI Fund - RS Act4 Positive Economy.

Impact finance, asset management geared towards Socially Responsible Investment



Luisa FLOREZ

Head of Sustainable Finance Research
OFI AM

Sustainable finance has undergone a thorough transformation since European regulations came into force. We raised the minimum thresholds for all of OFI AM's open-end funds in 2022 and adopted a standardised and robust approach to ensure that our portfolio companies adhere to the notion of "Do No Significant Harm" (DNSH) and cause no social and/or environmental harm. Accordingly, **all of OFI AM's open-end funds manage their reputational risk by systematically factoring in our five norm-based and sectoral exclusions.**

Furthermore, the funds in our Responsible Solutions range only invest in companies that apply sectoral and regional best practices. We have adopted the standards enforced by the French government's SRI label or by the AMF for type 1 and 2 funds in order to bring all the practices applied by our open-end portfolios into line with each other. Meanwhile, our fund managers are committed to outperforming their benchmark as regards two indicators, one of which is CO2 emissions. This enables us to embrace a universal ESG approach and coordinate a climate indicator during the portfolio construction process. These approaches are borne out daily through our monitoring of controversies, allegations and breaches that may involve our portfolio companies. Such events often trigger an engagement process which involves dialogue with the ESG fund managers and analysts to discuss any practices identified as being non-compliant with CSR standards, such as the OECD guidelines or Global Compact principles, or inconsistent with sustainable practices, such as tackling global warming or preserving biodiversity.

Our engagement action is bolstered by our ability to form coalitions with other asset managers and thus prepare objective and enforceable requests for large European firms to overhaul their practices.

Such engagement reflects the additionality of our approach as a responsible investor, particularly in our range of Act4 impact funds. For instance, we updated our oil and gas exclusion policy (published in September 2022) in order to capitalise on our ability to engage with companies in which we hold shares and to withdraw our investments from companies in which we hold bonds; the aim here is to not finance the cash positions of such companies. More recently, **we took on a major new challenge which our planet is having to face: biodiversity protection. Our teams published a report entitled "Combating plastic waste to protect the oceans"** and we joined forces with other asset managers to address this topic by signing up to the "Finance for Biodiversity Pledge" while also becoming members of the United Nations "Blue Finance Initiative".



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OFI AM: A RESPONSIBLE AND ENGAGED INVESTOR

Preparing for the future means selecting companies that can create sustainable value for one and all.

OFI has been committed to responsible finance for 25 years now; it is the reference in the world of asset management and among France's leading SRI asset managers.

OFI was founded in 1971 and has €65bn of assets under management (at end-June 2022); they include both listed and unlisted assets, which it manages on behalf of institutional and private wealth clients in France and internationally.

OFI AM is an integral part of the Ofi Invest group, which is the asset management arm of Aéma Groupe (also made up of Macif, Abeille Assurances and AÉSIO Mutuelle). Ofi Invest was formed from the merger between Ofi Group, Aéma REIM and Abeille Assurances' asset management business, and is France's 5th-biggest asset manager with €195bn of assets under management at end-December 2021.

25 years OF SRI EXPERTISE

A player committed to responsible finance

Our philosophy is based on the conviction that companies incorporating Environmental, Social and Governance (ESG) issues into their strategies offer better opportunities and create value over the long term. Taking good ESG practices into account makes it easier for them to identify risk areas as well as the best development opportunities.

OFI Asset Management has developed real expertise in managing bespoke services and is therefore able to define and implement an SRI policy on behalf of its clients that is in line with their own values.

As a player involved in financing the economy, we have both a responsibility and the power to take action to encourage and support sustainable development stakeholders.

Actively engaged within the responsible finance and impact finance ecosystem



A CSR policy officially shaped by a mission statement

“Engage, invest and innovate to build a responsible and value-creating form of finance that will stand the test of time and serve the interests of all of society’s stakeholders and future generations”.

OFI AM finalised its CSR policy in 2020 by taking some very concrete measures. For instance, we unveiled OFI AM’s official mission statement and corporate values which reflect both the very essence of who we are and the role we play vis-à-vis society and stakeholders. We reviewed our corporate values with the help of a consultant and input from all our staff members. Five key values were selected: enthusiasm, engagement, goodwill, audacity and pragmatism. We were keen to assert our sense of purpose as a means of further conveying the cohesion that exists between our identity, intentions and actions to our clients, staff and society as a whole.

A dedicated SRI team

OFI offers its clients and fund managers access to the expertise of a dedicated SRI team. This experienced team has developed a proprietary methodology that focuses the research carried out into corporate and public issuers on a consideration of the key issues faced by each sector.

OFI AM’s SRI team covers a vast universe of issuers including listed and unlisted firms, small and large caps, and OECD sovereign issuers.

A determination to take impact finance further

OFI AM launched its Act4 (“act for”) impact fund range, which brings its impact investing strategies under the umbrella of its OFI Responsible Solutions (OFI RS). **Ofi Invest Act4 Positive Economy**, is a sub-fund of the Luxembourg SICAV (open-end investment company) OFI Fund and forms part of this new range.

Through the strategies it adopts, the Act4 range seeks to deliver both a positive and measurable impact on the environment and/or society and a financial return.

The range is tailored to investors who are increasingly keen on playing a part in the transition towards a more responsible and sustainable form of finance, and it also seeks to meet Europe’s regulatory requirements to make sustainable investments more credible.

ACT4, OFI'S IMPACT STRATEGY

OUR STRONG POINTS

Act4 range: rising to the challenges faced by society with a dedicated impact methodology

- **Expertise built up over more than 5 years** in impact fund management aligned with the United Nations SDG.
- **Active conviction-based management** with a dual target: to generate a financial return and achieve a positive impact.
- A **dedicated impact team** working closely with the SRI analysts and ESG quantitative research team.
- A **relevant and transparent methodology** using specific measurement tools embedded in a meticulous investment process. A comprehensive analysis of each company on 5 levels:
 - Intentionality (social objective, positive impact)
 - Additionality
 - Measurability
 - Responsibility (consideration for ESG criteria, inclusion of PAIs)
 - Financial performance
- **Engagement is central to our impact strategy:**
 - **Fund engagement** based on an engaged and systematic shareholder policy (voting at general meetings of shareholders) and engagement with companies to build a collective effort towards achieving a positive impact (SDG 12).
 - A **team that is engaged within the impact ecosystem** and actively involved in promoting impact investing in the listed asset markets.
- Classified **SRI-labelled funds** managed with clear and ambitious targets to contribute positively to sustainable development through alignment with the universal framework of the Sustainable Development Goals set by the United Nations in 2015.

“ Each generation doubtless feels called upon to reform the world. Mine knows that it will not reform it. But its task is perhaps even greater. It consists in preventing the world from destroying itself”.

Albert Camus.
Acceptance speech for the Nobel Prize in Literature, 1957

KEY FIGURES



POSITIVE ECONOMY

At 31st December 2021, the **Ofi Invest Act4 Positive Economy** impact fund was invested in **42 European companies** and its assets under management totalled **€102m**.

IMPACT INDICATORS TOTAL IMPACTS GENERATED BY THE PORTFOLIO COMPANIES

Stocks held in the fund at 31/12/2021



21,222,000 fragile people given access to a **health-enhancing product**



202,633,269 tonnes of **CO2 equivalent avoided**



3,007 people given access to **affordable housing**



8,053,757 people given access to **clean energy**



118,382 people having received **training to further their economic inclusion** (emerging countries)



10,001,323 tonnes of **natural resources preserved**



535,690 people given **help in accessing a financial product**



442,000,000 m³ of **water saved**
600,000 m³ of **water decontaminated**



800,000,000 people having benefited from **healthy and nutritious products**



847,613,003 people having benefited from a **health, safety or well-being solution**



8,760,465 tonnes of **CO2 sequestered**

ESG INDICATORS

Stocks held in the fund at 31/12/2021



Besides measuring the positive impacts generated by companies held in Ofi Invest Act4 Positive Economy, we also examine the fund's ESG performance to reduce any negative externalities.

The labels⁽¹⁾ obtained (French government SRI label, FNG) and distinctions received (5-leaf Climetrics rating) by the fund are testament to its thorough approach to SRI.

ESG indicators*	Ofi Invest Act4 Positive Economy	Stoxx Europe 600
Financed emissions**	69 tonnes of CO2	85 tonnes of CO2
Gender parity on Boards of Directors	38% of women	38% of women
Independence of Boards of Directors	58% of members	64% of members
Signatories of the United Nations Global Compact***	87% of companies	76% of companies
Violations of the Global Compact	None of the companies have violated either of the ten principles set out in the Global Compact	6 companies have violated one of the ten principles set out in the Global Compact

* ESG indicators are calculated in base 100 depending on their data completeness level (see appendix 2). ESG indicators are calculated as the fund average.

** Financed emissions are calculated by adding together direct greenhouse gas emissions (scope 1) and direct energy-related emissions (scope 2), and then dividing the sum by the total amount of assets in the company's balance sheet (in millions of euros).

*** The United Nations Global Compact was launched in July 2000; it is both a set of policies and a practical framework tailored to firms that have made a commitment towards sustainable development and responsible business practices.

⁽¹⁾ References to a fund classification, price and/or rating are not an indicator of a fund's or fund manager's future performance.

POSITIVE CONTRIBUTIONS MADE BY COMPANIES TO THE SUSTAINABLE DEVELOPMENT GOALS

The tables below present the SDGs to which the solutions offered by our portfolio companies make a positive contribution. Three SDGs may be activated at most, each of variable intensity (+++: very high / ++: high / +: medium). Each positive contribution is expressed as a share of the total revenue generated by the company in 2021.

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ENERGY TRANSITION - 14 COMPANIES																			
NAME	ACTIVITIES	POSITIVE CONTRIB.	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
ACCIONA ENERGIA	Wind power	100%							+++										
AKER CARBON CAPTURE	Reduction in greenhouse gases	100%									+++		++		+++				
ALSTOM	Rail and freight systems	90%									+++		+++						
ENEL	Wind power	33%							+++		++		+						
ENOGIA	Heat recovery, cogeneration	100%							+++		+++								
INFINEON TECHNOLOGIES	Innovations, products and services relating to the energy transition	58%							+++		+++							+	
NESTE OIL	Bioenergy	39%							+++		+++			+++					
NIBE INDUSTRIER	Sustainable infrastructure	57%							+++				+++						
SAINT-GOBAIN	Sustainable infrastructure	72%							+++		+++								
SAP	Innovations, products and services relating to the energy transition	72%									+++								
SCHNEIDER ELECTRIC	Energy-efficiency products and systems	34%							+++		+++			+++					
SIEMENS ENERGY	Wind power	36%							+++		+++								
SPIE	Energy-efficiency services	42%							+++		+++		++						
VALEO	Electric and hybrid vehicles (parts)	92%			+++				+++				++						

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PRESERVATION OF NATURAL RESOURCES - 13 COMPANIES																			
NAME	ACTIVITIES	POSITIVE CONTRIB.	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
AFYREN	Green chemicals	100%			+++									+++					
BIFFA	Waste recycling	91%							+++				+++	+++					
CARBIOS	Green chemicals	100%											+++	+++		+++			
EKOPAK	Water recycling and treatment	100%						+++			++			+++					
GEBERIT	Water management	20%						+++						+++					
LARGO	Waste recycling	89%												+++					
PYRUM	Waste recycling	100%												+++					
RENEWCELL	Waste recycling	100%						+++						+++					
SEB	Ecodesign	79%												+++					
SMURFIT KAPPA	Ecodesign	85%												+	+++		+++		
SCA (SVENSKA CELLULOSA)	Forestry and paper pulp production	100%							++					+++	+++		+++		
TOMRA SYSTEMS	Waste recycling	70%											+++	+++		++			
WAGA ENERGY	Bioenergy	100%							+++				++		++				

POSITIVE CONTRIBUTIONS MADE BY COMPANIES TO THE SUSTAINABLE DEVELOPMENT GOALS

The tables below present the SDGs to which the solutions offered by our portfolio companies make a positive contribution. Three SDGs may be activated at most, each of variable intensity (+++: very high / ++: high / +: medium). Each positive contribution is expressed as a share of the total revenue generated by the company in 2021.

HEALTH, SAFETY AND WELL-BEING - 9 COMPANIES

NAME	ACTIVITIES	POSITIVE CONTRIB.	1 POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
AUTOLIV	Physical safety products	100%			+++								+++						
BUREAU VERITAS	Certification and testing services	100%			++					+++									
CORBION	Food solutions and ingredients	60%		++	+++									+++					
DANONE	Organic foods and responsible and natural ingredients	90%		+++	+++									+					
FERMENTALG	Organic foods and responsible and natural ingredients	100%		++	+++									++	+	+			
KONINKLIJKE DSM	Organic foods and responsible and natural ingredients	64%		+++	+++				++					++		+			
LONZA	Equipment, healthcare and services for the pharmaceutical industry	100%			+++														
ORPEA	Senior accommodation	100%			+++														
SYMRISE	Organic foods and responsible and natural ingredients	100%			+++									+++					

SOCIAL INCLUSION - 6 COMPANIES

NAME	ACTIVITIES	POSITIVE CONTRIB.	1 POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
ASTRAZENECA	Access to healthcare	100%			+++														
BNP	Access to financial services	30%	++				++			+++	+++								
ESSILORLUXOTTICA	Access to healthcare	74%	++		+++							++							
INTESA SANPAOLO	Access to financial services	60%	++							+++	+++								
MJ GLEESON	Access to housing	92%	+++										+++						
NOVO NORDISK	Access to healthcare	100%			+++														

THE PERSPECTIVE OF AN ENGAGED TEAM

ACT4 Positive Economy, taking action to support companies that are responsible and engaged



JOINT INTERVIEW

Bérlyl BOUVIER DI NOTA

Deputy Head of European Equities and Head of Impact Investing Strategies
Ofi Invest Act4 Positive Economy - OFI AM

Nils MERDY

Impact fund manager-analyst - OFI AM

“Our approach consists in committing our fund to making sustainable investments by selecting firms that provide goods and services in response to the challenges of sustainable development”,
Bérlyl Bouvier Di Nota.

WHAT LESSONS CAN WE DRAW FROM 2021?

The emergency surrounding efforts to tackle climate change is such that this is no longer a matter of a few experts discussing various ideas. The fight is becoming a universal one and the measures being taken are becoming increasingly concrete in the form of action plans and funding. The European Commission announced its Green Deal and associated funding programme called NextGenerationEU, requiring 37% of its economic stimulus plan to be allocated to efforts to tackle climate change. The Paris Agreement adopted in 2015 during COP 21 emphasised the targets set to limit global warming.

The IEA still considers the 1.5°C target within

reach by 2050; although there is ever less room for error, it is still achievable if emissions peak by 2030.

In the private sector, a growing number of companies are presenting their carbon neutrality trajectories and working on action plans to manage their operations accordingly but also to increase the share of their green investments allocated to new solutions.

Another aspect worth noting concerns ESG performances and the share of total assets managed by SRI funds, which has now risen to 30%. The qualitative approach taken by ESG strategies did not achieve its full outperformance potential in 2021 as the economy was emerging from the Covid crisis, but what is certain is that ESG criteria remain irreversible drivers of performance in the long term.

THE JUST TRANSITION, A NEW ECONOMIC ISSUE

Economies emerged from their pandemic-induced lethargy both rapidly and profitably, but the collateral damage is considerable. In particular, the destructive social inequality gap has widened, social interaction has been

transformed by technology and, as warned by the IPCC, extreme weather events have become more frequent and natural disasters are increasing. This is especially true in developing countries.

IMPACT INVESTING, A BOOMING NICHE MARKET

Impact investing was originally developed by the private equity industry and is branching out into listed assets, particularly equities. Novethic said that impact assets in France amounted to 14 billion euros at the end of 2021. And the Global Impact Investing Network (GIIN) noted that impact assets had exceeded 1.164 trillion dollars for the first time. Traditional SRI therefore now needs to work towards more material solutions to finance the sustainable transformation of our ecosystems.

THE ACT4 RANGE, A MANIFESTO FOR SUSTAINABLE INVESTMENT

The European Commission's new regulations are geared towards combating greenwashing and raising capital to be allocated to sustainable development. They enforce a duty of transparency both on companies through the CSRD and on investors through the SFDR and MiFID 2. Funds in our Act4 range comply with the regulator's highest standards of commitment to sustainable investment. Ofi Invest Act4 Positive Economy has set positive contribution targets for each of its stocks individually and in aggregate. These targets incorporate ESG criteria and take mandatory PAIs (Principle Adverse Impact) into consideration.

Furthermore, in accordance with the fund's philosophy, we pay close attention to and actively monitor each company's behaviour when it comes to complying with the Global Compact principles, the OECD guidelines and fundamental rights.

Instead of declining, child labour and forced labour have actually increased according to the latest figures published by the International Labour Organization (ILO). Due diligence (law adopted in France in 2017) is an essential component of our approach as a key qualitative criterion used to monitor the entire value chain of responsible corporate behaviour.

A METICULOUS INVESTMENT PROCESS INCORPORATING RESPONSIBILITY, INTENTIONALITY AND MEASUREMENT

Measurement is crucial when it comes to managing impact funds. The stock picking process must factor in an impact indicator upstream, based on three core criteria - intentionality, additionality and measurement. Intentionality is a fundamental aspect of our approach and is assessed using the specially designed MissionFor tool. Access to data remains a key issue and requires regular dialogue with our portfolio companies. Companies must comply with the CSRD by 2024, which means that they are having to carry out extensive work on assessment and measurement. Over time, these efforts will gradually lead to more standardised and more transparent data in general.

INVESTMENT PHILOSOPHY

THE FUND'S MISSION STATEMENT

The OFI Fund - RS Act4 Positive Economy's investment policy seeks to support the positive economy by investing in virtuous growth and achieve a social and environmental impact through alignment with the sustainable development goals set by the United Nations in 2015.

With social inequality on the increase, the most basic rights being violated and technological developments hitting certain industries hard (automotive, retail, energy), issues such as respect for basic human rights, job enhancement, skills development and social inclusion can no longer be left to public policy alone. The private sector needs to play a part in securing a just transition.

Act for ("Act 4") efforts to rise to today's social challenges by taking a methodological approach dedicated to social and environmental impacts; this is the purpose driving the fund's investment strategy.

SOCIAL CHALLENGES

- Reduce inequality and promote the role of women in the workplace
- Give as many people as possible access to essential goods (drinking water, electricity, etc.)
- Develop care services for dependent seniors
- Provide greater security both for people in cities and on the roads and for their personal data

ENVIRONMENTAL CHALLENGES

- Comply with the Paris Agreement (to limit global warming to 1.5°C)
- Increase the share of renewable energies in the energy mix (the European Union is aiming for 32% by 2030)
- Protect biodiversity
- Manage waste and promote the circular economy

We wish to capitalise on listed companies that are committed and have substantial firepower thanks to their size and influence, as well as innovative firms offering breakthrough solutions for the future. Listed shares as an asset class offer impact funds new opportunities to invest in "beneficial" companies.

A TEAM DEDICATED TO IMPACT INVESTING

The OFI Fund - RS Act4 Positive Economy's investment policy seeks to help develop skills and best practice in the area of positive impact creation in the listed universe. It is managed by a team of dedicated, passionate and experienced professionals.

The team takes a comprehensively qualitative approach that is consistent with the key features of impact finance: **intentionality, additionality, measurability and contribution to the ecosystem.**

The team plays an active role in developing impact finance alongside other SRI participants. In 2021/2022, for example, the Impact team took part in the working group set up by the Forum de l'Investissement Responsable (FIR) and in the «business theory» research chair of the Mines Paris grande école. Discussions focus on the interaction between the concept of "mission" or «purpose» in the universe of impact investing and the opportunities this can create on two levels: for investing in a mission-driven company and for being a mission-driven investor. It also joined the working group set up by the SFAF (French Society of Financial Analysts) to establish an official analytical framework for analysing and evaluating positive impact companies.

POSITIVE-IMPACT COMPANIES

A positive-impact company is one that seeks to resolve a clearly identified social, environmental or governance problem.

The ESG approach and impact investing approach are often confused with one another. When managing **Ofi Invest Act4 Positive Economy** and selecting positive impact companies to invest in, the first criterion considered is the company's "why". Here we look beyond the concept of double materiality, which involves assessing both the social and environmental risks that might affect the company and the impacts that the company's operations might have on the environment and society. Rather, the aim here is to promote companies that seek to achieve a positive contribution towards a socially and environmentally sustainable transformation based on its products and services, not on its practices which are examined elsewhere.

The positive contribution a company makes in an effort to rise to today's social challenges is the result of an intentional choice, one that drives its business model, its growth model and its capital allocation.

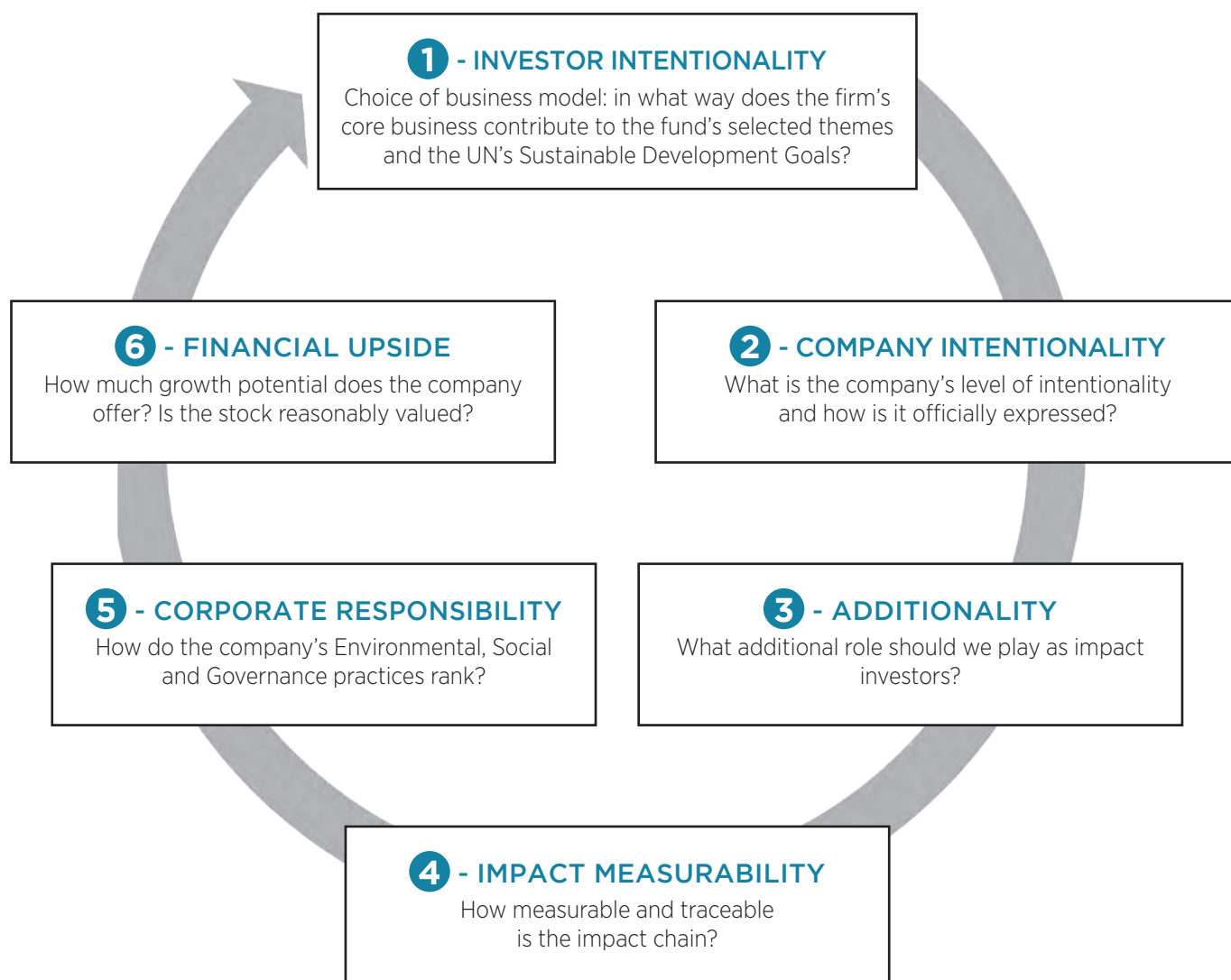
Recent global events have made the fund's positioning more relevant than ever. We are seeing new legal frameworks, reporting requirements and engagement criteria emerging in Europe. Examples include the European Commission's taxonomy and France's "Pacte" law which gives companies an opportunity to adopt mission-driven company status. The Science Based Targets initiative takes a similar approach in the environmental arena geared towards alignment with the Paris Agreement.

METHODOLOGY

A MULTI-DIMENSIONAL ANALYSIS OF POSITIVE-IMPACT COMPANIES

Our aim is to build a fund by taking a proactive approach to identifying positive impact companies. We select our stocks based on a qualitative and multi-dimensional analysis (see diagram). The selection seeks not only to maximise positive externalities but also to reduce negative externalities.

Financial and non-financial criteria alike are fully integrated into the fund's methodology. The methodology allows for a holistic view of the company based on the following six factors:

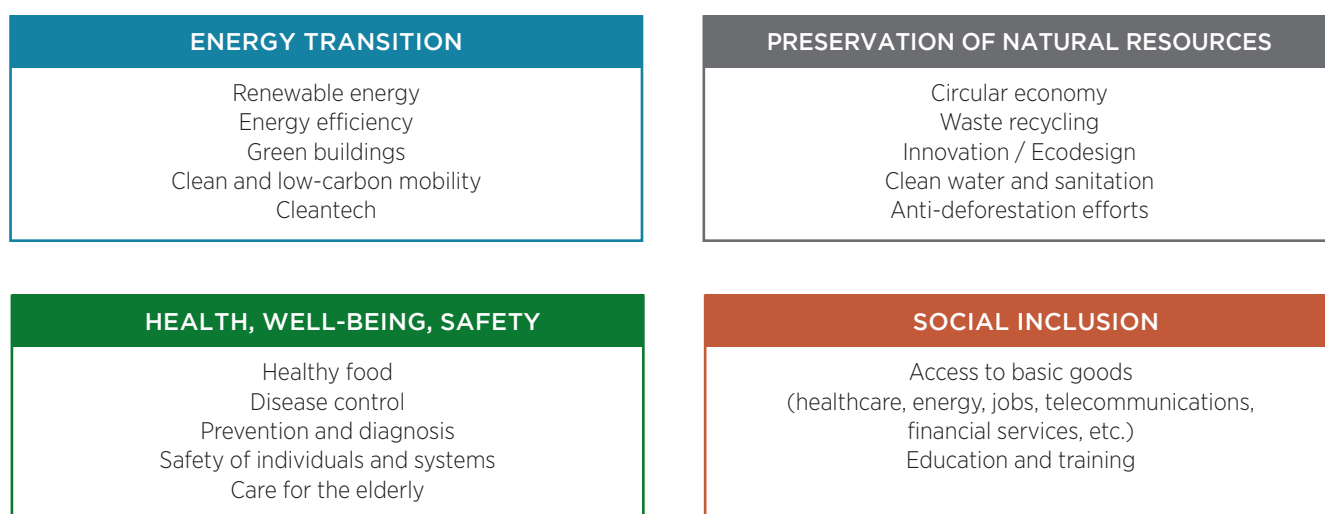


1 - INVESTOR INTENTIONALITY

CHOICE OF BUSINESS MODEL

We have developed an investment universe of sustainable activities based on 4 major themes according to each company's positive contribution, i.e. their level of activity (revenue, investment spending, R&D).

The impact fund management team has thus classified the companies on the basis of these **4 themes spanning 68 different sub-activities**. Activities are classified based on the categories presented in the **Sustainable Development Goals** and will gradually converge towards those used in the European sustainable taxonomy (for activities seeking to achieve an environmental impact) and social taxonomy (for activities geared towards achieving a social impact).



Education and training

The positive contribution must represent at least 20% of revenues and correspond precisely to the sustainable activities defined by these themes. The threshold can be lowered to 15% for companies that are in the process of stepping up their investments or R&D spending to an extent that their sustainable activities will be able to grow rapidly. The 17 SDGs span 169 specific targets and 230 indicators: our approach focuses on the precise contributions that companies make to these targets and looks beyond their exposure to SDG-related themes alone.

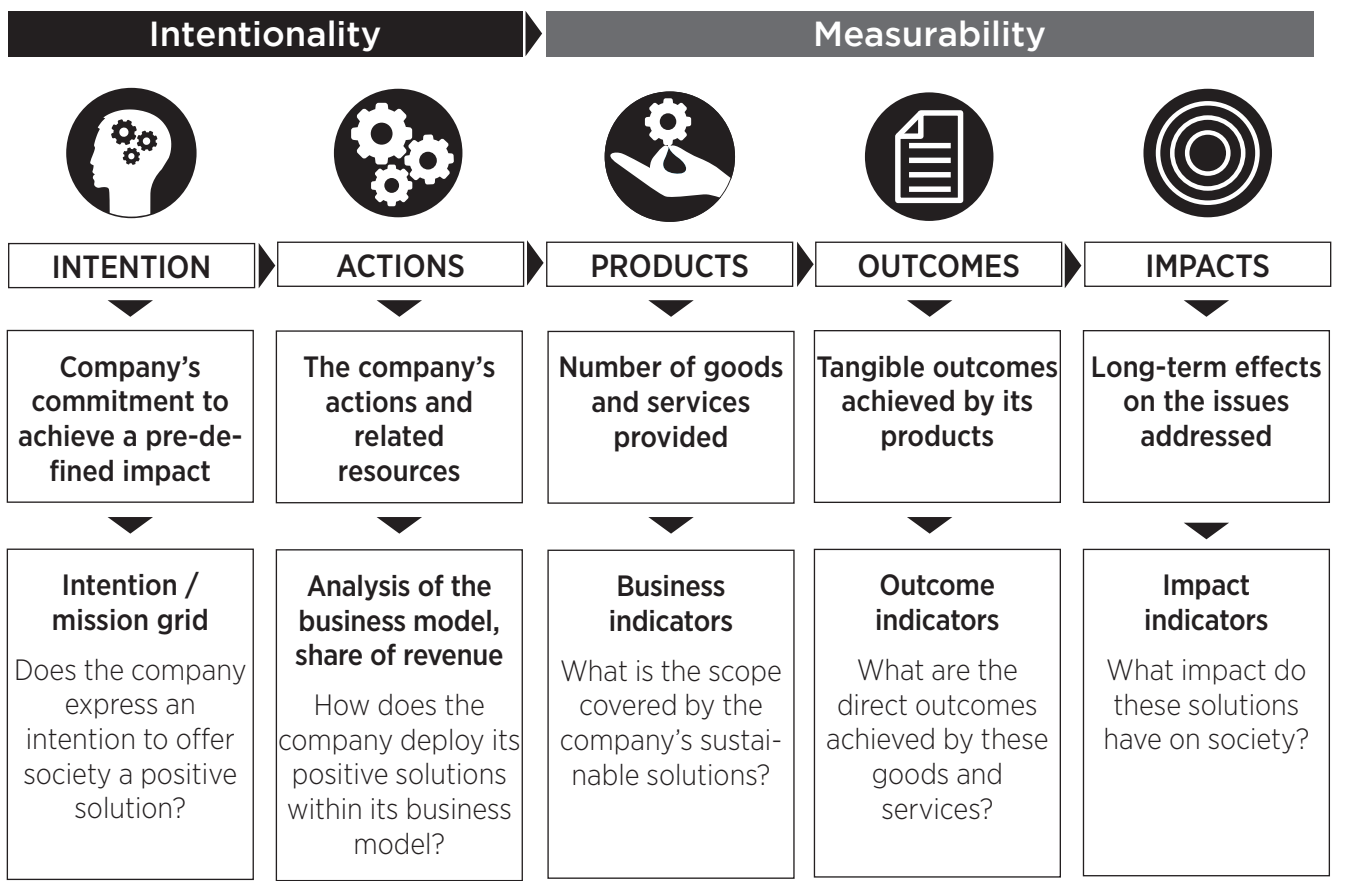
This step assesses their level of sustainable activity, after which we factor in an analysis of their “non-positive” activity by verifying that it has no negative impact on other SDG themes (incorporating the concept of DNSH). Any selection of “positive” contributors naturally excludes controversial activities (such as fossil fuels, alcohol, weapons and tobacco) and companies that fail to comply with the Global Compact and OECD guidelines.

Ofi Invest Act4 Positive Economy has also opted to include companies regardless of their background and size, primarily those transitioning to a positive-impact business model and those offering innovative breakthrough solutions.

THE IMPACT CHAIN

When a company is being considered for inclusion in the fund, it will be analysed based on the impact chain shown below. The impact chain seeks to track the company’s intentionality right up to the impact actually generated.

The **impact chain’s** measurability draws heavily on the Theory of Change. It aims to apply highly operational indicators in order to evaluate the positive impacts generated. It examines three types of indicators: **products** (tangible goods and services produced by the company’s operations), **outcomes** (the effects of these products on target populations or the planet) and impacts (longer-term effects on the company’s stakeholders).



② - COMPANY INTENTIONALITY

MISSION ANALYSIS: “MISSIONFOR”

“It is important that we distinguish between a positive impact company that sets itself a social objective, regardless of whether this is reflected in a mission statement, from one that is simply selling a good slogan” - Béryl Bouvier di Nota.

A company’s mission is examined based on how formally it is applied, the extent to which it is incorporated into the strategy, and the firm’s governance structure. It is a reflection of the company’s intentionality.

Companies centre their CSR policies and business models around a commitment to virtuous growth. They have made at least some progress in their trajectory. Besides seeking to deliver economic performance and profits, the company is deemed to be up to the task of fulfilling its commitment to sustainable development (with the requisite resources and targets).

The team responsible for the fund has developed a **unique analytical method to measure a company’s intentionality called “MissionFor”** and based on an analysis of three factors to assess the relevance of a company’s mission/intention.

The method comprises 20 weighted questions divided into 3 categories:

- An official mission or purpose (25%)
- Incorporated into the company’s strategy (25%)
- Embedded in the company’s governance bodies (50%)

Intentionality is then rated as either “high”, “advanced”, “moderate” or “insufficient”, and is reviewed each year.

This analysis forms part of all the impact investment processes applied by the Act4 range.

3 - ADDITIONALITY

ENGAGEMENT AND DIALOGUE ARE CENTRAL TO THE FUND MANAGEMENT PROCESS

“Dialogue with companies is an important aspect of the work we carry out to assess their social objectives and measure their impacts as it gives us an opportunity to collect and validate data about the companies” - Nils Merdy.

We approach the matter of additionality by asking ourselves what more we should do as impact investors than ‘traditional’ investors would. We have a duty to be engaged investors, assisting companies and helping them to make progress on matters relating to sustainable development, transparency and data availability. In practical terms, this means that we engage with firms on several levels: impact measurement, ESG policy, resolutions submitted to general meetings of shareholders, etc.

By questioning and holding discussions with companies, we are adhering to **target 12.6 of the SDGs**: “Encourage companies, especially large and trans-national companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle”.

Engagement in the area of impact measurement

We engage in dialogue with each of our portfolio companies every year for the purpose of this report but also as and when opportunities arise, during meetings with management and before actually investing in the company if data is lacking. Such dialogue addresses various topics such as green products and investments, hiring policies (female representation) and calculation methodologies.

Engagement in the area of ESG issues

Our engagement action is taken alongside the ESG research team. Such engagement seeks to influence a company’s behaviour by emphasising the importance of incorporating Environmental, Social and Governance (ESG) factors more effectively. We also hold discussions on recent issues raised by our controversy monitoring procedure. Many of the questions we asked companies in 2021/22 concerned the topics of forced labour and due diligence

Shareholder engagement and voting policy

The Ofi Invest Act4 Positive Economy’s policy includes shareholder engagement with and voting at the general meetings of shareholders of all its portfolio companies. The SRI team is responsible for these aspects, which it delegates to Proxinvest in accordance with OFI’s voting policy. All the voting guidelines it issues are based on the voting policy available on our website. Voting decisions are sent to the fund managers for validation beforehand.

④ - MEASURABILITY

IMPACT CHAIN ANALYSIS AS A SYSTEMATIC APPROACH

Impact measurement is a cornerstone of any approach to impact investing. We therefore have very high standards for measuring impact, while bearing in mind that we also need to help companies with the process. Companies are at varying stages of maturity when it comes to impact measurement, and some of them struggle to fully grasp the issue.

The **impact chain** helps us to work towards the UN's Sustainable Development Goals. We have a systematic approach applicable to all companies which enables us to ask the right questions in order to determine the right impact indicators. This tool can also be used to help companies measure their impacts based on each company's reality on the ground.

There is still a wide variety of methodologies being used to measure impact. At this stage, each practitioner needs to explore its own approach to impact measurement so that common rules can eventually be established. We adhere to this approach and are already working to define some measurement principles that can be applied to our entire universe.

Our approach currently consists of three principles:

- **Impact measurement needs to focus on identifying the social or environmental benefit of a firm's solutions.** Our impact measurement process must focus as far as possible on this benefit, whether it be to individuals or to the planet. We obtain this measurement by distinguishing between the product, outcome and impact indicators in our impact chain.
- **Impact must be measured annually** and in correlation with the time we spend invested in the company. As investors, we do not wish to appropriate the impact of a company in which we are not invested on a given date. We therefore report the impact generated from the company's solutions within the year, not over their entire lifespan. Similarly, we do not report on the impact generated prior to the year in question, i.e. the impact generated by solutions rolled out on the market before the current year and still generating an impact in subsequent years. So our impact measurements refer to the impact of solutions rolled out on the market within the year and generated within the year.
- **Impact measurement must be benchmarked against an initial situation.** We must be able to measure this impact in comparison with its benchmark. Such comparisons can be made with the latest technology that is most virtuous, most widespread and/or most cheaply available. The market is not yet mature enough, but it is crucial to ask companies about the methodology they use and therefore about the initial benchmark situation against which they are measuring their impact. We question companies about their methodology so that we can immediately obtain the information required and then eventually compare one company's impacts with those of another.

5 - CORPORATE RESPONSIBILITY

ESG ANALYSIS

“ESG analysis makes it possible to verify a company’s determination to manage its negative externalities, and we are indeed paying increasing attention to the PAIs referred to in the SFDR” - Nils Merdy.

ESG analysis is performed according to a frame of reference established internally by the SRI team and produced from an analysis of the non-financial risks likely to affect the company’s stakeholders and the company itself. This double materiality approach was itself designed based on a frame of reference that seeks to identify impacts on stakeholders. The ESG analysis process consists in identifying sources of risks and opportunities for companies based on an analysis of three types of issues: Environmental, Social and Governance (ESG). Governance issues are assigned a fixed weighting of 30% relating to the company’s governance structure score, to which we add a variable weighting of between 10% and 40% for the company’s business practices. Depending on the business sector in question, therefore, the G score may in theory account for up to 70% of the ESG rating assigned (in practice it varies between 40% and 52% depending on the sector). E and S issues are assigned weightings varying from 30% to 60% in theory. These three elements are drawn from the SRI team’s expertise.

ESG analysis makes use of OFI’s proprietary methodology, which classifies companies according to an SRI scale on 5 levels based on a best-in-class approach.

The ESG ratings assigned to companies are used to establish a proprietary SRI score. This SRI score is based on a best-in-class approach. It is a relative score which factors in the company’s ESG rating relative to its peers within the same ICB supersector (level 2 classification). The SRI score varies on a scale from 0 to 5, with 5 corresponding to the highest ESG score in a sector.

Based on this best-in-class approach, companies within a same ICB supersector are classified according to their SRI score and then divided into five categories, each accounting for 20% of the sector’s companies. Companies’ ESG ratings, SRI scores and categories are recalculated and updated once a quarter.

OFI AM’s SRI classification

LEADER	The most advanced based on consideration of ESG issues
COMMITTED	Active in addressing ESG issues
FOLLOWER	ESG issues moderately well managed
UNCLEAR	ESG issues poorly managed
UNDER SURVEILLANCE	Lagging in addressing ESG issues

Non-financial research carried out by OFI AM on private issuers draws comparisons between firms within a same business sector and identifies those that are most effective at managing the risks and opportunities surrounding sustainable development, particularly those defined in the UN Global Compact.

This analysis is based in particular on the construction of a benchmark of key issues for companies weighted by sector and on a comprehensive ESG analysis that results in an SRI score calculated between 1 and 5, enabling companies to be classified in one of the five categories shown opposite.

Source: OFI AM

Controversies that might potentially affect the relationship with or impact on one of the company’s stakeholders are examined and monitored. They may concern the firm’s clients, investors, regulators, suppliers, civil society, employees or environment.

Controversies are analysed based on Reprisk data and with reference to the main international conventions, in particular the Universal Declaration of Human Rights and the ILO (International Labour Organization) Declaration of Fundamental Principles and Rights at Work.

They are assessed on a scale of 1 to 4 depending on their severity, intensity and how widespread they are (over time and/or space)..

⑥ - FINANCIAL UPSIDE

FINANCIAL ANALYSIS BASED ON SUSTAINABLE GROWTH AND VALUATION

“Financial analysis completes the investment decision-making process. Its aim is to select companies that are generating sustainable growth - with no restrictions as regards investment style - and that are reasonably valued” - Béryl Bouvier di Nota.

Buy discipline will partly depend on the following elements:

- The firm's earnings trajectory
- The stock's upside potential
- The stock's valuation, which must be attractive when compared with its peers or its past performance
- The strength of the firm's balance sheet
- The quality of the firm's fundamentals (leadership, pricing power, etc.)

The stock reaching a price/valuation target pre-defined by the fund managers is not the only criterion for selling or reducing a position. Sell discipline is above all based on a fundamental assessment and involves an examination of the investment case.

Positions may be reviewed for the following reasons, among others:

- If a key risk materialises or if fundamentals deteriorate
- If the stock reaches the target price
- If the firm's SRI ratings are updated or if a major controversy arises affecting the impact theme
- If the firm's positive contribution changes as a result of a change in its business scope

In short, the aim is to ensure that growth in earnings per share (EPS) is generated mostly from the company's operations based on the criteria of growth, leadership and profitability. It is necessary to meet with the firm's managers in order to understand their strategic aspirations for the company and to assess the quality of the management team.

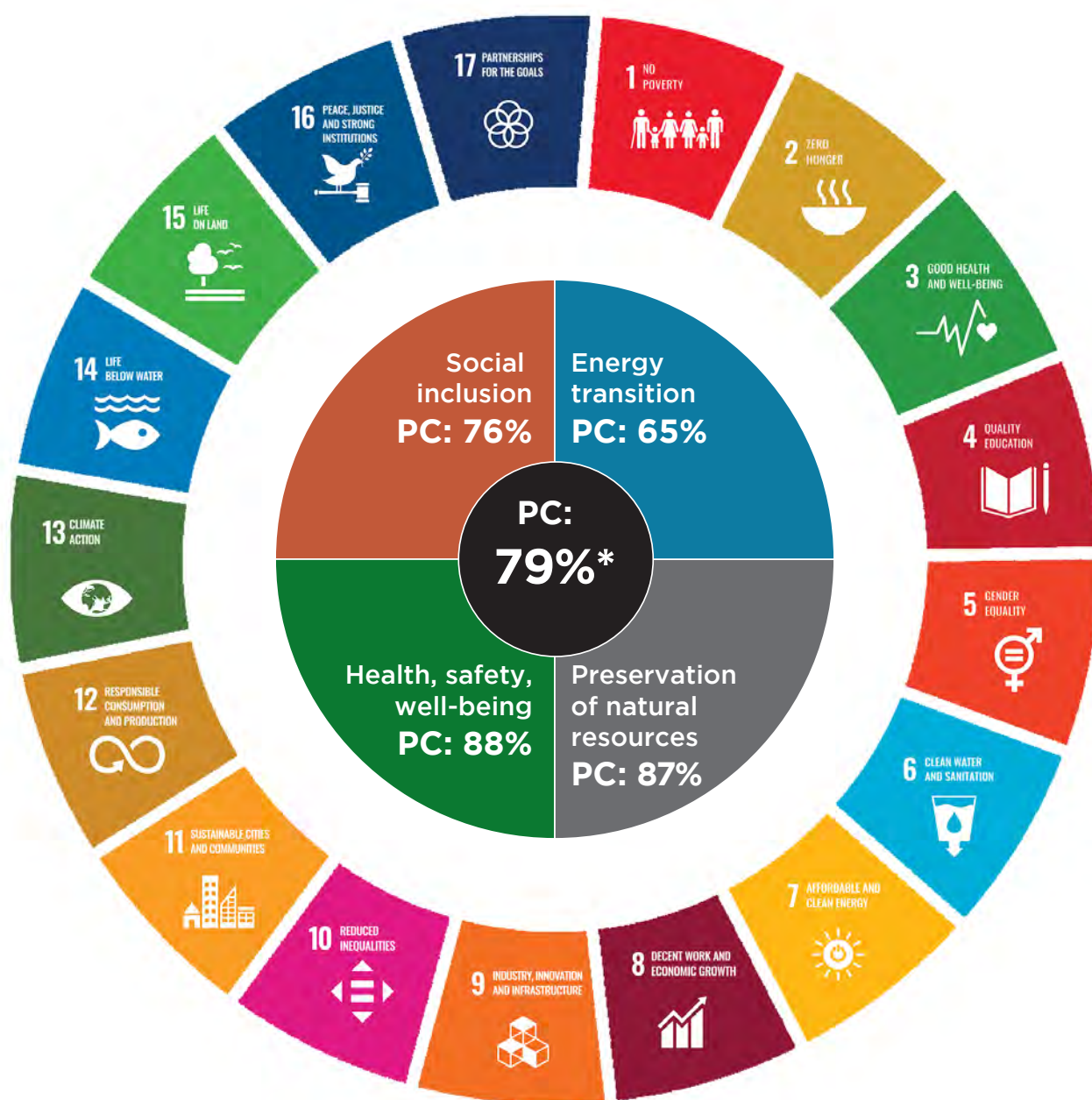
THE FUND'S MAIN OUTCOMES

The key outcomes emerging from our 6-stage methodological approach are presented on the following pages. They cover all the stocks held in the fund at 31/12/2021.

1 - INVESTOR INTENTIONALITY

The fund's positive contributions

The fund's main selection criterion is the **positive contribution (PC)** that the company's activities make (through the revenue they generate) to the UN's Sustainable Development Goals.



* Average positive contribution made by portfolio companies (average weighted by share of assets).
See Appendix 3 for a breakdown of the positive contributions made by each company.

Innovation by portfolio companies

The fund includes a large number of **innovative firms**, several of which offer breakthrough solutions in response to environmental and social challenges

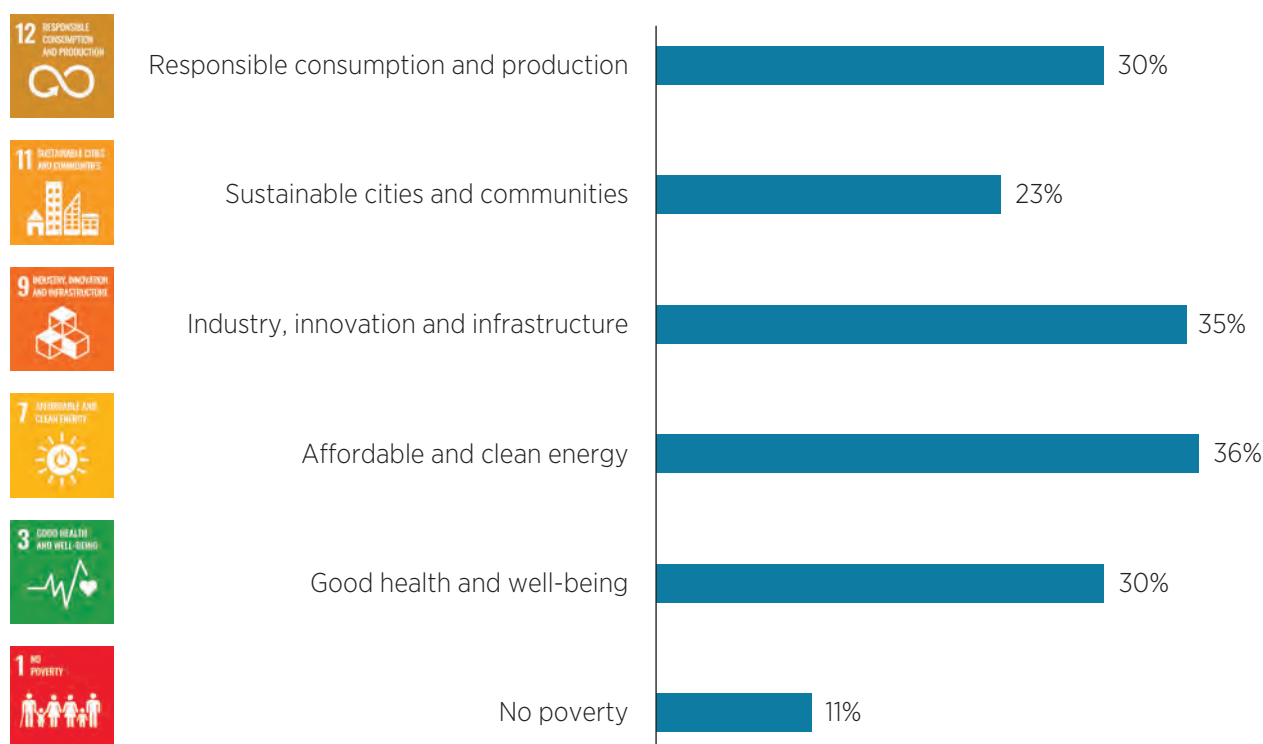
51,202

Patents filed by the companies since 2000, of which 2,288 low-carbon and 2,524 healthcare patents*

* Source: Carbone 4

The fund's exposure to the UN's SDGs

Main SDGs targeted by companies held in OFI Fund - RS Act4 Positive Economy



Source: OFI AM at 31st December 2021

2 - COMPANY INTENTIONALITY

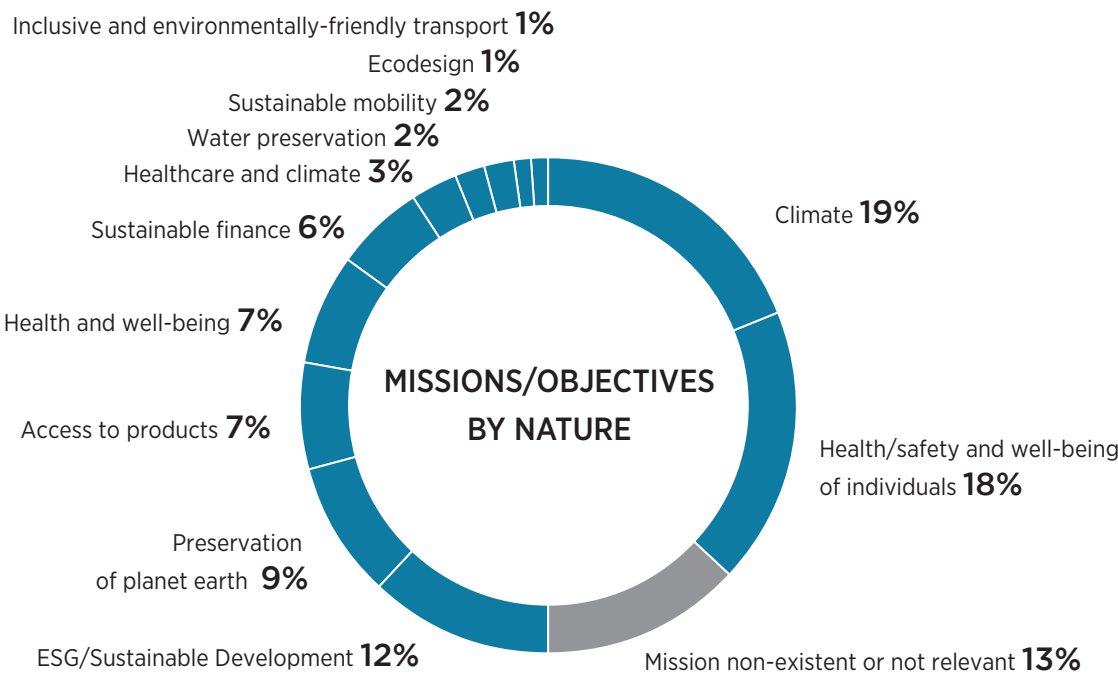
Mission analysis methodology: “MissionFor”

Distribution of intentionality levels among companies held in Ofi Invest Act4 Positive Economy

Intention	Intention	Intention	Intention
HIGH	ADVANCED	MODERATE	INSUFFICIENT
10 companies	15 companies	17 companies	0 company

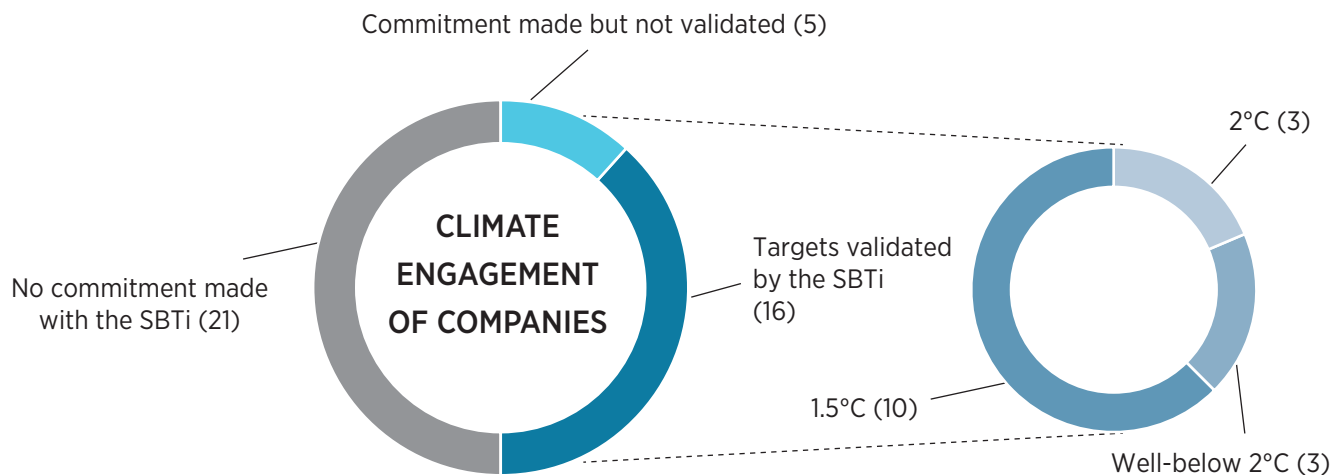
Source: OFI AM at 31st December 2021

An analysis of company intentionality shows that some firms have established an official mission/purpose. The chart below provides a breakdown of the missions/purposes of our portfolio companies by type. The figures are presented as percentages of the total number of companies.



Climate engagement

By 31/12/2021, **50% of portfolio companies had submitted their targets to the SBTi and 76% of the targets set had been validated** by the SBTi's Target Validation Committee . By way of comparison, 52% of companies in the Stoxx600 index had submitted their targets. Below is a breakdown of the targets set by portfolio companies that have been validated or not validated (by number of companies):



Company commitments to the climate have gathered pace in recent months. By 15/11/2022, 63% of Stoxx600 companies had submitted their targets to the SBTi.

This increase is not as clearly reflected in the fund because many of its portfolio companies are small caps with climate commitments that are still in their infancy relative to the maturity of their business model.

See website: <https://sciencebasedtargets.org/what-is-a-science-based-target/>

3 - ADDITIONALITY

Engagement in the area of impact measurement

We questioned 100% of companies about their impact measurements for the purposes of our 2022 report. Some 95% of those questioned replied and 90% of the replies we examined were relevant to impact measurement.

After reading the company documents available, we supplemented the information gathered by questioning the companies about those of their products and services that offered a solution to at least one of the SDGs and about the associated positive impacts generated. We questioned those that measure their impacts about the calculation methodologies they use, how frequently they measure their impacts and about the results obtained from a product lifecycle analysis. If the company is not yet in a position to provide us with its impact data, we discuss the reasons why it is unable to disclose or measure its impacts.

Engagement on ESG issues

We engaged in dialogue with eight companies in 2021: Michelin, Unilever, Orpéa, Danone, Evonik, Steico, Bio-UV and Ekopak.

On the environmental front, we engaged with Michelin and Unilever as part of an engagement campaign on marine protection and efforts to tackle plastic waste in aquatic ecosystems.

On the social front, we engaged with Unilever on the topic of the labour practices of its suppliers and their responsible procurement policies, particularly in Asia. In addition, OFI AM joined the Investor Initiative for Responsible Care in November 2021 (appealing to a sense of responsibility among care home operators) in partnership with the UNI, and thus initiated an engagement action with Orpéa.

We also engaged in dialogue with Danone and Evonik ahead of their general meetings of shareholders. We submitted an item to be added to the agenda of Danone's general meeting encouraging directors to share their views about the group's strategy following the departure of the former chairman and CEO, Emmanuel Faber.

Our engagement with **Ekopak**, a Belgian group specialising in industrial wastewater treatment, concerned its entire business with a view to measuring its sustainability and impacts. Ekopak helps its clients to reduce their clean water consumption but did not disclose the volume of additional water withdrawals avoided thanks to its self-recycling solutions. Our ESG analysis indicated that Ekopak was also lagging behind its industry peers when it came to handling certain issues such as carbon emissions and product quality and safety. We met up with the company's chief executive officer, chief financial officer and independent director specialising in ESG to discuss these topics. During a meeting held with the company in July 2021, we learned that a CSR policy was to be presented to the board of directors in September 2021 with KPIs to be included in the 2021 annual report published in April 2022. We found out more details about how the company manages such issues: it is determined to reach carbon neutrality on its CO2 emissions, uses very little water, and has little exposure to chemicals. On the governance front, the company is looking to add a third independent director to its board. We decided to apply a +0.5 bonus to its SRI score.

We also carried out overall reviews of the ESG issues and CSR strategies at Steico and Bio-UV. These examples are described in our engagement report, in the section covering impact management and in-depth dialogue initiatives taken to encourage companies to improve their ESG practices.

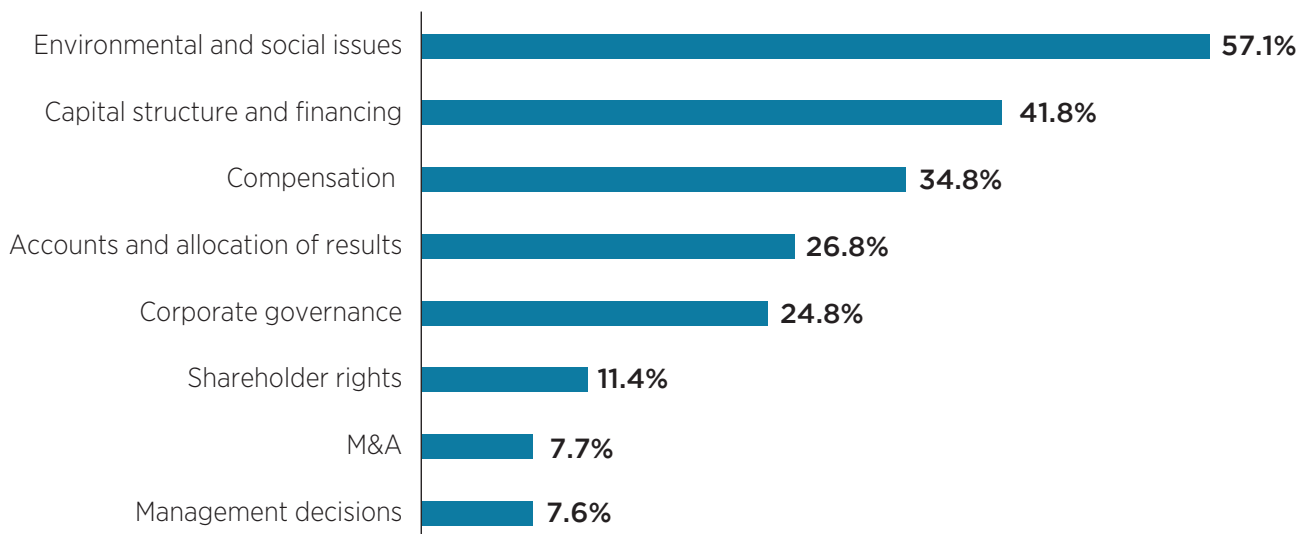
Many such examples of engagement are presented in detail in the 2021 shareholder engagement and voting report.

Voting policy

Our responsibility as an investor involves voting at the general meetings of shareholders of all the fund's portfolio companies.

We voted at 49 general meetings in 2021 on 893 resolutions, voting “against” in 27.7% of cases.

Votes “against” by type of resolution in 2021



Source: OFI AM

4 THEME-BASED PILLARS

1

ENERGY
TRANSITION

2

PRESERVATION
OF NATURAL
RESOURCES

3

HEALTH, WELL-BEING,
SAFETY

4

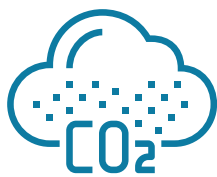
SOCIAL
INCLUSION





ENERGY TRANSITION

SUSTAINABLE
DEVELOPMENT GOALS



202,633,269

TONNES (EQ.) OF CO₂
AVOIDED



8,053,757

PEOPLE GIVEN ACCESS
TO CLEAN ENERGY

** Impacts refer to those generated from the companies' sales and activities in 2021. Impacts refer to those of companies that incorporate the "energy transition" theme as well as those of companies that incorporate other themes that also have an impact on this theme.*

CONTRIBUTIONS MADE BY OUR INVESTMENTS TO THE ENERGY TRANSITION

Production of renewable energies

Activities contributing to the production of renewable energies can include power producers, equipment manufacturers and infrastructure construction firms.

ACCIONA ENERGIAS • Developer of renewable energy projects

NESTE • Producer of biofuels

ENEL • Producer and distributor of renewable energies

SIEMENS ENERGY • Manufacturer of wind turbines and storage solutions

Solutions to make buildings more energy efficient

Buildings can reduce their energy consumption and CO2 emissions by becoming more energy efficient.

SAINT-GOBAIN • Materials and solutions for buildings, transportation, infrastructure and industrial applications

SCHNEIDER ELECTRIC • Manufacturer of low-voltage products and solutions and energy-efficient automation products

SPIE • Industrial equipment operation and maintenance services

ENOGIA • Conversion of waste heat into electricity

NIBE INDUSTRIER • Heat pumps

Green mobility solutions

The amount of energy consumed and greenhouse gases emitted by the transport industry can be reduced thanks to alternatives to petrol cars, clean modes of transport and reduced carbon footprints for all modes of transport.

ALSTOM • Rail and freight systems as alternatives to other more polluting modes of transport

INFINEON • Semiconductors

VALEO • Manufacturer of equipment to produce hybrid and electric vehicles

Infrastructure optimisation solutions

Companies need tools like software to help them reduce the carbon footprints of their products and operations.

AKER CARBON CAPTURE • Supplier of carbon capture technology

SAP • Integrated software packages for clients looking to reduce the amount of CO2 emitted by their products and operations



ACCIONA ENERGY, an Acciona subsidiary based in Madrid, is a Spanish firm that develops renewable energy projects such as solar power, wind power, hydraulic power, biomass and thermal energy. The group's installations generated 24,541 GWh of renewable energy in 2021.

CHALLENGE: the European Commission has introduced an energy plan, REPowerEU, aiming for energy from renewable sources to account for 45% of total energy production by 2030.

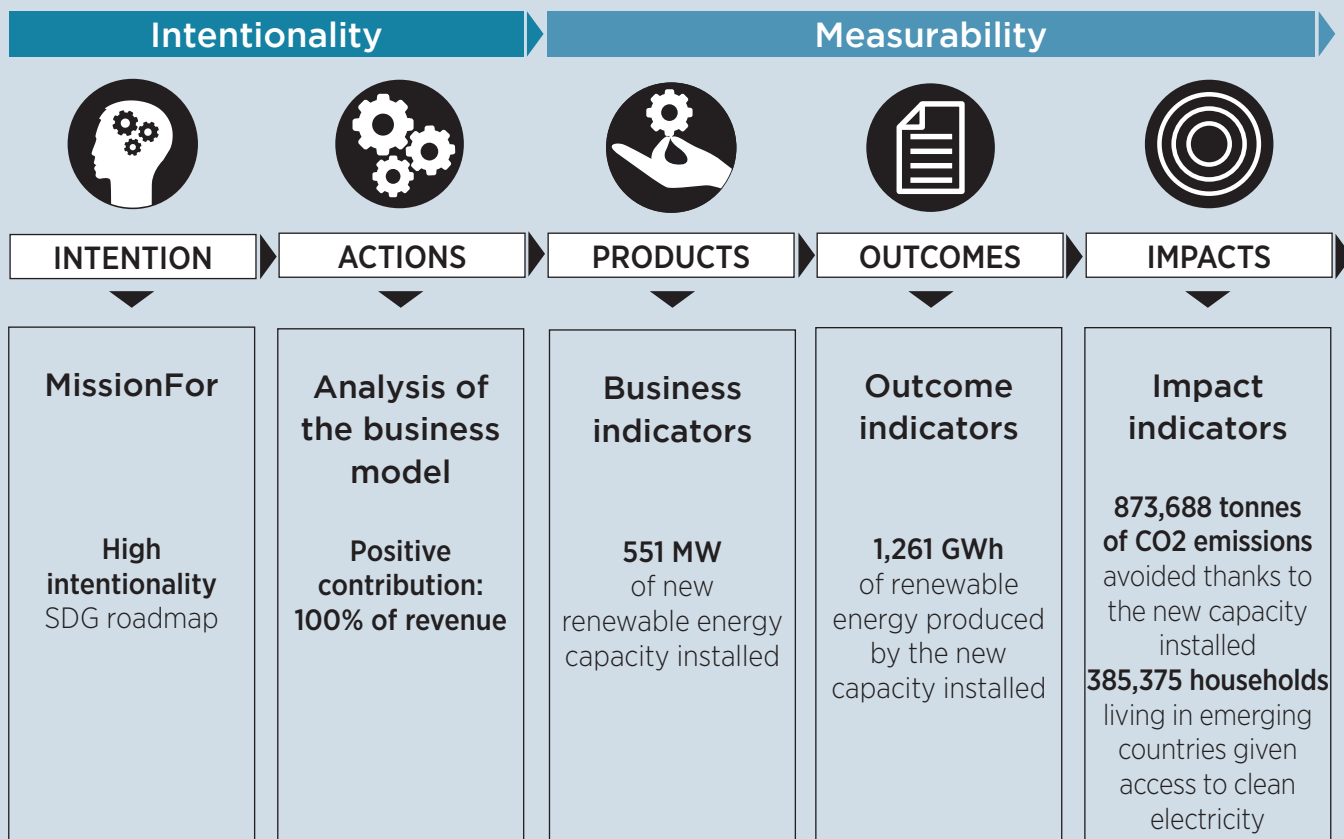
MISSION: to demonstrate the technical and economic feasibility of an energy system centred around the use of renewable energies as a core element of a new sustainable economy.



Arantza EZPELETA
Chief Financial and
Sustainability Officer
ACCIONA ENERGÍA

“The world is in the midst of a global energy crisis, the effects of which will be felt for years. Renewable energies have a key role to play in this transition as they are not only safer and more affordable, but they also create local and highly-skilled jobs. Our strategy centres around Acciona Energía's employees and aims to put them at the core of five key pillars: recognition of merit, diversity and inclusion, a fulfilling working environment, leadership and access to rights”.

PRESENTATION OF ACCIONA ENERGIA'S IMPACT CHAIN



* Impacts refer to those generated by the company's sales and activities in 2021.

INTENTIONALITY

Acciona Energia has set itself an official mission to contribute to the SDGs in building a sustainable economy. Acciona Energia is primarily driven by the aim to provide clean energy to one and all. After consulting with all its stakeholders on various occasions, the group has embedded this objective into its strategy which is geared towards meeting environmental and social targets.

Where governance is concerned, several members of the group's board have CSR expertise. The heads of HR and CSR are members of the executive committee, evidence of how important such matters are to Acciona Energia in developing the group.



Intention

HIGH

POSITIVE CONTRIBUTION

Some 100% of ACCIONA's activity delivers a positive contribution and it aims to triple its installed base by 2030 (30 GW). With 11.2 GW of capacity at end-2021, the group is going to continue expanding internationally while adhering to its value creation criteria.

Acciona Energia's "High impact solutions" programme identifies and analyses the socio-economic challenges faced by communities in a given location and sees them as an incentive to set up operations there. It has applied this SIM (Social Impact Management) methodology to 36 facilities equivalent to 10 countries and set up a total of 168 social initiatives in 13 countries.

This contributes positively to a number of SDGs:



7.1 - By 2030, ensure universal access to affordable, reliable and modern energy services.

7.2 - By 2030, increase substantially the share of renewable energy in the global energy mix.

OFI AM'S ADDITIONALITY

OFI AM held discussions with Acciona Energia in 2021 about its impact approach. The discussions focused on impact data, such as the number of people having been given access to the energy it produces, but also on the methodology it uses. We also asked for details about the breakdown of renewable energy production from their new facilities by country in 2021 and about the CO2 emissions avoided as a result of these new facilities.

CORPORATE RESPONSIBILITY

Where safety is concerned, 100% of the MW installed are certified as compliant with ISO 9001 and ISO 14001, and ISO 9001 and ISO 14001 certifications were incorporated for ACCIONA Energía Ukraine in 2021.

SRI profile

FOLLOWER

Controversy level: medium

SOME RESPONSIBLE PRACTICES

The company reduced its water consumption, including in water stressed areas, by 35% vs 2020. It recycled 96.5% of its non-hazardous waste and approved a new circular economy policy.

2

PRESERVATION OF NATURAL RESOURCES

SUSTAINABLE
DEVELOPMENT GOALS



10,001,323

TONNES OF NATURAL
RESOURCES
PRESERVED



442,000,000

M3 OF WATER SAVED

600,000

M3 OF WATER
DECONTAMINATED



8,760,465

TONNES OF CO2
SEQUESTERED

** Impacts refer to those generated from the companies' sales and activities in 2021. Impacts refer to those of companies that incorporate the "preservation of natural resources" theme as well as those of companies that incorporate other themes that also have an impact on this theme.*

CONTRIBUTIONS MADE BY OUR INVESTMENTS TO THE PRESERVATION OF NATURAL RESOURCES

Waste recycling

It is important to recycle waste in order to preserve our natural resources and avoid using up further resources.

BIFFA • Waste management and recycling

LARGO • Smartphone refurbishment

PYRUM • Recycling of end-of-life tyres

TOMRA SYSTEMS • Packaging collection systems and sensor-based sorting systems

WAGA ENERGY • Capture and redistribution of biogases emitted by landfill sites

Water treatment and management

Water is a natural resource that needs to be preserved through solutions to optimise its use but also to treat it.

EKOPAK • Integrated solutions to treat wastewater from industrial sites

GEBERIT • Water-saving systems for the building and renovation markets

Ecodesign

The ecodesign approach preserves natural resources by extending product lifespans, making use of recycled materials and promoting recycling.

RENEWCELL • Textile recycling through the processing of circulose pulp (recycled cotton)

SEB • Ecodesigned and repairable household appliances

SMURFIT KAPPA • Packaging based on recycled cardboard in response to the massive use of plastic

Forestry

Sustainable forest management helps to maintain natural areas and store carbon.

SVENSKA CELLULOSA • Forest assets and sustainable forest management (carbon sequestration) Wood-based products (paper pulp, energy)

Green chemicals

Green chemistry makes it possible to produce more efficiently while consuming and wasting less.

AFYREN • Specialises in producing natural organic acids without using petroleum

CARBIOS • Plastic recycling solutions based on enzymatic processes



SCA is a Swedish international group founded in 1929 that manufactures forest products. It is Europe's biggest private owner of forest land, with 2.6 million hectares in Sweden and 44,000 hectares in Estonia and Latvia.

CHALLENGE: 13 million hectares of forest land disappears worldwide each year, corresponding to one quarter of the surface area of France (Fondation Yves Rocher).

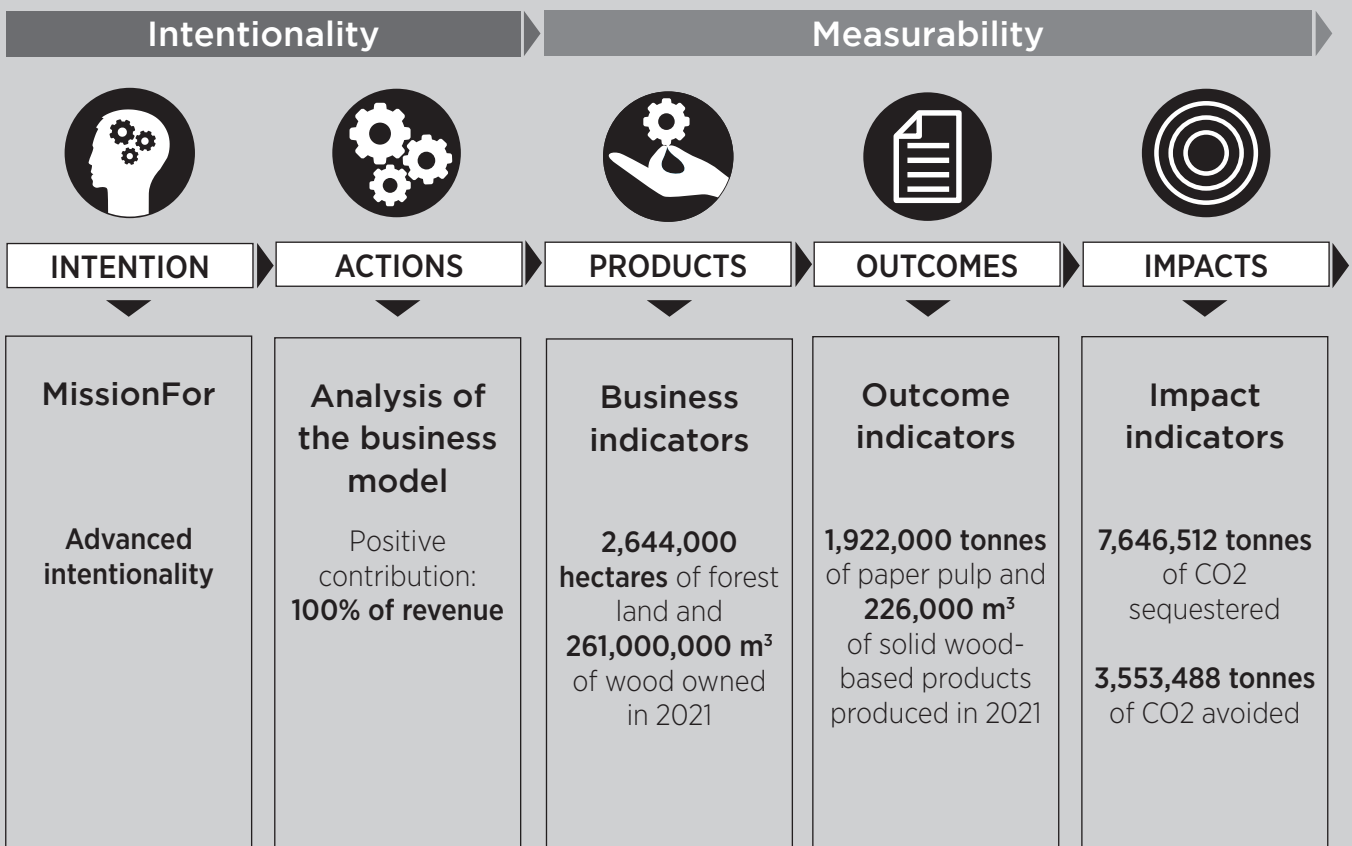
MISSION: through the force of the forest, SCA contributes towards a sustainable future. This is achieved with responsible forest management, resource efficiency and renewable products.



Hans DJURBERG
Sustainability Director
SCA

“Forests play a crucial role in tackling climate change. Growing forests capture carbon dioxide on a large scale. Once the trees are ready to be harvested and transformed into wood products, they store large amounts of carbon. Forest products can replace other products that have large fossil energy footprints, such as fossil fuels and concrete, and therefore also help to keep more fossil fuels below ground. As Europe's largest private owner of forest land, with 2.6 million hectares, SCA has a net positive impact on the climate as it reduces the amount of carbon dioxide by no less than 10.5 million tonnes each year”.

PRESENTATION OF SCA'S IMPACT CHAIN



* Impacts refer to those generated by the company's sales and activities in 2021.

INTENTIONALITY

SCA's intention is officially expressed in its corporate purpose, which is to contribute to a sustainable future through responsible forest management.

This objective forms part of its 2030 strategy, which it expresses in 4 key headings: a fossil-free world, valuable forests, efficient use of resources, and responsibility for people and the community.

On the governance front, one member of the group's board of directors has CSR expertise. The heads of HR and CSR are members of the executive committee. SCA's entire CSR strategy is led by the Sustainability Board which includes several executive committee members, one of whom is the group's head of CSR.



Intention
ADVANCED

POSITIVE CONTRIBUTION

SCA generates a positive contribution from 100% of its activities now that it has ceased the production of printing paper at its Ortviken site (the group invested in the site to convert it and increase the production of paper pulp). This includes its forest management business (20% of which is devoted to biodiversity conservation) and its wood production business; both are involved in carbon sequestration. The activities that produce cardboard packaging, pulp paper and bioenergy offer alternatives to products that are made using fossil fuels; they therefore help to avoid CO2 emissions. This contributes positively to a number of SDGs:



7.2 - By 2030, increase substantially the share of renewable energy in the global energy mix.



13.2 - Integrate climate change measures into national policies, strategies and planning.



15.b - Mobilise significant resources from all sources and at all levels to finance sustainable forest management and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation.

OFI AM'S ADDITIONALITY

OFI AM held discussions with SCA in 2021 about its impact approach, in particular the indicators it uses, and about its CO2 emissions avoided and its production of solid wood-based products.

CORPORATE RESPONSIBILITY

SCA has introduced regular internal audits which examine all its data security and IT system security processes, among other aspects.

SRI profile

LEADER

Controversy level: negligible

SOME RESPONSIBLE PRACTICES

SCA trains all its staff in the following topics:
the Code of Conduct, anti-corruption efforts, health and safety, business ethics and leadership.
SCA aims to halve fossil fuel emissions along the value chain (scopes 1, 2 and 3) relative to 2019.

3

HEALTH, WELL-BEING, SAFETY

SUSTAINABLE DEVELOPMENT GOALS



847,613,003

PEOPLE HAVING BENEFITED
FROM A HEALTH, SAFETY
OR WELL-BEING SOLUTION



800,000,000

PEOPLE HAVING BENEFITED
FROM HEALTHY AND
NUTRITIOUS PRODUCTS

** Impacts refer to those generated from the companies' sales and activities in 2021. Impacts refer to those of companies that incorporate the "health, safety and well-being" theme as well as those of companies that incorporate other themes that also have an impact on this theme.*

CONTRIBUTIONS MADE BY OUR INVESTMENTS TO IMPROVEMENTS IN HEALTH, SAFETY AND WELL-BEING

Infrastructure and transport safety

The risk of accidents happening in our day-to-day lives and in the workplace must be reduced, and product safety must be reinforced.

AUTOLIV • Safety equipment (safety belts, airbags, passive safety systems, etc.) for car manufacturers

BUREAU VERITAS • Compliance assessment and certification services in the fields of quality, safety, health, the environment and corporate social responsibility

Quality food

Healthier ingredients and diets form part of a healthier and more sustainable food system.

CORBION • Food solutions and ingredients

DANONE • Healthier food products

DSM • Human and animal nutrition

FERMENTALG • Natural algae oil-based ingredients

SYMRISE • Flavours, fragrances and ingredients from natural sources

Healthcare systems, infrastructure and products

Solutions that help to increase life expectancy and improve living conditions (medicines, medical tests, retirement homes).

LONZA • Development of active pharmaceutical ingredients

ORPEA • Healthcare facilities (retirement homes, healthcare clinics, psychiatric care clinics)



FERMENTALG is an innovative French company specialising in the research, development and production of microalgae-based oils, proteins and pigments for the healthcare and food industries.

CHALLENGE: more and more people worldwide are eating fish, over 20 kg each year, which is twice as much as in the 1960s (UN data).

MISSION: provide as many people as possible with natural and innovative microalgae-based solutions in the fields of health and nutrition without impacting on biodiversity, for the benefit of humans and planet earth.

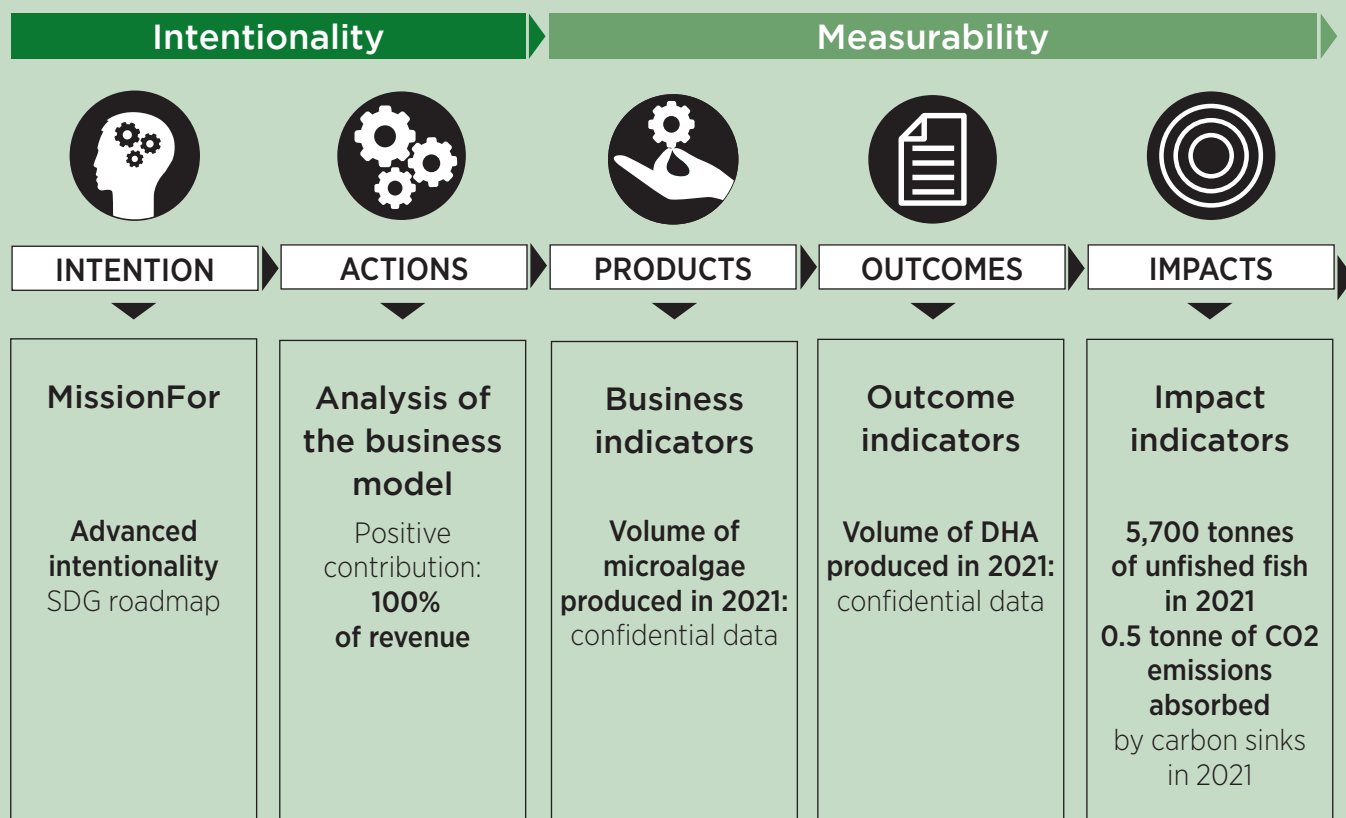


Philippe LAVEILLE

Chief Executive Officer
Fermentalg

“ Fermentalg aims to become a leading contributor to the production of innovative solutions sourced from marine biology research and development in the fields of health (vegan omega 3), nutrition (alternative proteins and natural dyes) and the climate (it is a joint shareholder with Suez in CarbonWorks). Our products and solutions are original in that they draw on the broad biological diversity of microalgae in our marine environment, and they help to conserve this biodiversity”.

PRESENTATION OF FERMENTALG'S IMPACT CHAIN



* Impacts refer to those generated by the company's sales and activities in 2021.

INTENTIONALITY

Fermentalg has adopted a corporate purpose which all its staff voted in favour of. It has also brought in a CSR policy, promoted by the recently appointed head of CSR; it is based on a corporate vision and a trajectory with key performance indicators relating to the group's industrial process and stakeholders. Its corporate purpose directly contributes to a number of targeted SDGs and its trajectory forms part of a CSR strategy spanning 2022-2030. Fermentalg has not yet submitted its targets to the SBTi but it has incorporated the Plan A tool involving all its teams and stakeholders. This will help it set out a trajectory for reducing its SBTi impacts by 2030 and manage all its ESG and Carbon indicators in preparation for the requirements that will be enforced by the upcoming 2024 Taxonomy (CSRD). On the governance front, Fermentalg has decided to set up a new CSR board committee so that it can speed up efforts to demonstrate evidence of its commitment to managing its risks and coordinating its actions.



Intention
ADVANCED

POSITIVE CONTRIBUTION

The group's main activity consists in tapping into the potential of marine biology using innovative technologies (2,000 non-GMO strains) that enjoy patent protection (222 in total, including 63 new patents in 2021) in order to produce DHA Origins 550, a highly concentrated algae oil traditionally sourced from fatty fish. This offers a sustainable alternative to fish consumption. It also has a range of natural blue dyes called BLUE ORIGINS, antioxidants, and natural and sustainable proteins produced from microalgae catering to the nutrition, nutraceutical and cosmetics markets. CarbonWorks, a joint venture created alongside Suez, specialises in CO2 capture and utilisation. A full 100% of the group's activities are compatible with the European sustainability taxonomy.

It contributes positively to the following SDGs:



3.4 - By 2030, [...] promote mental health and well-being.



13.2 : Integrate climate change measures into strategies [...].



14.4 - By 2020, [...] end overfishing, [...] to restore fish stocks in the shortest time feasible [...]

OFI AM'S ADDITIONALITY

OFI AM held discussions with Fermentalg in 2021 about its CSR approach and strategy but also about its impact approach, in particular the indicators it uses. We asked the group about its production in 2021 and about the number of tonnes of unfished fish as a result of its product sales.

CORPORATE RESPONSIBILITY

Philippe Lavielle runs the company as its chief executive officer as well as the chairman of its board of directors, but Fermentalg's governance structure has improved over the years with respect to independence (50%) as well as diversity (50% female representation). In 2020, the company obtained ISO 22000 certification which sets food safety management standards and meets the requirements of the major groups operating along the global food supply chain. The group now takes into account its emissions and water consumption resulting from the ramp-up of its operations.

SRI profile

LEADER

Controversy level: negligible

SOME RESPONSIBLE PRACTICES

Staff and new joiners receive training in climate change issues aimed at "understanding the ecological crisis to reinvent the company" (a training programme certified by the experts at IPCC).

4

SOCIAL INCLUSION

SUSTAINABLE DEVELOPMENT GOALS



21,222,000

FRAGILE
PEOPLE
GIVEN ACCESS TO
A HEALTH-
ENHANCING
PRODUCT



3,007

PEOPLE
GIVEN
ACCESS TO
AFFORDABLE
HOUSING



118,332

PEOPLE HAVING
RECEIVED
TRAINING TO
FURTHER
THEIR ECONOMIC
INCLUSION
(EMERGING
COUNTRIES)



535,690

PEOPLE
GIVEN HELP
IN ACCESSING
A FINANCIAL
PRODUCT

** Impacts refer to those generated from the companies' sales and activities in 2021. Impacts refer to those of companies that incorporate the "social inclusion" theme as well as those of companies that incorporate other themes that also have an impact on this theme.*

CONTRIBUTIONS MADE BY OUR INVESTMENTS TO IMPROVEMENTS IN SOCIAL INCLUSION

Access to healthcare and well-being

The portfolio companies offer healthcare solutions and have strategies to promote access among disadvantaged populations.

ASTRAZENECA • Pharmaceutical drugs (cancers, cardiovascular diseases, respiratory disorders, etc.), notably for low-income populations

ESSILOR LUXOTTICA • Lower-cost glasses for low-income populations

NOVO NORDISK • Diabetes and obesity treatments, especially for low-income populations

Access to financial services

Financial exclusion is a real obstacle to economic integration and to the accessibility of many financial services such as insurance, savings, loans, etc.

BNP • High social and environmental impact loans

INTESA SANPAOLO • High social and environmental impact loans

Access to housing

Housing is an essential good. Companies can promote access to housing through affordable housing strategies.

MJ GLEESON • Builder and seller of affordable housing; site rehabilitation



Company focus



NOVO NORDISK is a Danish company that was founded in 1923. It specialises in designing, manufacturing and marketing pharmaceutical drugs which are available across 168 countries. The group focuses on tackling diabetes and other serious chronic diseases such as obesity, rare blood disorders and growth disorders. It employs over 47,000 people across its 80 subsidiaries worldwide. It generated 52 billion dollars of revenue in 2021, 86.4% of which from diabetes and obesity drugs.

CHALLENGE: diabetes was the direct cause of 1.5 million deaths in 2019 (WHO, 2021).

MISSION: drive change to defeat diabetes and other serious chronic diseases such as obesity, and rare blood and rare endocrine diseases.

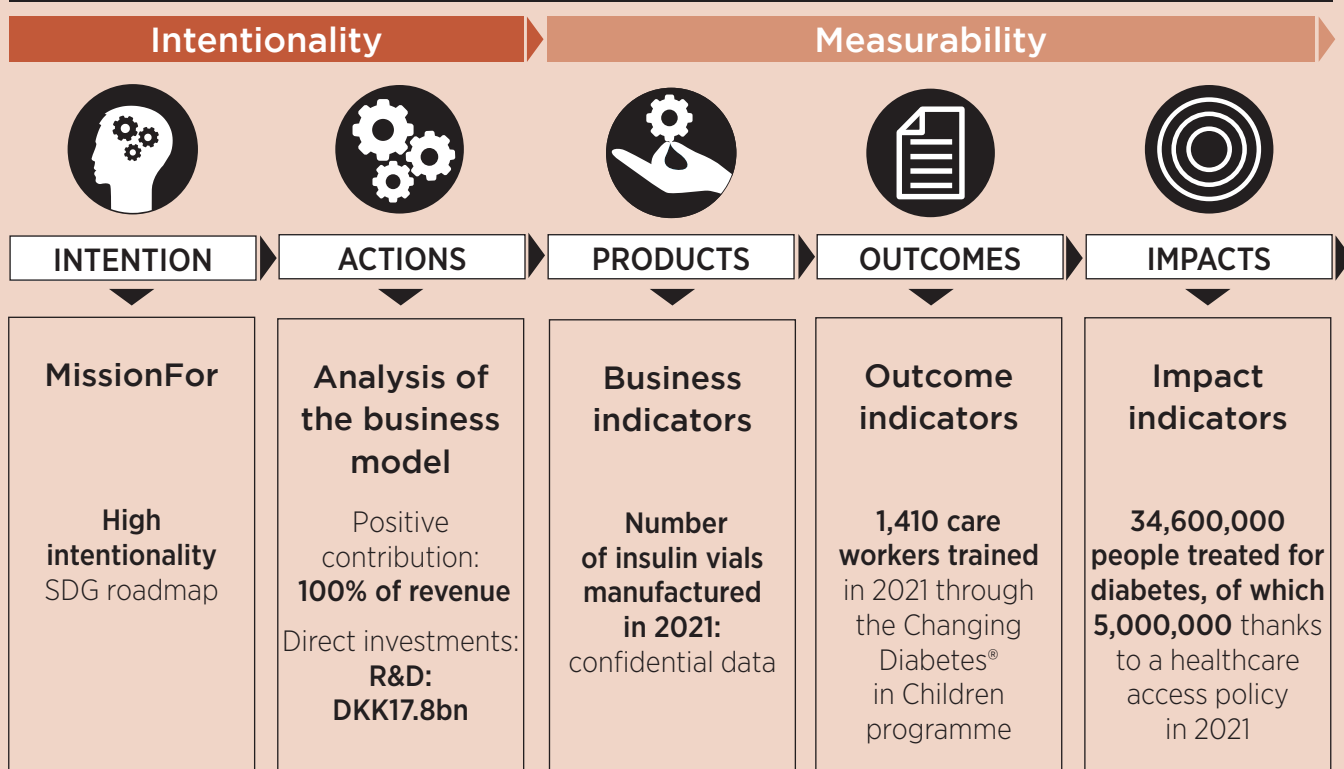


Helge LUND

Chair of the Board of Directors
NOVO NORDISK

“ We are driven by our purpose to defeat diabetes and other serious chronic diseases including obesity, haemophilia and growth hormone disorders. While innovation is our core contribution to this fight, we know that complex inequalities in healthcare remain the biggest barrier. By playing an active role in improving access to innovative and affordable solutions for people with chronic conditions across the globe, our aim is to deliver real change in the communities we serve”.

PRESENTATION OF NOVO NORDISK'S IMPACT CHAIN



* Impacts refer to those generated by the company's sales and activities in 2021.

INTENTIONALITY

Novo Nordisk aspires to enable access to its drugs for as many people as possible living with diabetes, rare blood diseases and rare endocrine diseases, while offering solutions according to differing levels of financial accessibility. The Triple Bottom Line principle is embedded in its articles of association, which stipulate that Novo Nordisk endeavours to conduct its business in a financially, environmentally and socially responsible manner.

Where governance is concerned, one member of the group's board of directors has CSR expertise and four members are employee representatives. Non-financial criteria account for 10% to 15% of the Chief Executive Officer's short-term and long-term compensation. These criteria relate to a reduction in the group's carbon footprint, social inclusion through expansion of the group's Changing Diabetes in Children programme, and access to diabetes treatments for vulnerable people.



Intention

HIGH

POSITIVE CONTRIBUTION

The SDGs have specifically identified efforts to tackle diabetes as being a priority. Such efforts face socio-economic challenges as 80% of diabetes patients live in low-income and middle-income countries. The company takes a base-of-the-pyramid approach and promotes access to healthcare and social inclusion through two key programmes: Defeat Diabetes and Changing Diabetes in Children. The first consists of a specific pricing policy for insulin in low-resource countries, innovative efforts in insulin storage and accessibility programmes, while the second involves training healthcare professionals and treating children in poor countries.



3.4 - By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.

3.b [...] Provide access to affordable essential medicines and vaccines[...].

3.c Substantially increase the training and retention of the health workforce in developing countries.

OFI AM'S ADDITIONALITY

OFI AM held discussions with Novo Nordisk in 2021 about its impact approach. The discussions focused on the group's insulin pen sales, its product access policy for obesity and haemophilia treatments, and the number of people benefiting from this policy.

CORPORATE RESPONSIBILITY

CSR has been a core consideration at Novo Nordisk for many years. The group has an official zero environmental impact target which includes plans to create and market drugs as part of a circular economy, all the way up to waste recycling. Some 93% of its waste is fully recycled and it uses 100% renewable electricity across its entire global production network.

SRI profile

COMMITTED

Controversy level: medium

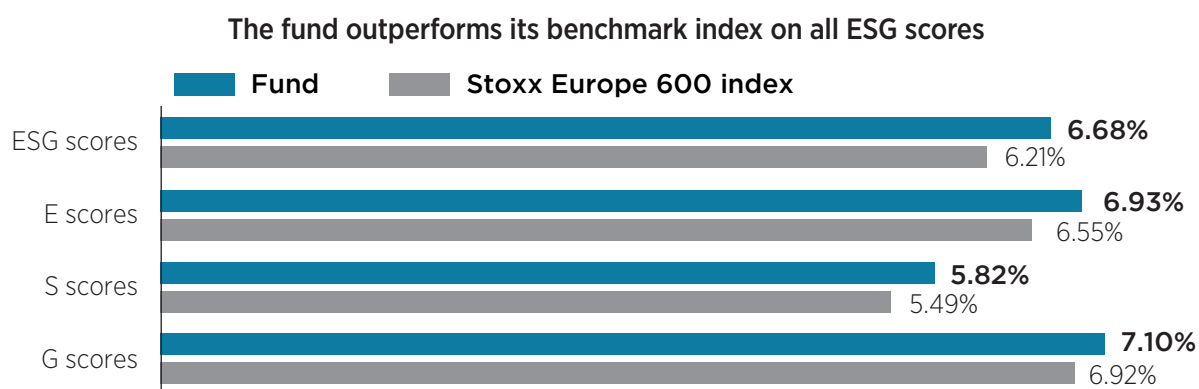
SOME RESPONSIBLE PRACTICES

It aims to reduce its carbon emissions to achieve net zero by 2045, a target that has been validated by the SBTi for a 1.5°C trajectory.

It aims to achieve at least 45% female representation in management positions by the end of 2025.

5 - CORPORATE RESPONSIBILITY

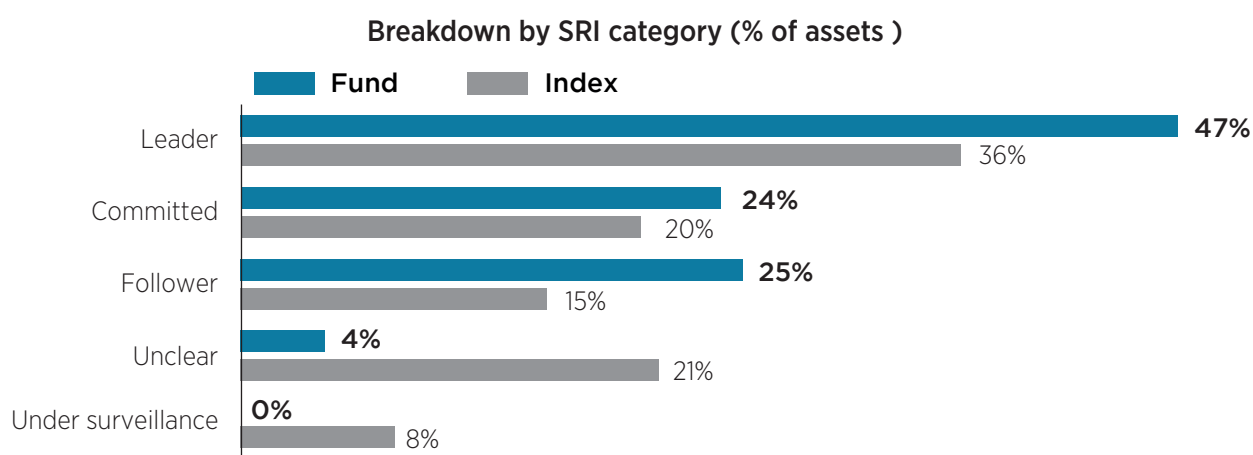
ESG scores assigned by OFI AM for the most material issues (raw data from MSCI)



Source: OFI AM as of 31/12/2021

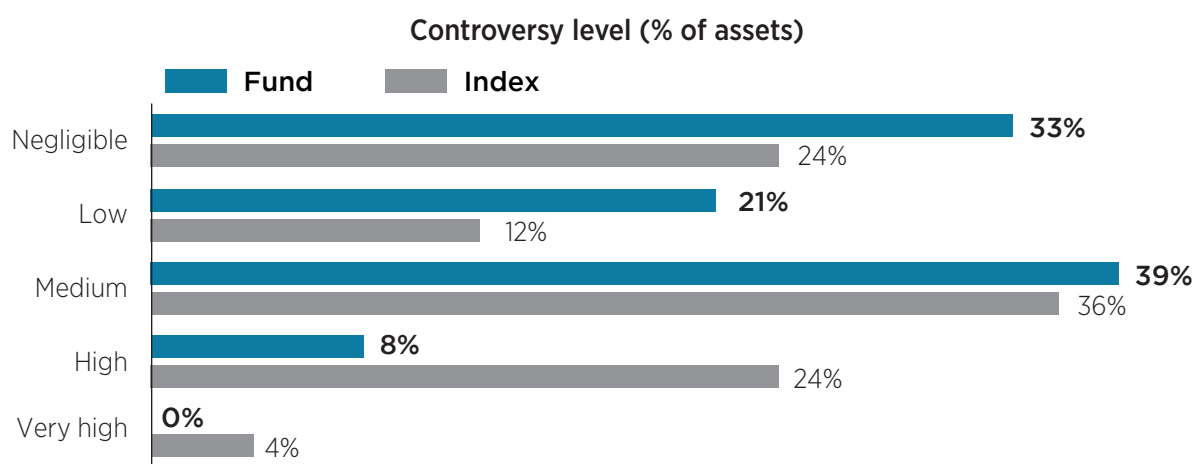
As we can see in the breakdown of assets under management by SRI category (5 categories), **most of the portfolio companies are considered to be “Leaders” or “Committed”**.

SRI categories (as % of assets)



Source: OFI AM as of 31/12/2021

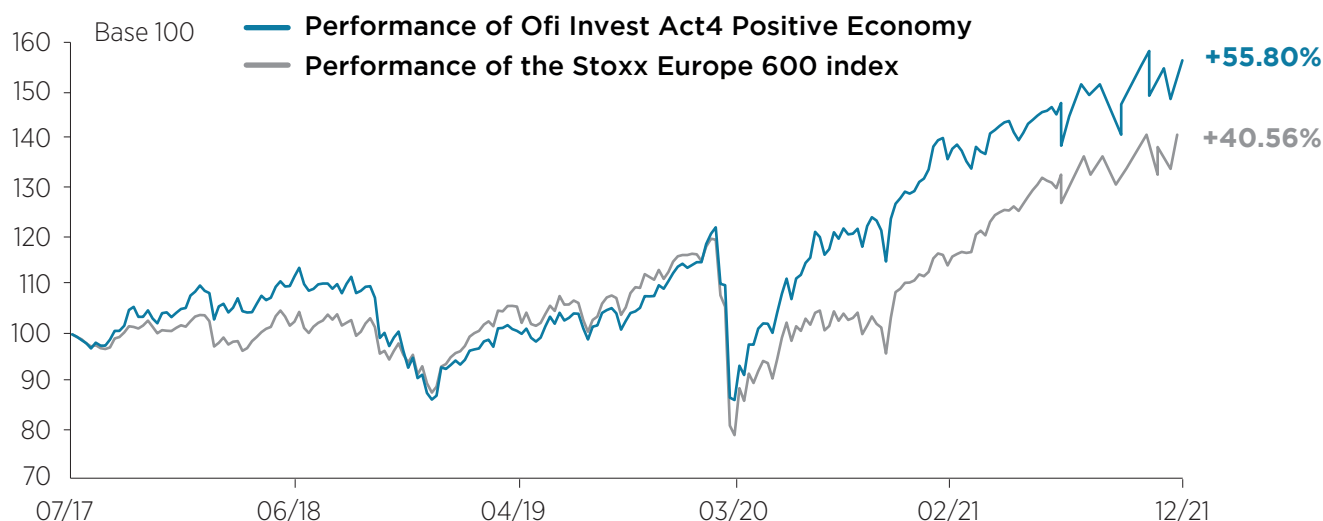
Corporate controversies



Source: OFI AM as of 31/12/2021 • The term “ESG controversy” refers to any dispute arising between one or more companies and at least one of their stakeholders in the Environmental, Social or Governance arena.

6 - FINANCIAL PERFORMANCE

Net performance over 4 years (I units)
since fund inception on 13/07/2017, as at 31/12/2021



2021 began with a new American president, Joe Biden, which meant that a major participant in efforts to tackle global warming (i.e. the USA) was back in the game. 2021 was also the year in which life began to return to normal post-Covid, triggering a catch-up effect that would spur earnings growth in many sectors of the economy and give the equity markets a boost. It also saw the start of an inflationary cycle and supply chain disruptions.

The selection of stocks in the fund was the leading contributor to its performance. Since inception, the fund has delivered a return of +55.80%. 2020 was a very good year for SRI fund management in terms of absolute performance, but it was particularly strong for impact fund OFI Fund - RS Act4 Positive Economy in both absolute (+17.5%) and relative (+1,900bp) terms.

The markets changed direction in 2021 in a spectacular fashion as vaccination programmes gathered speed and economies opened up again. Corporate earnings thus increased by at least 25% up to the second quarter of 2021 (after having dropped by 30% to 50%) thanks to strong demand and limited inventory. Cyclical stocks, particularly “value” stocks in the banking and energy sectors to which the fund is underexposed, emerged from several years of underperformance, leading the fund to underperform in relative terms. Meanwhile, renewable energy stocks were hit by profit-taking on a large scale.

Small caps supplying solutions for a sustainable future remained solid contributors to the fund’s performance thanks to positive newsflow or industrial ramp-up. Examples included Fermentalg, which has gained 99% year-to-date, and listed niche player Aker Carbon Capture, which has rallied by +140% thanks to its carbon capture and sequestration solutions. **Innovative stocks with market capitalisations of less than 1 billion euros account for 10% of the fund’s assets.**

The performance figures shown refer to previous years. Past performance is not a reliable indicator of future results.

Source: OFI AM

Appendix 1 - IMPACT CALCULATIONS FOR EVERY €1M INVESTED IN 2021

Data obtained from public sources, ad-hoc requests made by OFI AM and estimates made together with the companies to select only those impacts generated in 2021. For companies supplying goods, we include only the impact of goods sold in 2021.

Company	Tonnes of CO2 avoided	% of share capital owned by OFI AM	Impact of the share owned by OFI AM
ACCIONA ENERGIAS	873,688	0.03%	239
ALSTOM	117,548,000	0.02%	22,037
BIFFA	307,500	0.18%	553
CORBION	79,000	0.07%	53
ENEL	4,526,846	0.00%	156
ENOGIA	839	3.64%	31
FERMENTALG	1	0.64%	0
INFINEON TECHNOLOGIES	5,131,679	0.01%	420
KONINKLIJKE DSM	64,000	0.01%	8
LARGO	2,320	2.60%	60
NESTE OIL	10,900,000	0.01%	631
NIBE INDUSTRIER	83,000	0.01%	8
RENEWCELL	323	0.12%	0
SAINT GOBAIN	30,232,558	0.01%	2,840
SCHNEIDER ELECTRIC	6,969,636	0.00%	325
SIEMENS ENERGY	19,315,397	0.01%	2,259
SPIE	38,995	0.07%	28
SVENSKA CELLULOSA	3,553,488	0.03%	1,012
SYMRISE	375,000	0.00%	12
TOMRA SYSTEMS	1,400,000	0.04%	595
VALEO	1,231,000	0.01%	164
TOTAL	202,633,269		31,431

Company	No. people given access to clean energy	% of share capital owned by OFI AM	Impact of the share owned by OFI AM
ACCIONA ENERGIAS	385,375	0.03%	105
ENEL	874,846	0.00%	30
SCHNEIDER ELECTRIC	4,200,000	0.00%	196
SIEMENS ENERGY	2,593,536	0.01%	303
TOTAL	8,053,757		635

Company	Tonnes of CO2 sequestered	% of share capital owned by OFI AM	Impact of the share owned by OFI AM
SMURFIT KAPPA	1,113,953	0.03%	293
SVENSKA CELLULOSA	7,646,512	0.03%	2,177
TOTAL	8,760,465		2,469

Company	Tonnes of natural resources preserved	% of share capital owned by OFI AM	Impact of the share owned by OFI AM
LARGO	2,960	2.60%	77
RENEWCELL	70	0.12%	0
SAINT GOBAIN	9,952,000	0.01%	935
SCHNEIDER	46,293	0.00%	2
TOTAL	10,001,323		1,014

Company	Volume of water decontaminated in m3	% of share capital owned by OFI AM	Impact of the share owned by OFI AM
EKOPAK	600,000	0.88%	5,254
TOTAL	600,000		5,254

Company	Volume of water saved in m3	% of share capital owned by OFI AM	Impact of the share owned by OFI AM
GEBERIT	240,000,000	0.01%	13,380
RENEWCELL	202,000,000	0.12%	239,375
TOTAL	442,000,000		252,755

Company	No. people having benefited from a health, safety or well-being solution	% of share capital owned by OFI AM	Impact of the share owned by OFI AM
ASTRAZENECA	805,747,000	0.00%	14,043
AUTOLIV	300,000	0.03%	93
DANONE	11,711,003	0.01%	766
NOVO NORDISK	29,600,000	0.00%	628
ORPEA	255,000	0.03%	71
TOTAL	847,613,003		15,601

Company	No. people having benefited from healthy and nutritious products	% of share capital owned by OFI AM	Impact of the share owned by OFI AM
KONINKLIJKE DSM	800,000,000	0.01%	100,695
TOTAL	800,000,000		100,695

Company	No. fragile people given access to a health-enhancing product	% of share capital owned by OFI AM	Impact of the share owned by OFI AM
ASTRAZENECA	8,222,000	0.00%	143
ESSILORLUXOTTICA	8,000,000	0.00%	246
NOVO NORDISK	5,000,000	0.00%	106
TOTAL	21,222,000		495

Company	No. people given help in accessing a financial product	% of share capital owned by OFI AM	Impact of the share owned by OFI AM
BNP PARIBAS	526,650	0.00%	26
INTESA SANPAOLO	9,040	0.01%	1
TOTAL	535,690		27

Company	No. people given access to affordable housing	% of share capital owned by OFI AM	Impact of the share owned by OFI AM
MJ GLEESON	3,007	0.39%	12
TOTAL	3,007		12

Company	No. people having received training to further their economic inclusion (emerging countries)	% of share capital owned by OFI AM	Impact of the share owned by OFI AM
ASTRAZENECA	66,755	0.00%	1
ESSILORLUXOTTICA	1,700	0.00%	0
NOVO NORDISK	1,410	0.00%	0
SCHNEIDER ELECTRIC	48,517	0.00%	2
TOTAL	118,382		3

Appendix 2 - DATA COMPLETENESS OF ESG INDICATORS

Data obtained from OFI AM's ESG analysis team based on the documents made publicly available by the companies and on data supplied by non-financial rating agencies (Moody's ESG, MSCI, Proxinvest, CDP and Carbon4).

Data completeness of ESG indicators	Ofi Invest Act4 Positive Economy	Stoxx Europe 600
Scores: ESG, S and G	100.00%	99.46%
Scores: E	100.00%	99.29%
Carbon intensity	89.09%	98.96%
Gender parity	100.00%	99.60%
Independence of the Board of Directors	100.00%	99.60%
Signatory of the Global Compact	100.00%	96.75%
Violation of the Global Compact	100.00%	99.73%
SRI categories	100.00%	98.54%
Controversy level	100.00%	99.22%

Appendix 3 - ESTIMATED POSITIVE CONTRIBUTION BY COMPANY

Data obtained from OFI AM's ESG analysis team based on the documents made publicly available by the companies and on data supplied by non-financial rating agencies.

Energy transition	ACCIONA ENERGIAS	100%
	AKER CARBON CAPTURE	100%
	ALSTOM	90%
	ENEL	33%
	ENOGIA	100%
	INFINEON TECHNOLOGIES	58%
	NESTE OIL OYJ	39%
	NIBE INDUSTRIER	57%
	SAINT GOBAIN	72%
	SAP	72%
	SCHNEIDER	34%
	SIEMENS ENERGY	36%
	SPIE	42%
	VALEO	92%
Preservation of natural resources	AFYREN	100%
	BIFFA	91%
	CARBIOS	100%
	EKOPAK	100%
	GEBERIT	20%
	LARGO	89%
	PYRUM	100%
	RENEWCELL	100%
	SEB	79%
	SMURFIT KAPPA GROUP	85%
	SVENSKA CELLULOSA	100%
	TOMRA SYSTEMS	70%
	WAGA ENERGY	100%
Health, well-being, safety	AUTOLIV	100%
	BUREAU VERITAS	100%
	CORBION	60%
	DANONE	90%
	FERMENTALG	100%
	KONINKLIJKE DSM	64%
	LONZA	100%
	ORPEA	100%
	SYMRISE	100%
Social inclusion	ASTRAZENECA	100%
	BNP	30%
	ESSILORLUXOTTICA	74%
	INTESA SANPAOLO	60%
	MJ GLEESON	92%
	NOVO NORDISK	100%

GLOSSARY

ACCESS TO MEDICINE INDEX

A ranking of the world's 20 largest pharmaceutical companies according to their policies for making their drugs accessible in low- and middle-income countries.

CLEAN ENERGY FOR ALL EUROPEANS PACKAGE

Consists of a full overhaul of the EU's energy policy framework in response to the climate challenge.

CLIMETRICS

An annual ranking of over 20,000 funds rewarding some of them for their climate performance. Funds are classified into 5 categories (represented by leaves). The more leaves assigned to a fund, the higher its rating.

DECARBONATION (or decarbonisation)

A gradual reduction in the consumption of fossil fuels (coal, oil, natural gas) which emit greenhouse gases (GHG) and their replacement with renewable energies.

ECODESIGN DIRECTIVE

European directive 2009/125/EC establishes a framework for setting ecodesign requirements for energy-related products (ErP). It thus seeks to make products more energy efficient and protect the environment.

ENERGY LABELLING REGULATION

Regulation (EU) 2017/1369 sets a framework for the energy labelling of products. It has been in force since 2017 and enables clients to select the most energy-efficient products so that they can reduce their energy consumption.

EUROPEAN GREEN DEAL

Europe's roadmap to make the European Union's economy a sustainable one. The European Union thus aims to be climate neutral by 2050.

EUROPEAN TAXONOMY

A classification tool that provides all financial operators with a common understanding of what is to be considered a "green" or "sustainable" activity.

FIR (Forum pour l'Investissement responsable)

The FIR was set up in 2001 and brings together various participants (fund managers, non-financial analysts, consultants, academics, investors, citizens) with the shared goal of promoting SRI.

GIIN (Global Impact Investing Network)

The GIIN is an NGO set up in 2008 and bringing together various participants in the world of impact investing (investment funds, banks and foundations).

GLOBAL COMPACT

A United Nations initiative launched in 2000 aimed at encouraging companies worldwide to adopt a socially responsible approach by undertaking to embrace and promote various principles relating to human rights, international labour standards, the environment and anti-corruption efforts.

GREENFIN LABEL

The label was created by the Ministry of Ecological Transition in 2015 at the time of the COP 21 and encourages companies to allocate a share of their savings to the Energy and Ecological Transition. It lists 8 categories of activities that fall within the scope of the energy and ecological transition and of efforts to tackle climate change ("eco-activities").

GRI (Global Reporting Initiative)

Established in 1997, this initiative seeks to develop globally applicable guidelines for sustainable development and to report on economic, environmental and social performance, initially for individual companies and subsequently for any governmental or non-governmental organisation.

IEA (International Energy Agency)

An international organisation set up under the OECD in 1974 and globally renowned for its flagship publication, the annual World Energy Outlook (WEO).

ILO (International Labour Organization)

A specialist UN agency whose purpose is to bring together governments, employers and workers within its member states with a view to taking joint action to promote labour rights, encourage the creation of decent jobs, develop social welfare and improve labour relations.

IRIS (Impact Reporting and Investment Standards)

A catalogue of performance indicators (of an organisation's financial, operational, environmental and social performance) for use by those involved in impact investing. A GIIN-led initiative.

KPI (Key Performance Indicator)

A quantified indicator that must be determined prior to launching an action in order to assess its impact.

MSCI

A financial services company that markets research and analytical tools for institutional investors, including stock market indices. Part of its activity (MSCI ESG Ratings) consists in measuring companies' non-financial performances.

NEXT GENERATION EU

A financial instrument set up following the Covid-19 crisis to revive Europe's economy. It will exceptionally enable the European Commission to borrow up to €750 billion on behalf of the European Union by issuing bonds, with the proceeds going towards measures taken between 2021 and 2024.

OECD - GUIDELINES FOR MULTINATIONAL ENTERPRISES

The Guidelines are government-backed recommendations for multinational companies to encourage responsible business conduct in the areas of professional relationships, human rights, the environment, taxation, reporting, anti-corruption efforts, consumer interests, science and technology, and competition.

OXFAM INTERNATIONAL

A confederation of 20 independent charities from around the world working together and with local partners across 66 countries worldwide and taking a comprehensive approach to tackling poverty and inequality.

PACE (Platform for Accelerating the Circular Economy)

A collaborative system and project accelerator which is hosted by the World Economic Forum and brings together 50 business leaders, government officials and representatives of international organisations working together to advance the development of a circular economy.

REPRISK

A company that specialises in identifying, compiling and assessing issues - such as environmental degradation, human rights abuses, child labour, forced labour, fraud and corruption - that can tarnish an organisation's reputation, compromise its profitability or lead to compliance issues.

SBT (Science Based Targets) initiative

An initiative that proposes a methodology that can be used to set greenhouse gas emission reduction targets aligned with a 2°C trajectory and is grounded in scientific knowledge (i.e. science based).

SCIENCE

A weekly American general scientific journal that publishes articles across the whole scientific spectrum (biology, chemistry, physics, mathematics, anthropology, archaeology, etc.).

SDG (Sustainable Development Goals)

The 17 SDGs were adopted in 2015 by 193 countries. They consist of an action plan for peace, humanity, the planet and prosperity. They aim to transform our societies by eradicating poverty and ensuring a just transition towards sustainable development by 2030.

SFDR (Sustainable Finance Disclosure Regulation)

The SFDR seeks to increase transparency on the way in which financial operators incorporate sustainability into their investment decisions and advice. Each financial product must first be classified according to its characteristics: article 6 (the product does not pursue any kind of sustainability objective), article 8 (the product promotes environmental and social characteristics even if this is not its focal point), article 9 (the product has a sustainable investment objective).

SRI LABEL

A label created in 2016 with the aim of making Socially Responsible Investment (SRI) products more visible to savers in France and across Europe.

TEG (Technical Expert Group on sustainable finance)

A working group mandated by the European Commission in 2018 and which delivered its final report on the EU Taxonomy in March 2020.

UNCCD (United Nations Convention to Combat Desertification)

The last of the three conventions adopted in Rio, addressing desertification and suitable measures for combating it.

UN HABITAT

A specialist UN agency whose purpose is to promote the socially and environmentally sustainable development of human settlements and access to decent housing for all.

WDI (Work Disclosure Initiative)

An initiative whose objective is to provide investors with employment-related data on companies. The data must be comparable. Investors can use this data to engage with companies and encourage them to provide better-quality jobs.

WHO (World Health Organization)

A specialist UN agency whose objective is the attainment by all peoples in its member states and partners of the highest possible level of health.

WORLD BANK GROUP

A group linked to the UN and bringing together 5 international organisations providing leveraged loans to developing countries.

WORLD ECONOMIC FORUM

Often referred to as the Davos Forum, the World Economic Forum is a non-profit foundation that brings together business leaders, politicians, intellectuals and journalists to discuss the world's most pressing issues, including healthcare and the environment.

WWF (World Wildlife Fund)

An international non-governmental organisation established in 1961 and dedicated to environmental protection and sustainable development. The WWF supports around 1,300 environmental projects.

DISCLAIMER

From a methodological viewpoint, the term “impact” used in this report does not refer to a purely scientific definition whereby the cause of a change can be attributed to the act of financing the Ofi Invest Act4 Positive Economy fund or to action taken by its portfolio companies.

This report presents an analysis of the positive contributions made by companies to the Sustainable Development Goals expressed as a percentage of their 2021 revenue and of data relating to the social and environmental impacts of their activities in 2021 based on the impact chain methodology developed by OFI AM.

The data used is sourced either from the annual reports published by the companies or from their replies to ad-hoc requests for information made by email. Some of the impact data shown in the appendices were built on estimates made by OFI AM together with the companies to ensure the utmost rigour and caution.

Input for the ESG and impact indicators came from the publicly available 2021 documents published by the portfolio companies at 31st December 2021. ESG scores, SRI categories and levels of controversy are the only inputs for the last quarter of 2021.

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