

Equities

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# Uni-Global - Equities Eurozone

ESG REPORT

April 2022



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# PORTFOLIO INTRODUCTION

Morningstar Sustainability Rating



High

- ▶ Portfolio: **Uni-Global - Equities Eurozone**
- ▶ Benchmark: **MSCI European Monetary Union**
- ▶ Investment Universe: **Unigestion EuroZone1**
- ▶ Currency: **EUR**





ESG

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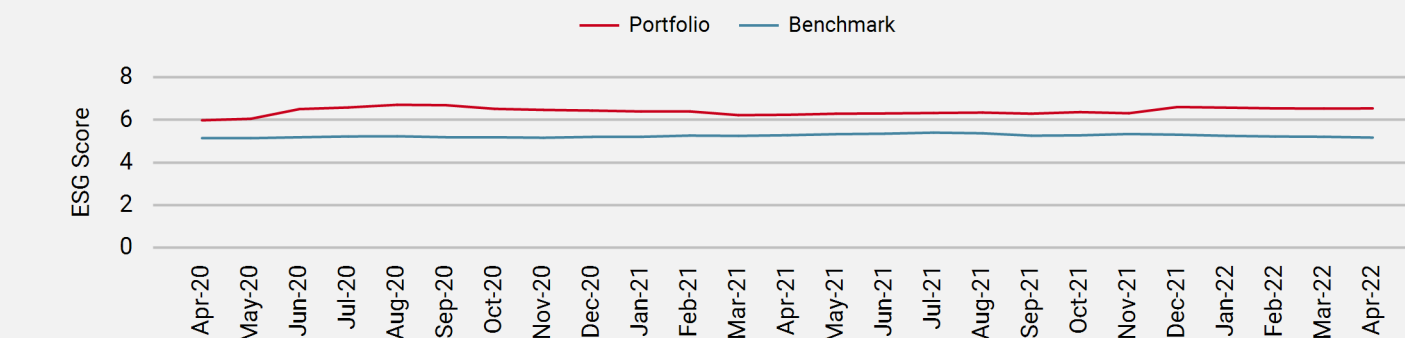
# ESG

## Material ESG Issues and Opportunities

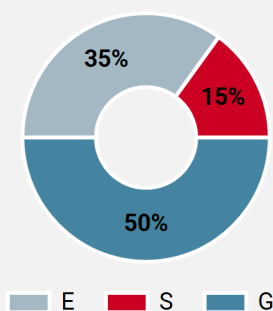
### ESG Score<sup>1</sup> by Pillar

Score	Portfolio	Benchmark
E	6.51	5.01
S	6.00	5.05
G	6.53	5.12
<b>ESG</b>	<b>6.90</b>	<b>5.46</b>
Coverage	100.0%	100.0%

### Historical ESG Score



### Weighting Scheme



### ESG Trend<sup>2</sup>

	Portfolio	Benchmark
Positive	12.61%	19.92 %
Stable	87.39%	78.17 %
Negative	-	1.48 %
Not Rated	-	0.43 %
	100.00%	100.00%

<sup>1</sup> Unigestion ESG Score (stock level) is a proprietary computation shown in percentile (10 is the best, 0 being the worst). The score is aggregated based on position weight.

<sup>2</sup> Negative (positive) trend indicates downgrade (upgrade) in ESG score. If no noteworthy change, the trend is considered to be stable. Portfolio ESG trend is computed on position weight basis.

**Portfolio** refers to Uni-Global - Equities Eurozone while **Benchmark** refers to MSCI European Monetary Union.

Sources: Unigestion, MSCI, Sustainalytics



# ESG

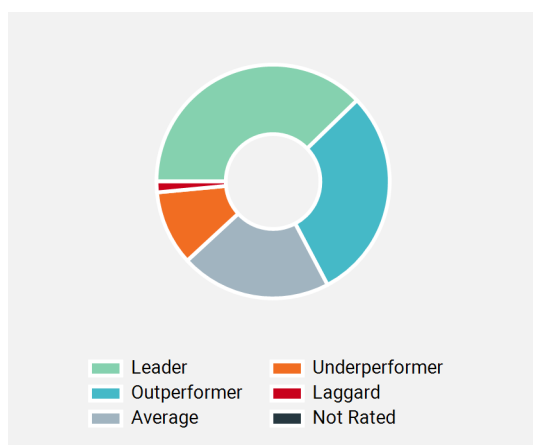
## Distribution of ESG Scores

### ESG Score by Category

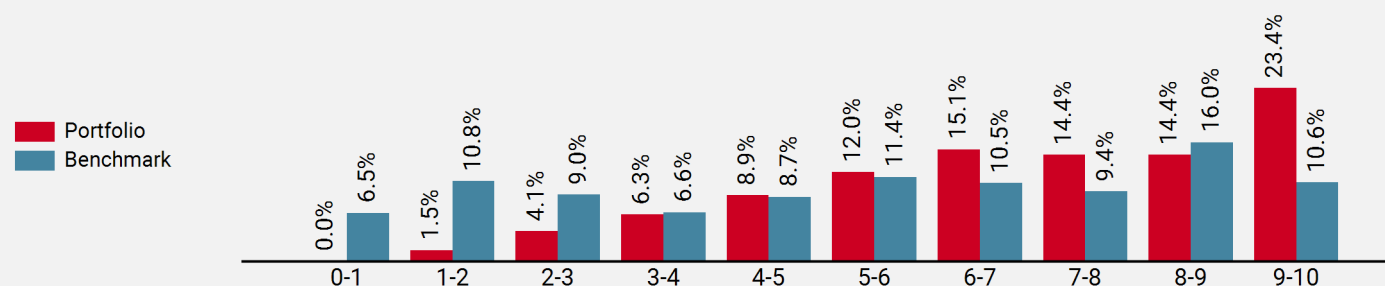
	Portfolio	Benchmark
Leader	37.78%	26.66 %
Outperformer	29.49%	19.96 %
Average	20.90%	20.07 %
Underperformer	10.35%	15.59 %
Laggard	1.48%	17.29 %
Not Rated	-	0.43 %

### ESG Score Breakdown by Sector

Sector	Leader	Outperformer	Average	Underperformer	Laggard	Not Rated
Communication Services	4.40%	7.72 %	0.61%	-	-	-
Consumer Discretionary	9.00%	2.24 %	-	-	0.27%	-
Consumer Staples	-	2.07 %	5.27%	6.46%	1.22%	-
Energy	-	-	-	-	-	-
Financials	10.07%	6.97 %	-	-	-	-
Health Care	-	4.26 %	6.21%	1.85%	-	-
Industrials	4.80%	2.47 %	2.74%	0.97%	-	-
Information Technology	4.82%	2.72 %	0.61%	-	-	-
Materials	-	-	5.46%	1.06%	-	-
Real Estate	2.56%	-	-	-	-	-
Utilities	2.13%	1.03 %	-	-	-	-



### ESG Score Distribution



Above table shows the ESG score distribution of the portfolio compared to that of the benchmark.  
**Portfolio** refers to Uni-Global - Equities Eurozone while **Benchmark** refers to MSCI European Monetary Union.

Sources: Unigestion, MSCI, Sustainalytics



## Best/Worst Contributors

Best	Rank	Name	Sector	Weight	Company ESG Score	Portfolio ESG Contribution	Relative Position
	1	Publicis Groupe SA	Communication Services	2.960%	9.02	0.27	Leader
	2	LVMH Moet Hennessy Louis Vuitton SE	Consumer Discretionary	2.869%	7.85	0.23	Leader
	3	NN Group N.V.	Financials	2.955%	7.47	0.22	Outperformer
	4	Bureau Veritas SA	Industrials	2.315%	8.72	0.20	Leader
	5	Caixabank SA	Financials	2.383%	8.35	0.20	Leader

Worst	Rank	Name	Sector	Weight	Company ESG Score	Portfolio ESG Contribution	Relative Position
	1	Ferrari NV	Consumer Discretionary	0.266%	1.49	0.00	Laggard
	2	Grifols S A	Health Care	0.173%	3.16	0.01	Underperformer
	3	Waertsilae Corporation	Industrials	0.187%	3.41	0.01	Underperformer
	4	GEA Group AG	Industrials	0.295%	3.08	0.01	Underperformer
	5	Etablissements Franz Colruyt SA	Consumer Staples	0.505%	1.99	0.01	Underperformer

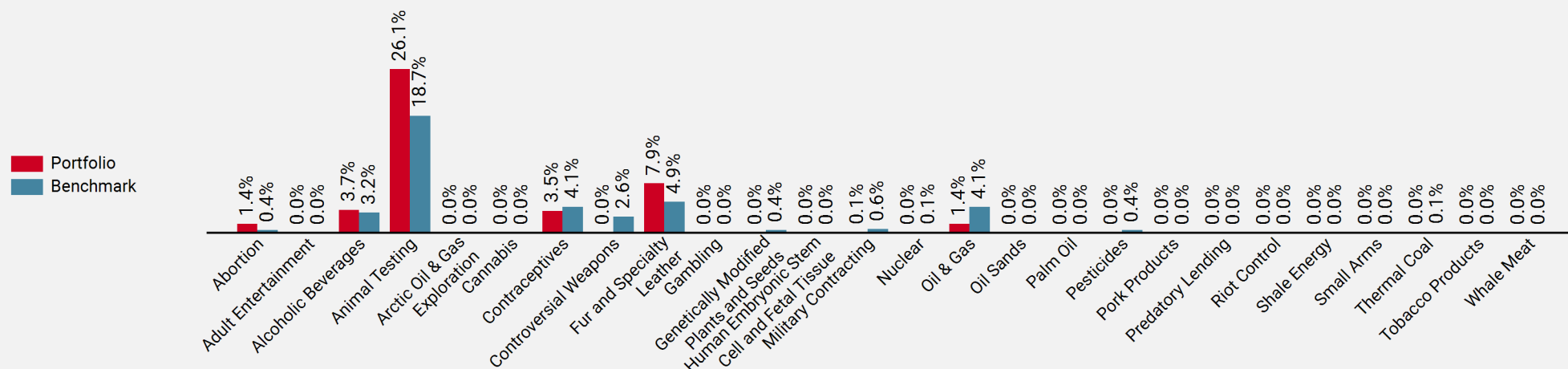
Best (worst) performers in terms of contribution to portfolio ESG score, where the score is aggregated on the basis of weight. Stocks are ranked from best to worst in terms of their contribution, where higher contribution corresponds to better performance. Portfolio ESG Contribution is quoted as the increase in portfolio ESG score from investment in the stock.

Sources: Unigestion, MSCI, Sustainalytics



## Controversial Business Activities

Controversial Activities Breakdown (%)



### Tobacco

	Portfolio	Benchmark
Production	-	-
Related Products & Services	0.01%	0.01 %
Retail	0.11%	0.12 %

### Oil & Gas

	Portfolio	Benchmark
Energy Generation	0.01%	0.65 %
Production	0.99%	2.87 %
Supporting Products/Services	0.36%	0.77 %

Note: Company level involvement in the business activity is the share of revenue made from said business activity. The total levels for each involvement is the weighted average of involvement levels in percentage of revenue and weight of the portfolio or benchmark. Exposure levels below 10% of revenue share are treated as insignificant.

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Sources: Unigestion, MSCI, Sustainalytics

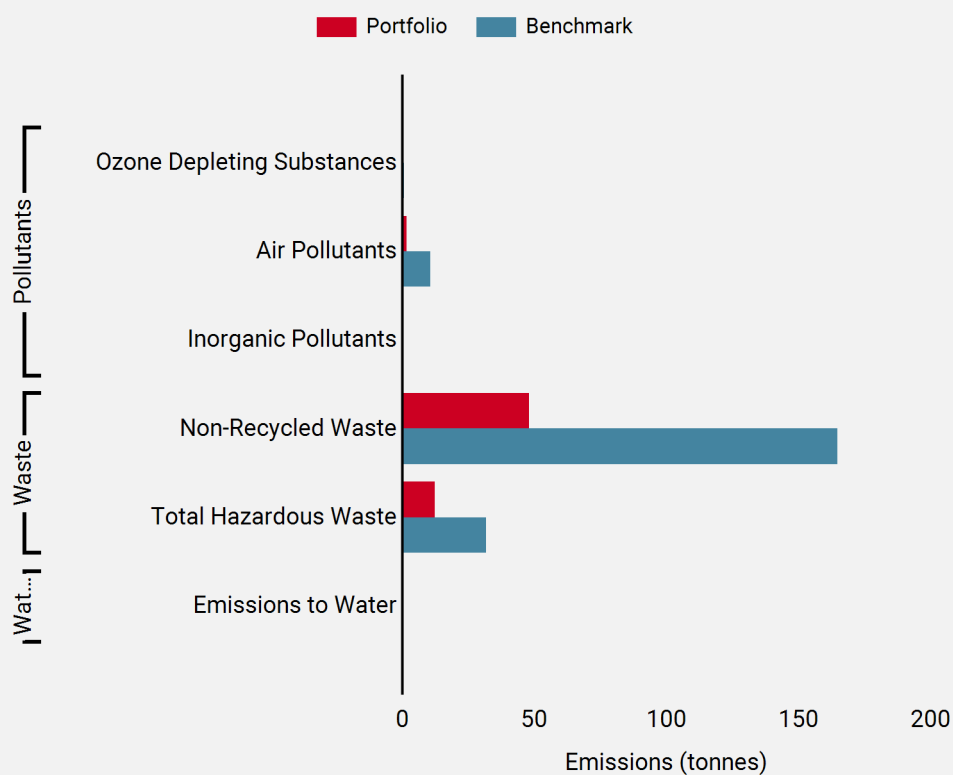




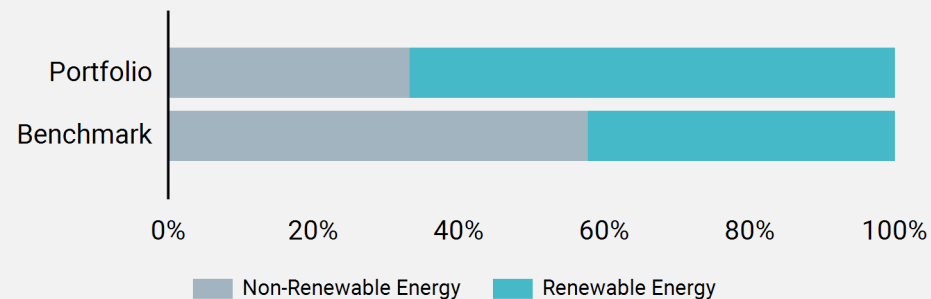
# ESG

## Climate KPIs (ex GHG Emissions)

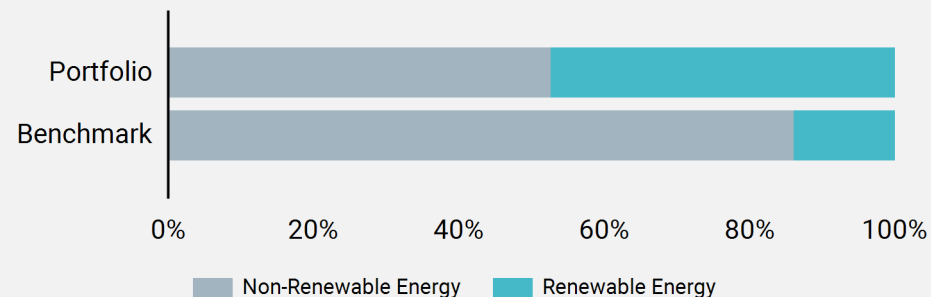
### Pollutants, Waste & Emissions to Water



### Energy Production



### Energy Consumption



Note: Emissions to water include acid and metal emissions, nutrients and organic pollutants, as well as pesticides and fertilizers. Exposure is computed based on ownership. All emissions are measured in tonnes.

Energy production/consumption for renewable and non-renewable sources are expressed in GWh and apportioned to portfolio based on ownership.

**Portfolio** refers to Uni-Global - Equities Eurozone while **Benchmark** refers to MSCI European Monetary Union.

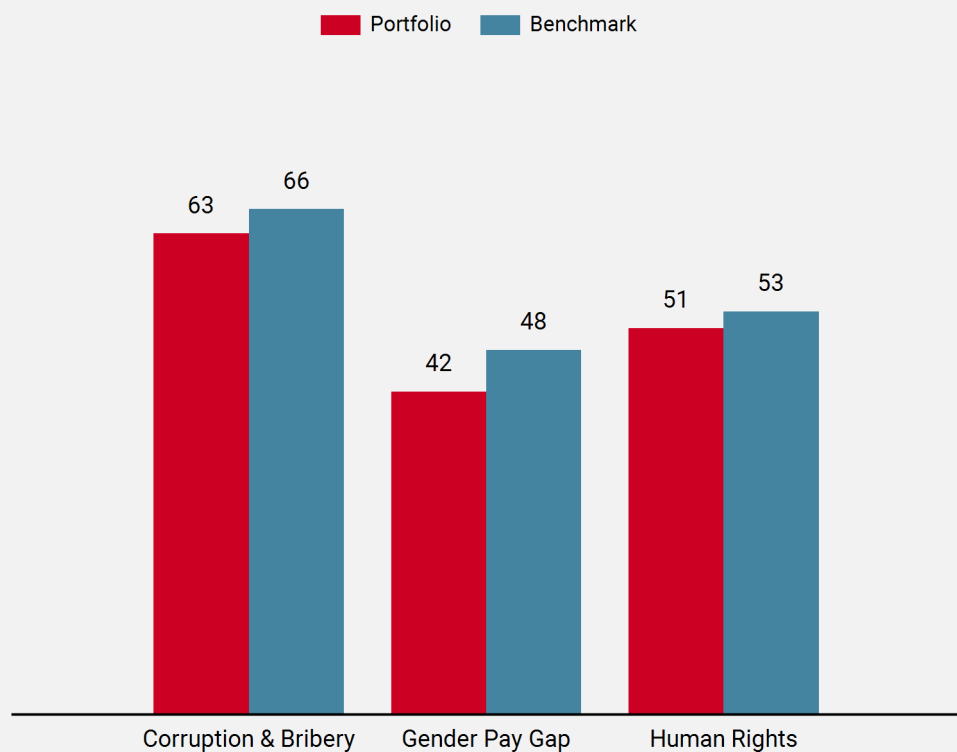
Sources: Unigestion, MSCI, Trucost



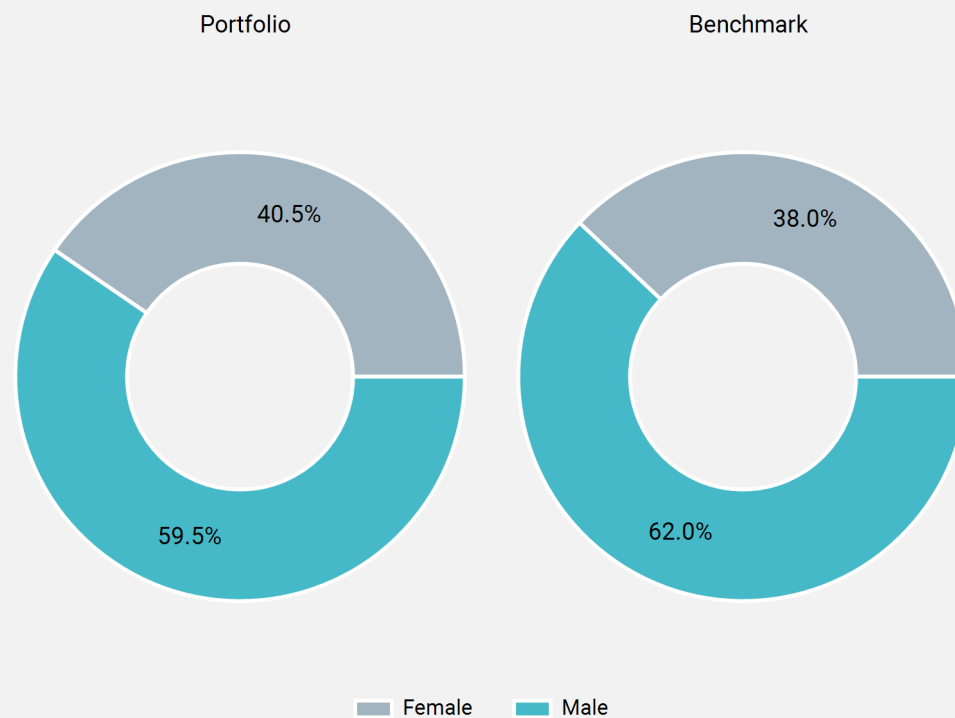
# ESG

## Social KPIs

### Social KPIs<sup>1</sup>



### Board Composition by Gender



<sup>1</sup> Score-based social KPIs: corruption & bribery and gender pay gap. Company level score is between 0 and 100, where higher score indicates better performance. The total score is the weighted average of the constituent scores.

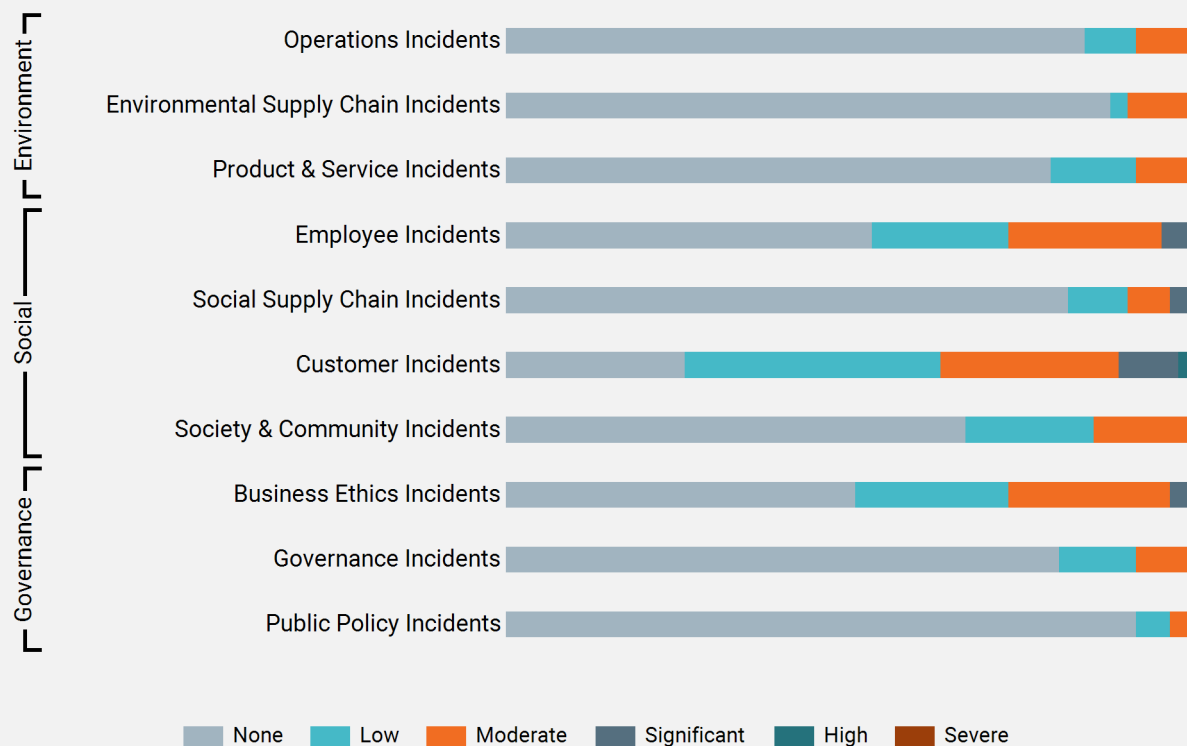
**Portfolio** refers to Uni-Global - Equities Eurozone while **Benchmark** refers to MSCI European Monetary Union.

Sources: Unigestion, MSCI, Trucost



## Controversies

### Controversy<sup>1</sup> breakdown of Portfolio Constituent



### Controversy by Category (# of companies)

	Portfolio	Benchmark
Severe	-	1
High	2	6
Significant	11	51
Moderate	38	96
Low	19	37
None	11	41
No Coverage	-	1

### UN Global Compact<sup>2</sup> (% based on weight)

	Portfolio	Benchmark
Compliant	96.81%	94.21 %
Watchlist	3.19%	5.60 %
Non-Compliant	-	-
No Coverage	-	0.19 %

<sup>1</sup> Controversy categories (5): low, moderate, significant, high and severe. Chart displays controversy breakdown by constituents. The category 'none' indicates no controversy at company level.

<sup>2</sup> Compliance check with UN Global Compact (10 principles). 'Watchlist': risk of contributing to severe or systemic and/or systematic violations of the principles.

**Portfolio** refers to Uni-Global - Equities Eurozone while **Benchmark** refers to MSCI European Monetary Union.

Sources: Unigestion, MSCI, Sustainalytics



# ESG

## Exclusions

Our Responsible Investment Policy considers two pillars of bottom-up considerations:

### Pillar I: Norm-Based Screening

Exclude companies associated with key social or environmental issues. According to the European Sustainable Investment Forum, it is the “screening of investments according to their compliance with international standards

### Pillar II: Exclusionary Screening

Exclude companies from an investment universe based on our expectations regarding specific ESG-related risks.

Exclusions	Companies <sup>1</sup>	Weight <sup>2</sup>
Pillar I	Adult Entertainment	-
	Controversial Weapons	5
	Predatory Lending	-
	Thermal Coal	2
	Tobacco	-
	UNGC Non-compliant	-
Pillar II	High-carbon Emitters	6
	Non-covered	24
	Severe Controversy	1
	Worst-in-class	8
Total (unique)		46
Universe		515
% Universe		8.93%
		6.92%

<sup>1</sup> Number of companies excluded as a result of screening

<sup>2</sup> Weight excluded as a result of screening

**Universe** refers to Unigestion EuroZone1.

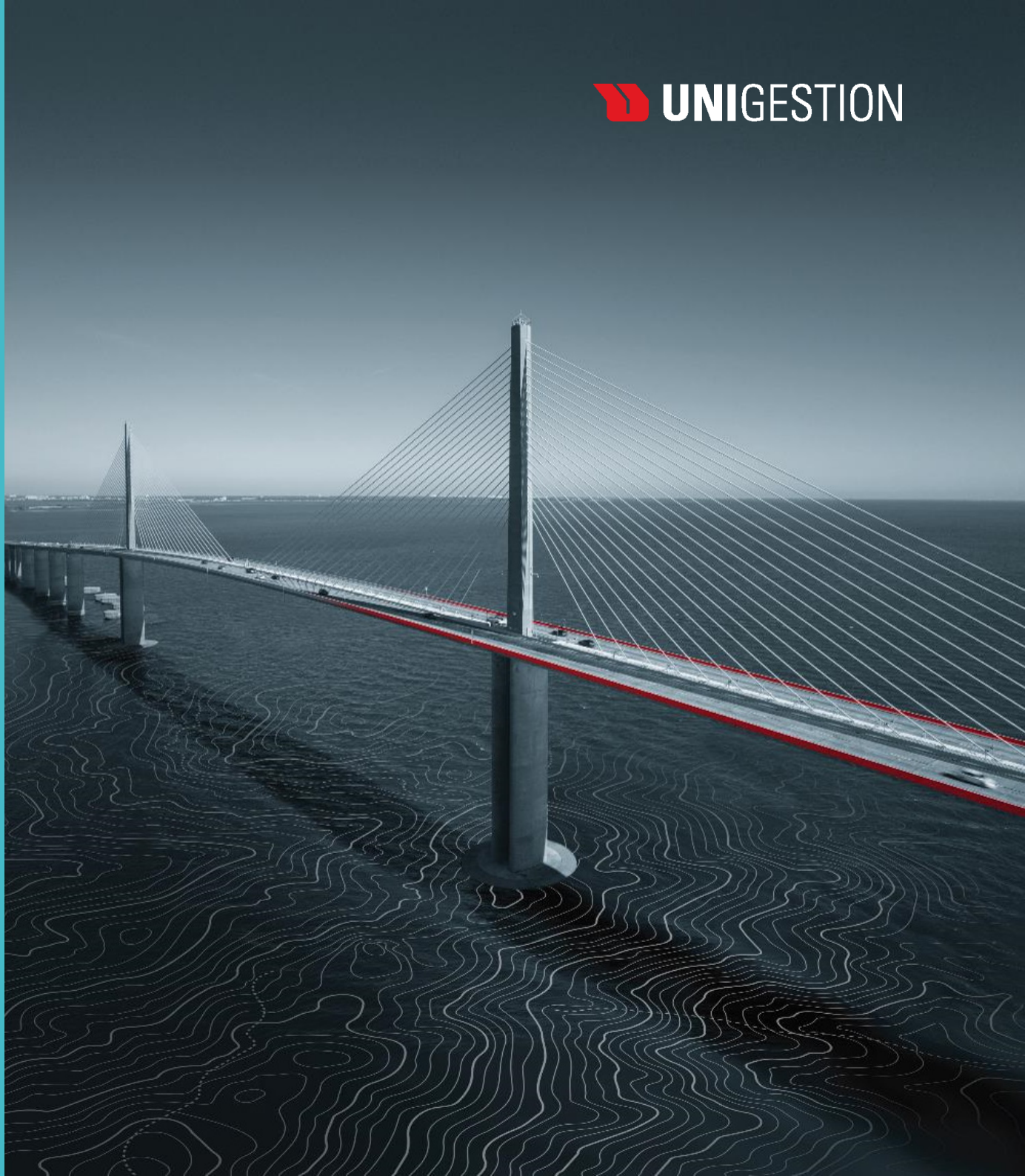
Sources: Unigestion, MSCI, Sustainalytics





# FUND SPECIFIC ESG OBJECTIVES

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# FUND SPECIFIC ESG OBJECTIVES

## Environmental Performance

The fund has additional ESG objectives.

The fund monitors and provides information on other sustainability performance objectives considered as follows:

- Improve GHG Intensity (tCO<sub>2</sub>e/USD m revenues). This metric includes Scope1, Scope2 and Scope3.

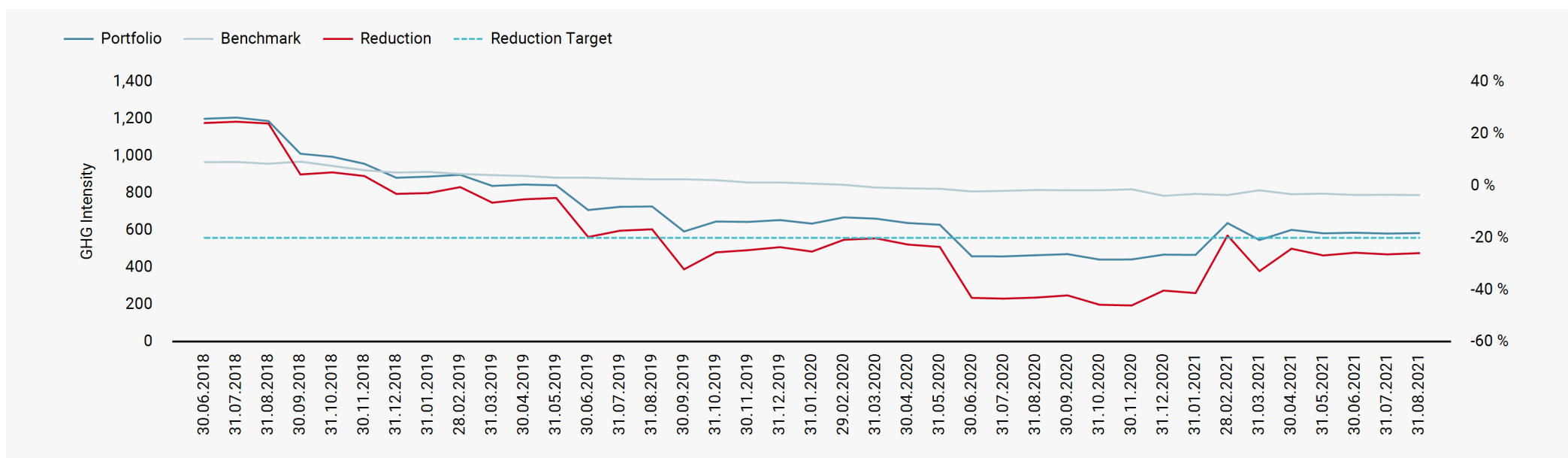
### Action:

Maintain at worst 20% below the market reference level.

We exclude companies with excessive GHG Intensity (8'000 tCO<sub>2</sub>e/USD m revenues).

Engage with companies and participate in collaborative engagement initiatives to promote carbon emissions disclosure and setting/monitoring on emissions reductions targets.

GHG Intensity intervals	0-814	814-1628	1628-2442	2442-3256	3256-4070	4070-4884	4884-5698	5698-6512	6512-7326	7326-8140	8140+	Coverage
Portfolio	87.53 %	7.54 %	2.08 %	0.00 %	0.00 %	0.00 %	0.00 %	1.91 %	0.00 %	0.94 %	0.00 %	100.00 %
Benchmark	72.69 %	14.24 %	4.63 %	4.35 %	0.86 %	1.09 %	0.59 %	0.61 %	0.18 %	0.20 %	0.57 %	100.00 %



# FUND SPECIFIC ESG OBJECTIVES

## Social Performance

- Improve Fairness ratio (Average Executive Pay as Percent Average Personnel Expense)
- Reduce severity of Employee incidents/controversies (Controversy range is from 0 to 5, 5 is the most severe controversy)

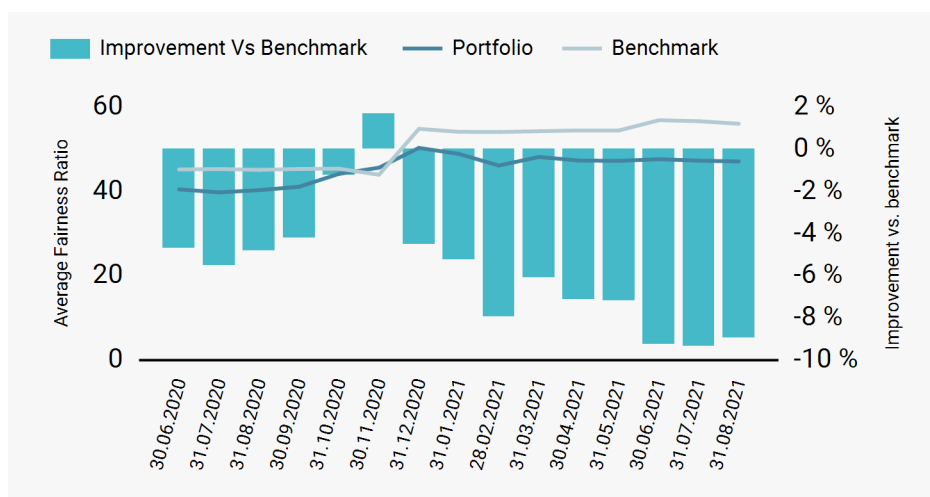
### Action:

Aim to have an average fairness ratio better than the market reference, or a portion of the portfolio allocated to the worst decile below the market reference weight.

Aim to have an average incident controversy score better than the market reference.

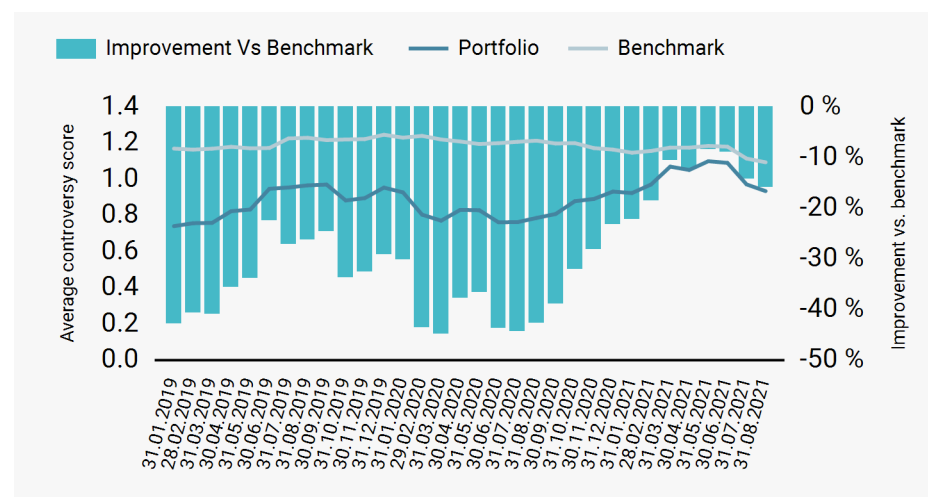
Companies with a fairness ratio in the worst decile of the universe or with considerable employee incidents controversies will be reviewed as potential engagement cases on those topics.

Fairness Ratio	# companies in worst decile	% Weight	Coverage
Universe	38	13.66 %	89.37 %
Portfolio	8	13.23 %	93.05 %



\* negative means better.

Employee Incidents	# companies with considerable	% Weight	Highest severity	Coverage
Universe	13	4.43 %	4	98.99 %
Portfolio	4	6.05 %	3	100.00 %



\* negative means better.



# FUND SPECIFIC ESG OBJECTIVES

## Governance Considerations

- Improve Independence of boards.

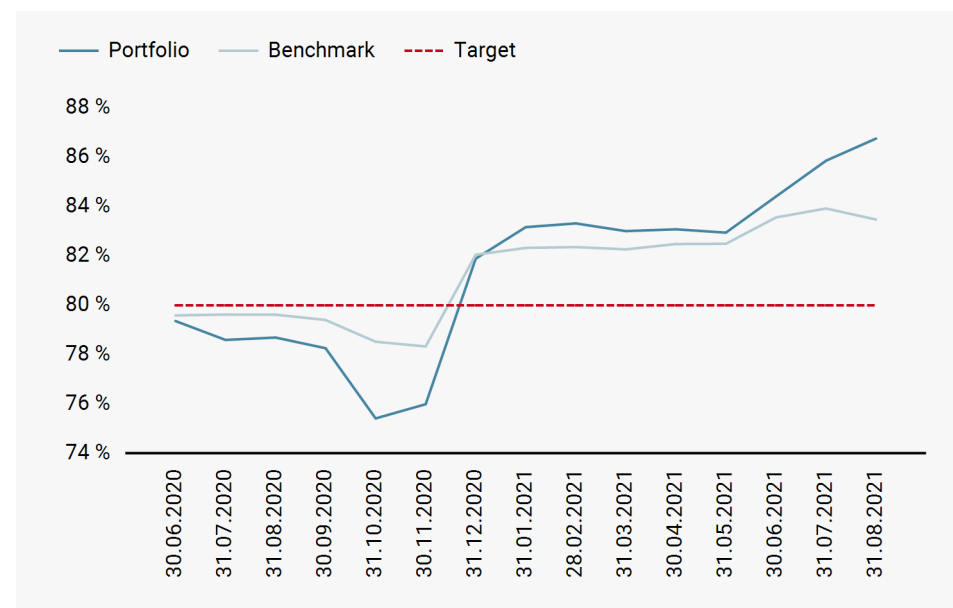
According to Sustainability Policy Recommendations obtained from ISS, the boards of ``Non-controlled`` companies are expected to comprise of over 50 percent independent members (excluding employee shareholder representatives), while ``Controlled`` companies are expected to comprise of at least one-third independent board members (some exceptions may apply in different countries. For these we follow ISS recommendations).

### Action:

Aim to have at least 80% of the portfolio invested in companies with at least 50% of independent board members.

Companies with a lower level of board independence than described above will be reviewed as potential engagement cases. Unigestion systematically votes against the appointment of directors which prevents the achievement of a sufficient board independence level as described above.

Fairness Ratio	# companies with insufficient board independence	% Weight	Coverage
Universe	111	17.90 %	93.82 %
Portfolio	10	14.54 %	97.52 %





# FUND SPECIFIC ESG OBJECTIVES

## Human Rights Considerations

- Enhance practices of companies towards Human Rights and improve severity of controversies concerning human rights (Controversy range is from 0 to 5, 5 is the most severe controversy)

### Action:

Exclude companies that are considered non-compliant according to UNGC principles.

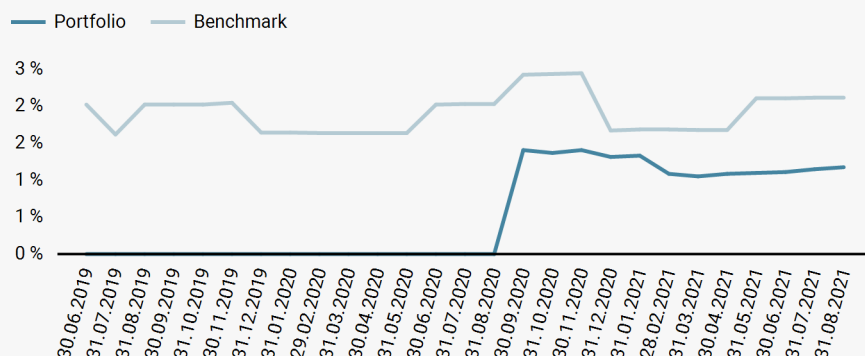
Seek to allocate a lower portion of the portfolio weight to companies in Breach or on the WatchList than the market reference portion.

Aim to have an average human rights controversy score lower than the market reference.

Target for engagement Companies that are put on WatchList for UNGC compliance to have more clarity on the issue raised, and enquire and monitor about the measures taken and the progresses achieved to get out of the WatchList. Companies with considerable human rights controversies will be reviewed as potential engagement cases.

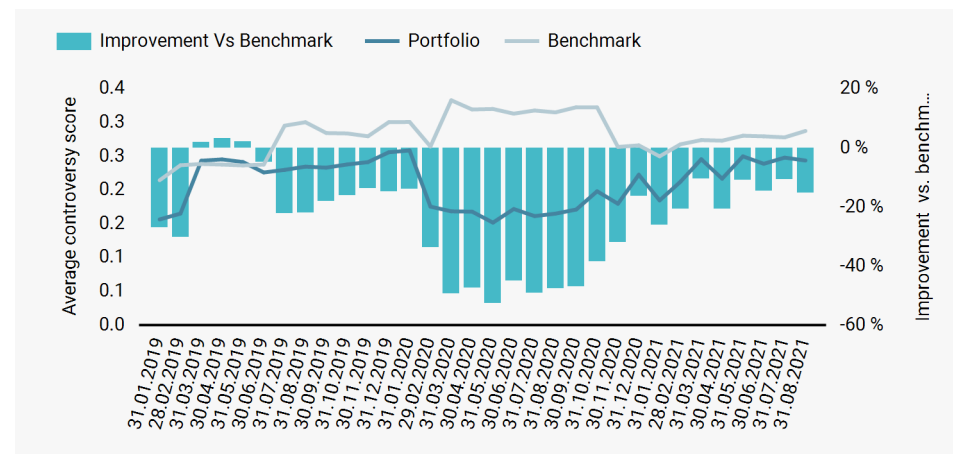
UNGC	Portfolio	Universe
Coverage # stocks	100.00 %	96.50 %
Coverage % weight	100.00 %	98.99 %
Compliant(# Stocks)	80	494
Watchlist(# Stocks)	1	3
Non-Compliant(# Stocks)	0	0
Compliant(% Weight)	96.81 %	95.66 %
Watchlist(% Weight)	3.19 %	3.33 %
Non-Compliant(% Weight)	0.00 %	1.01 %

### Weights allocated to NonCompliant/WeatchList stocks



\* The aim is for the portfolio level to remain below the benchmark.

Human Rights	# companies with considerable	% Weight	Highest severity	Coverage
Universe	5	1.53 %	3	98.99 %
Portfolio	3	4.82 %	3	100.00 %



# TCFD Reporting

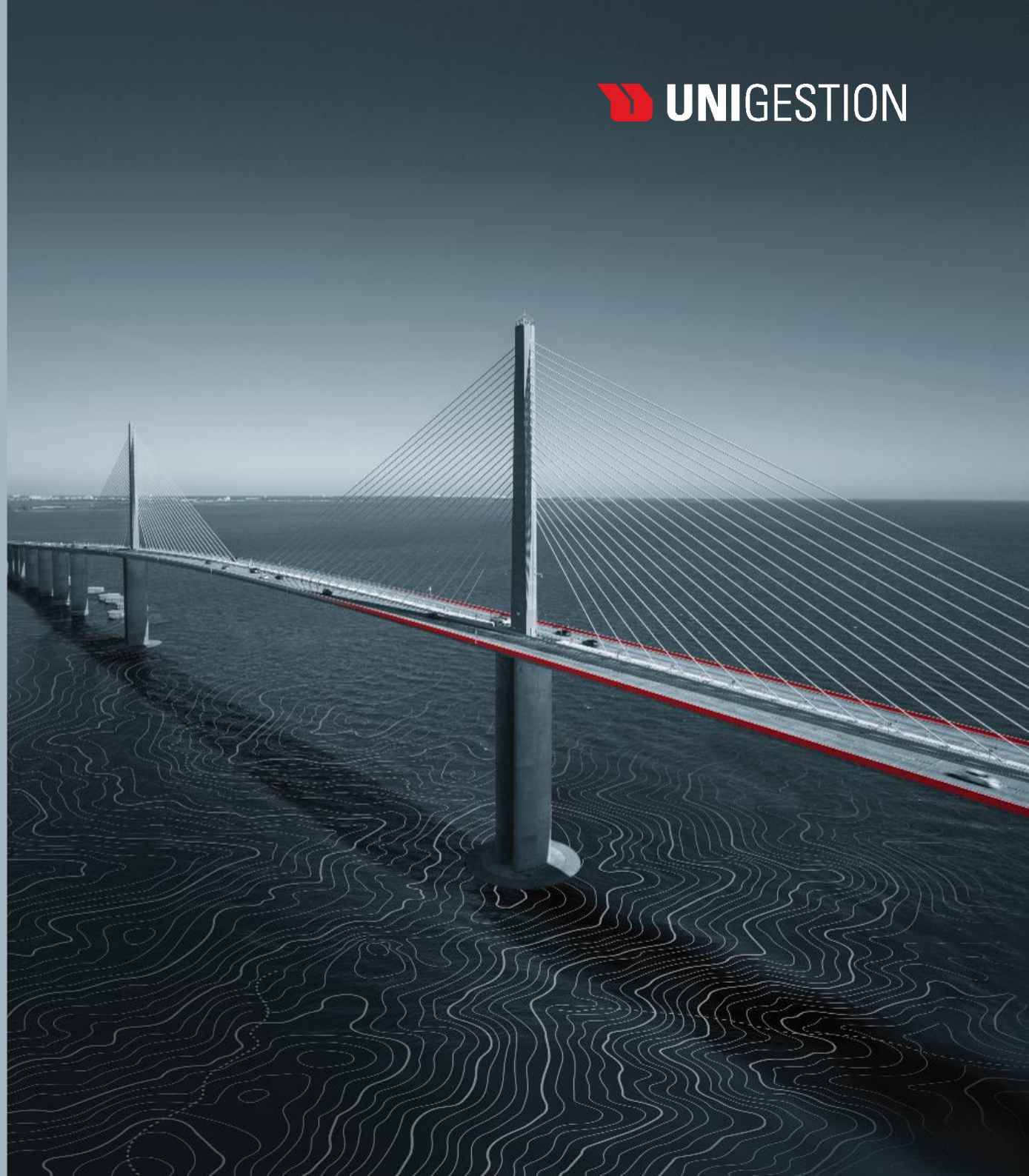
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# Current Emissions

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# CURRENT EMISSIONS

## Introduction

The aim of this section is to assess the carbon performance of the portfolio. Firstly, the greenhouse gas (GHG) emissions held within the portfolio are quantified. This is done by apportioning company level GHG emissions to portfolio by ownership. In other words, if the portfolio holds x% of a company, it also holds x% of its emissions. Compared to using pure weights, this computation method paints a more accurate picture of portfolio emissions. To enable cross-company comparison in terms of emissions, GHG intensity is also presented. This metric counts GHG emissions as a multiple of revenue, correcting for possible company size bias.

Emissions are quoted in tonnes of CO2 equivalents (tCO2e) and apportioned by ownership. Ownership is the ratio of value of holdings to market capitalization or enterprise value. Emissions include scopes 1, 2 and 3 (upstream and downstream).

Scope 1 emissions for a company are considered to be estimated when they are not disclosed and therefore have to be modelled.

GHG intensity is the total scopes 1, 2 and 3 (upstream and downstream) emissions normalized by company revenues and then aggregated using weighted-average carbon intensity (WACI) method (sums product of each holding's weight with the company level GHG Intensity).

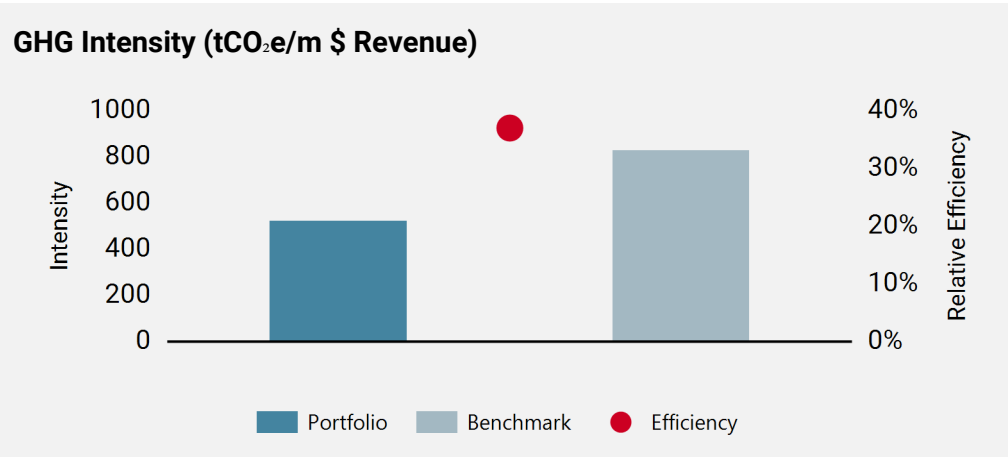
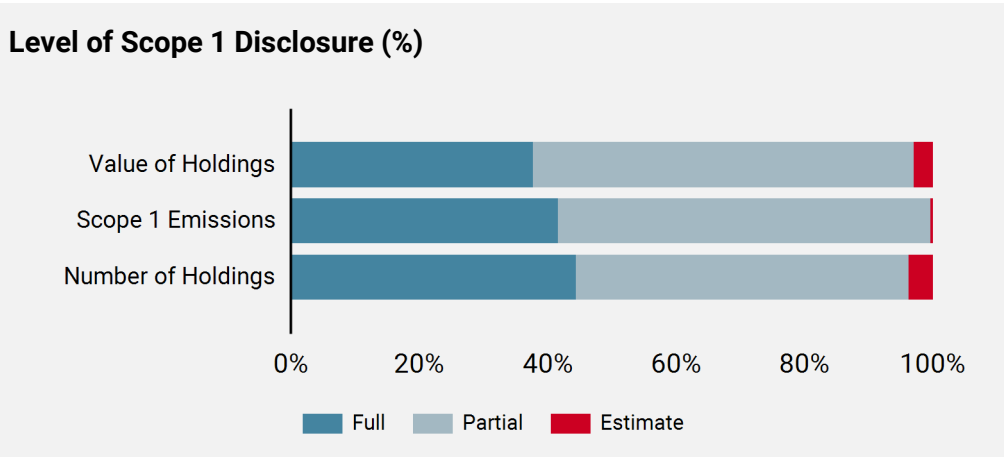
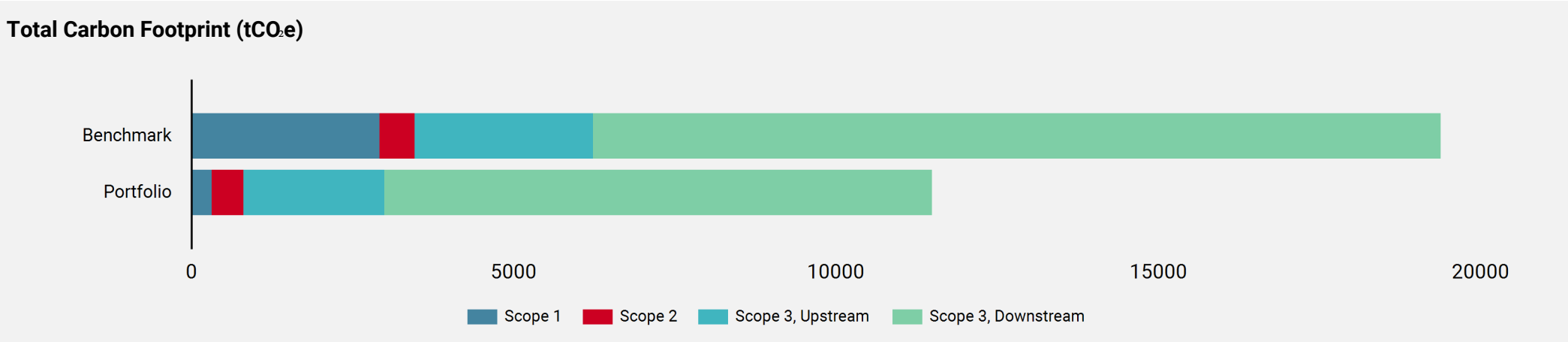
Relative efficiency refers to the efficiency of portfolio versus the benchmark in terms of GHG intensity (*Relative Efficiency = 1 - (Portfolio GHG Intensity) / (Benchmark GHG Intensity)*)





# GHG EMISSIONS

## Carbon Footprint and Intensity



**Portfolio** refers to Uni-Global - Equities Eurozone while **Benchmark** refers to MSCI European Monetary Union.

Sources: Unigestion, MSCI, Sustainalytics



# GHG EMISSIONS

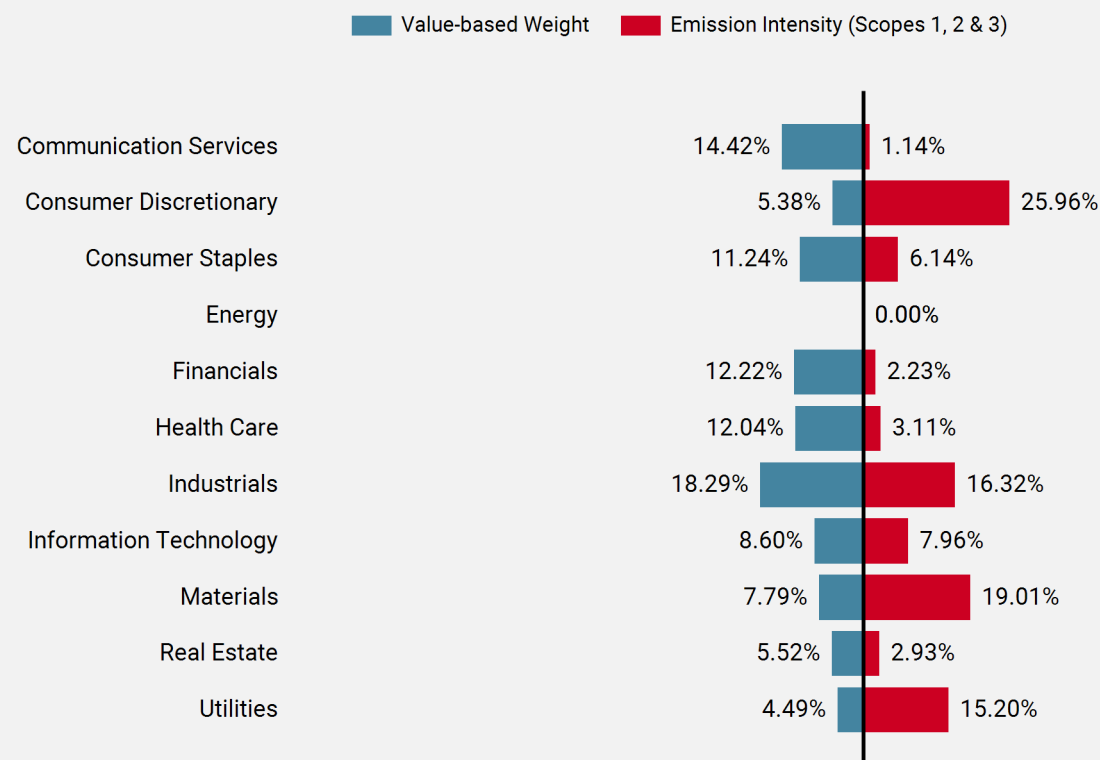
The following chart shows the value-based weight of each GICS sector in the portfolio, in comparison to the contribution of the sector to portfolio GHG

Value-based weight is the weight based on ownership within a company.

To estimate carbon contribution, total emission intensity, scopes 1, 2 and 3 (upstream and downstream) are used.

The contribution is estimated on ownership basis.

## Sector Value vs Carbon Contribution



Sources: Unigestion, MSCI, Trucost



# GHG EMISSIONS

## Best/Worst Contributors

	Name	Sector	Ownership Weight <sup>1</sup>	Carbon Weight <sup>2</sup>	GHG Intensity (tCO <sub>2</sub> e/mUSD)	GHG Intensity Contribution	Disclosure
Best	Capgemini SE	Information Technology	0.25%	0.10%	47.116	-0.019%	Exact Value from CDP
	Allianz SE	Financials	0.28%	0.11%	55.0158	-0.024%	Value derived from data provided in CDP
	Axa, Paris	Financials	0.32%	0.12%	58.6054	-0.030%	Exact Value from CDP
	Deutsche Telekom AG	Communication Services	0.13%	0.30%	144.825	-0.030%	Exact Value from CDP
	Euronext NV	Financials	0.64%	0.07%	35.9333	-0.037%	Estimate used instead of disclosure - data does not cover global operations

	Name	Sector	Ownership Weight <sup>1</sup>	Carbon Weight <sup>2</sup>	GHG Intensity (tCO <sub>2</sub> e/mUSD)	GHG Intensity Contribution	Disclosure
Worst	Knorr-Bremse Aktiengesellschaft	Industrials	1.64%	15.95%	7802.25	-20.471%	Exact Value from CDP
	CIE Generale Des Etablissements Michelin SA, Clermont-Ferrand	Consumer Discretionary	1.43%	12.51%	6122.25	-13.968%	Exact Value from CDP
	Be Semiconductor Industries NV	Information Technology	3.90%	1.52%	742.174	-4.624%	Derived from previous year
	Covestro AG	Materials	1.93%	2.38%	1164.03	-3.591%	Value derived from data provided in Environmental/CSR
	GEA Group AG	Industrials	0.90%	4.94%	2418.51	-3.467%	Value derived from data provided in CDP

Best (worst) performers in terms of contribution to portfolio GHG intensity, where GHG intensity is aggregated on the basis of ownership. Stocks are ranked from best to worst in terms of their contribution, where higher contribution corresponds to worse performance. GHG Intensity Contribution is quoted as the decrease in portfolio GHG intensity in case of full divestment from the stock.

<sup>1</sup> Ownership weight indicates the ownership-based weight in the portfolio.

<sup>2</sup> Carbon weight indicates the GHG intensity share as a percentage of portfolio GHG intensity

Sources: Unigestion, MSCI, Trucost



# Fossil Fuels

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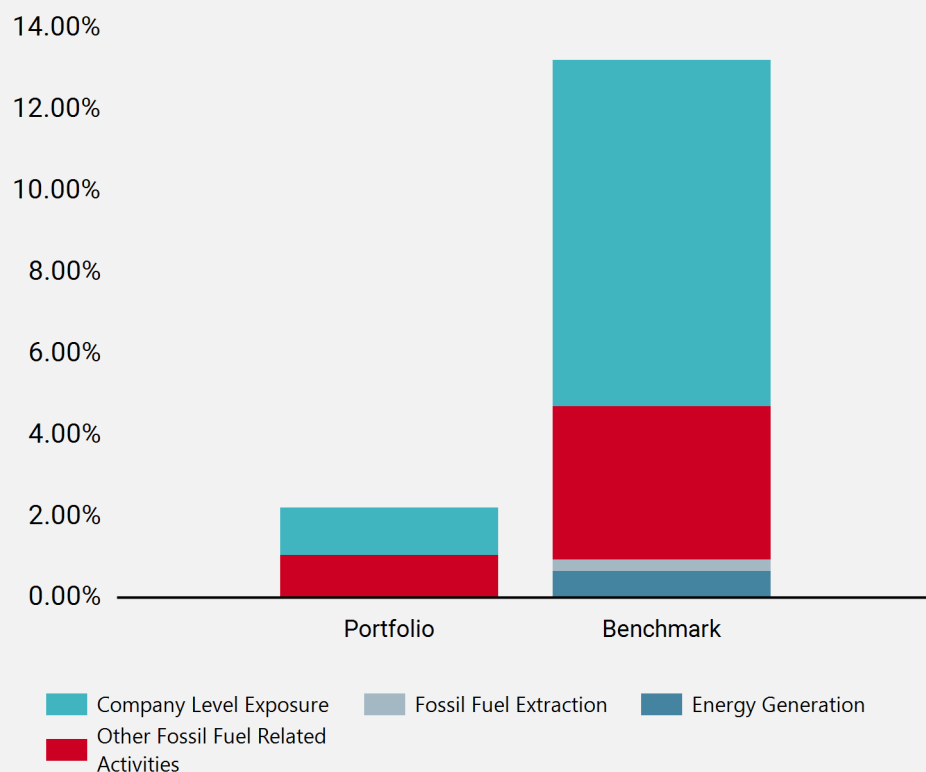




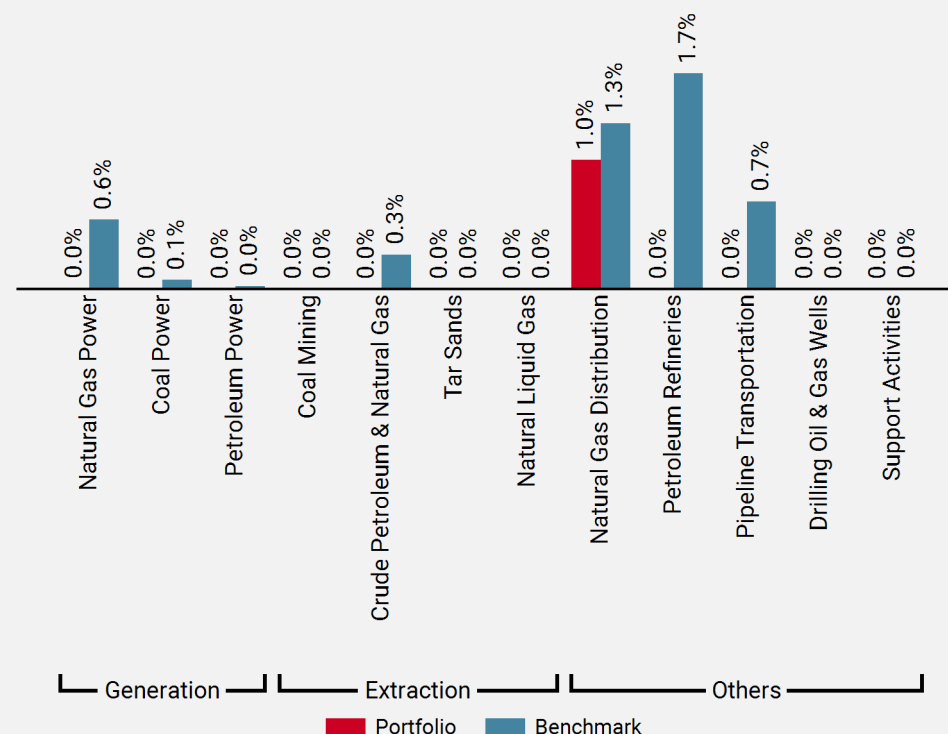
# FOSSIL FUELS

## Fossil Fuels Related Activities

Fossil Fuels Activities by Revenues<sup>1</sup> (%)



Fossil Fuels Revenues by Industry



<sup>1</sup> Portfolio exposure to revenues from fossil fuel related activities, where exposure is computed based on weight. Three categories of fossil fuel activities: Generation, Extraction and Others. Others include distribution, refinement, pipeline transportation, drilling of wells and fossil fuel supporting activities. Company level exposure (bar height) is the level of exposure to companies involved in fossil fuel related activities in terms of their total weight in the portfolio or benchmark. The remaining sections of the bars indicate weighted average revenue exposure to indicated activity.

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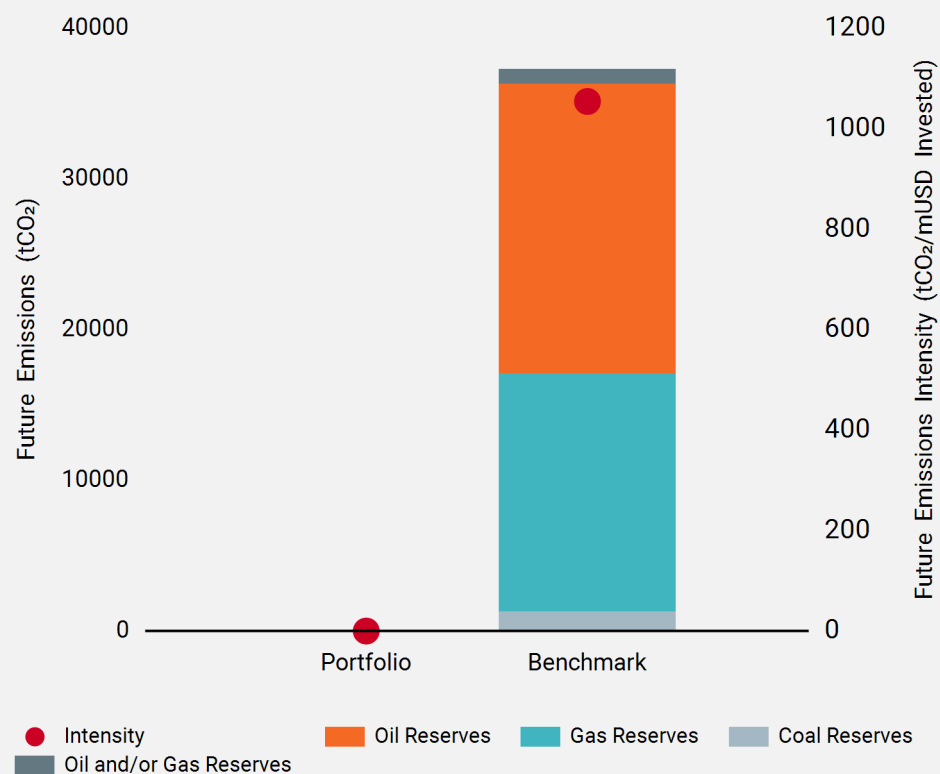
Sources: Unigestion, MSCI, Trucost



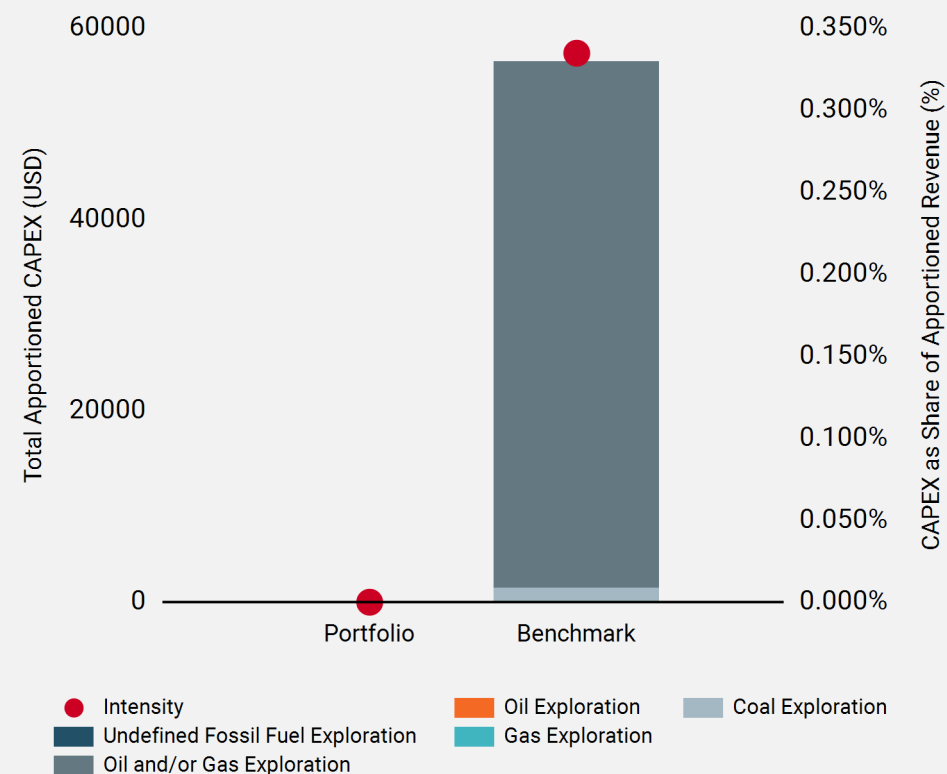
# FOSSIL FUELS

## Embedded Emissions in Reserves and Exploration Expenditures

Emissions Embedded in Reserves<sup>1</sup>



Fossil Fuels CAPEX<sup>2</sup>



<sup>1</sup> Apportioned GHG emissions embedded in fossil fuel reserves. Emissions are aggregated to portfolio on the basis of ownership.

<sup>2</sup> Capital expenditure (CAPEX) reserved for further exploration of fossil fuels: coal, oil and gas. CAPEX is aggregated to portfolio based on ownership.

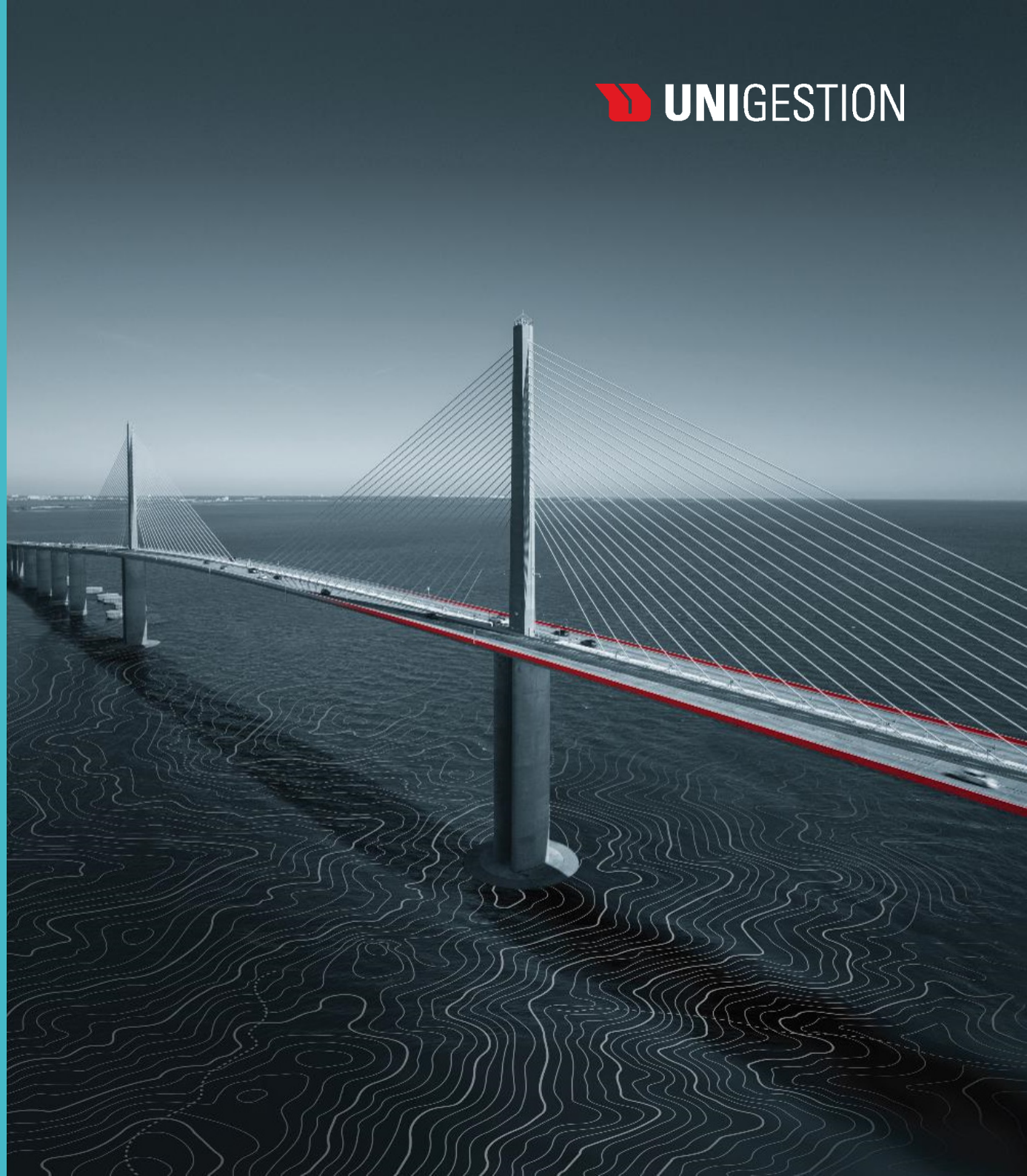
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Sources: Unigestion, MSCI, Trucost



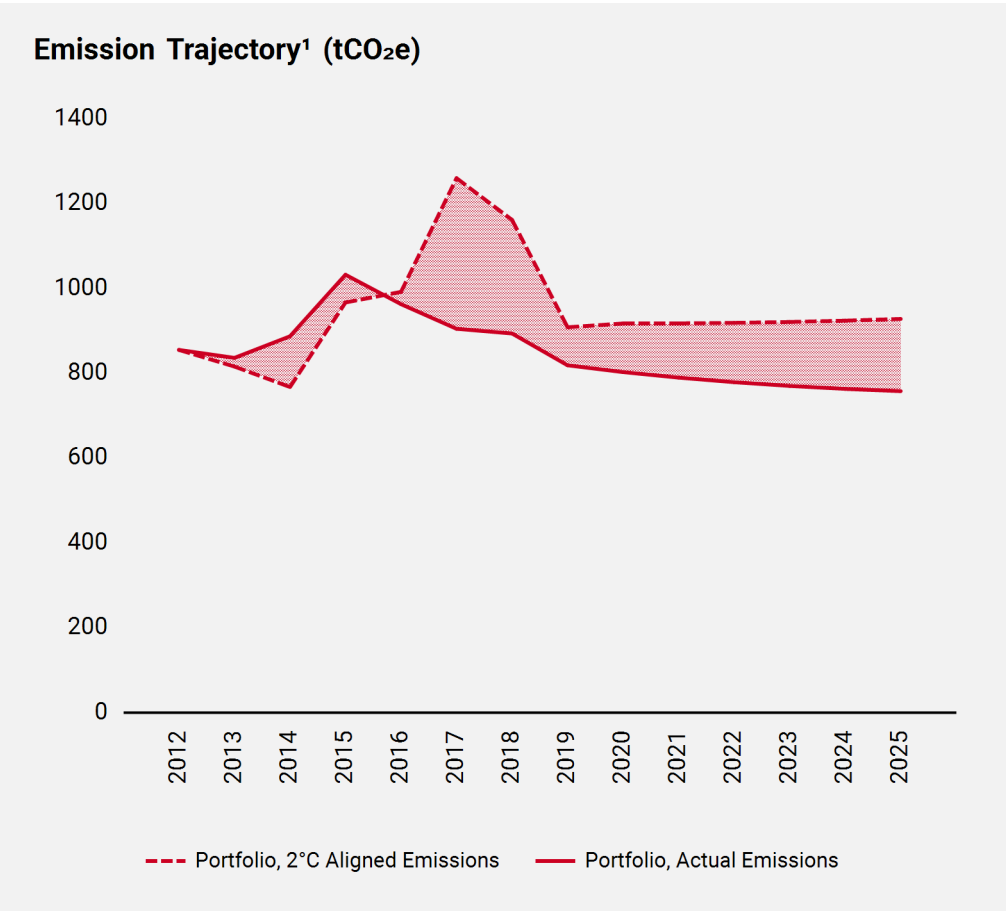
# Temperature Assessment

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# TEMPERATURE ASSESSMENT

## Emissions Pathway Assessment



### Warming Level

< 2°C

Tonnes Carbon (Under)/Over	-1784
Percent of Total (Under)/Over	-13.47%
Carbon/mInvested (Under)/Over	-51

Warming level is determined on whether portfolio emissions are above or below the emission budgets linked to different warming scenarios, such as 2°C.

Above emission metrics are in reference to the 2°C budget.

<sup>1</sup> Combination of historical and forward-looking emission data. Dashed line shows the 2°C compatible emission trajectory. Assessment on whether portfolio emissions are above or below the emission budget linked to warming scenario of 2°C.  
**Portfolio** refers to Uni-Global - Equities Eurozone.

Sources: Unigestion, Trucost

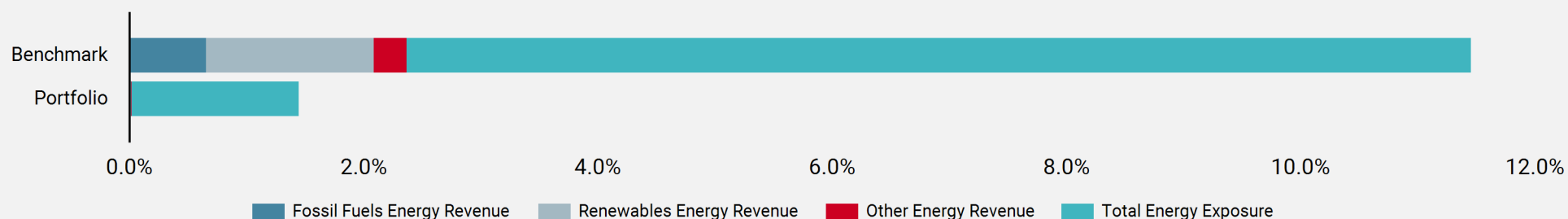




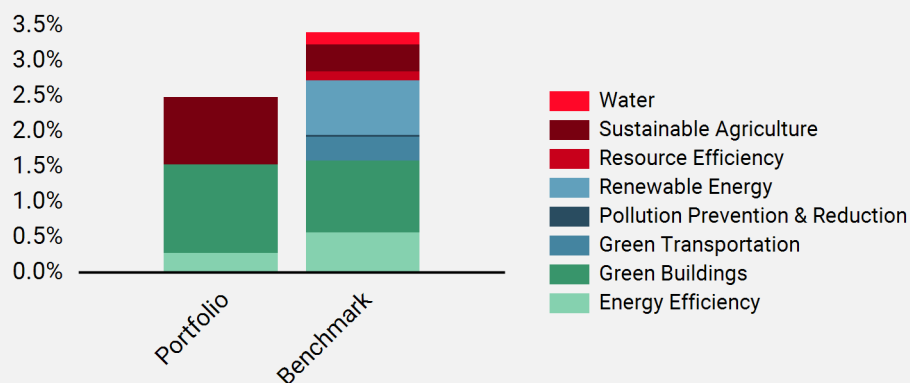
# TEMPERATURE ASSESSMENT

## 'Brown' and 'Green' Revenues

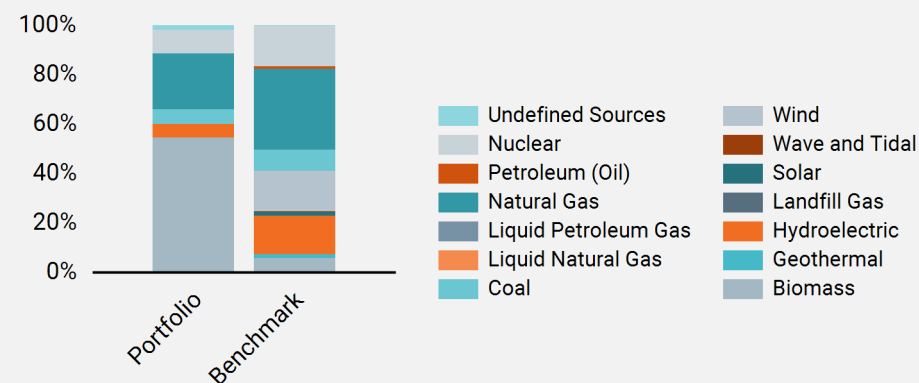
Energy Revenue<sup>1</sup> (%)



Environmental Solutions<sup>2</sup> (%)



Energy Generation Mix<sup>3</sup> (% of Total GWh)



<sup>1</sup> Compares portfolio's exposure to 'brown' and 'green' energy related revenues on the basis of weight. Nuclear energy is categorized as other. Total energy exposure (bar height) indicates the total weight in the portfolio/benchmark of companies with energy-related revenues. The remaining sections of the bars indicate the weighted average revenue exposure to indicated energy category.

<sup>2</sup> Revenue exposure to 'green' activities grouped into 8 categories. Exposure is computed using company revenue share generated by 'green' activities and apportioned by portfolio weight.

<sup>3</sup> Compares energy generation mix in GWh apportioned on ownership basis.

**Portfolio** refers to Uni-Global - Equities Eurozone while **Benchmark** refers to MSCI European Monetary Union.

Sources: Unigestion, MSCI, Trucost, Sustainalytics



# TEMPERATURE ASSESSMENT

## Sector Contribution to 2°C Aligned Emission Budget

**Sectoral Decarbonization Approach (SDA)** is applied to high-emitting sectors with homogeneous business activities.

**GHG Emissions per unit of Value Added (GEVA)** is used for less carbon intensive sectors with heterogeneous activities.

Method	Sector	Contribution (tCO <sub>2</sub> e)	Pathway
SDA	Power Generation	-	-
	Cement	-	-
	Steel	-	-
	Airlines	-	-
	Aluminum	-	-
GEVA	Communication Services	143.62	> 5C
	Consumer Discretionary	153.71	3-4C
	Consumer Staples	324.16	> 5C
	Energy	-	-
	Financials	20.68	> 5C
	Health Care	58.41	2-3C
	Industrials	120.07	> 5C
	Information Technology	18.25	3-4C
	Materials	-2658.60	<1.75C
	Real Estate	66.86	> 5C
	Utilities	-30.73	<2C

Note: Negative value indicates the alignment with 2°C scenario, as this indicates that the sector is under the 2°C budget. Pathway provided is based on companies held.

Sources: Unigestion, MSCI, Trucost



# TEMPERATURE ASSESSMENT

## Best/Worst Contributors to 2°C Aligned GHG Emission Budget

	Name	Industry/Sub-industry	2015 tCO2e Intensity	2025 tCO2e Intensity	Intensity Unit	Forecast Source	Total Carbon (tCO2e)	Apportionned Carbon (tCO2e)	Pathway
Best	Covestro AG	Materials	3301.61	1655.50	tCO2e/US\$m inflation adjusted gross profits	Sub-Industry Trend	-45,845,400	-1,414	<1.5°C
	Koninklijke DSM NV	Materials	436.73	317.31	tCO2e/US\$m inflation adjusted gross profits	Company Target	-21,925,500	-500	<1.5°C
	Arkema	Materials	2914.97	1270.23	tCO2e/US\$m inflation adjusted gross profits	Company Target	-33,582,800	-461	<1.5°C
	Akzo Nobel NV	Materials	709.80	46.63	tCO2e/US\$m inflation adjusted gross profits	Sub-Industry Trend	-14,643,800	-274	<1.5°C
	Upm-Kymmene Corp	Materials	5569.61	2345.30	tCO2e/US\$m inflation adjusted gross profits	Company Target	-2,680,210	-54	1.5-2°C
Worst	CIE Generale Des Etablissements Michelin SA, Clermont-Ferrand	Consumer Discretionary	514.36	363.44	tCO2e/US\$m inflation adjusted gross profits	Company Target	9,155,160	209	>5°C
	Koninklijke Ahold Delhaize NV	Consumer Staples	211.14	173.02	tCO2e/US\$m inflation adjusted gross profits	Sub-Industry Trend	10,177,800	150	>5°C
	Randstad NV	Industrials	21.43	20.76	tCO2e/US\$m inflation adjusted gross profits	Sub-Industry Trend	1,287,000	92	>5°C
	ORANGE	Communication Services	97.52	87.35	tCO2e/US\$m inflation adjusted gross profits	Sub-Industry Trend	5,673,440	81	>5°C
	Fresenius SE & Co KGAA	Health Care	115.58	129.21	tCO2e/US\$m inflation adjusted gross profits	Sub-Industry Trend	6,604,870	71	>5°C

The contribution, or apportioned carbon, is computed on ownership bases. Negative values indicate alignment with the 2 °C scenario.

Sources: Unigestion, MSCI, Trucost



# Physical Risk

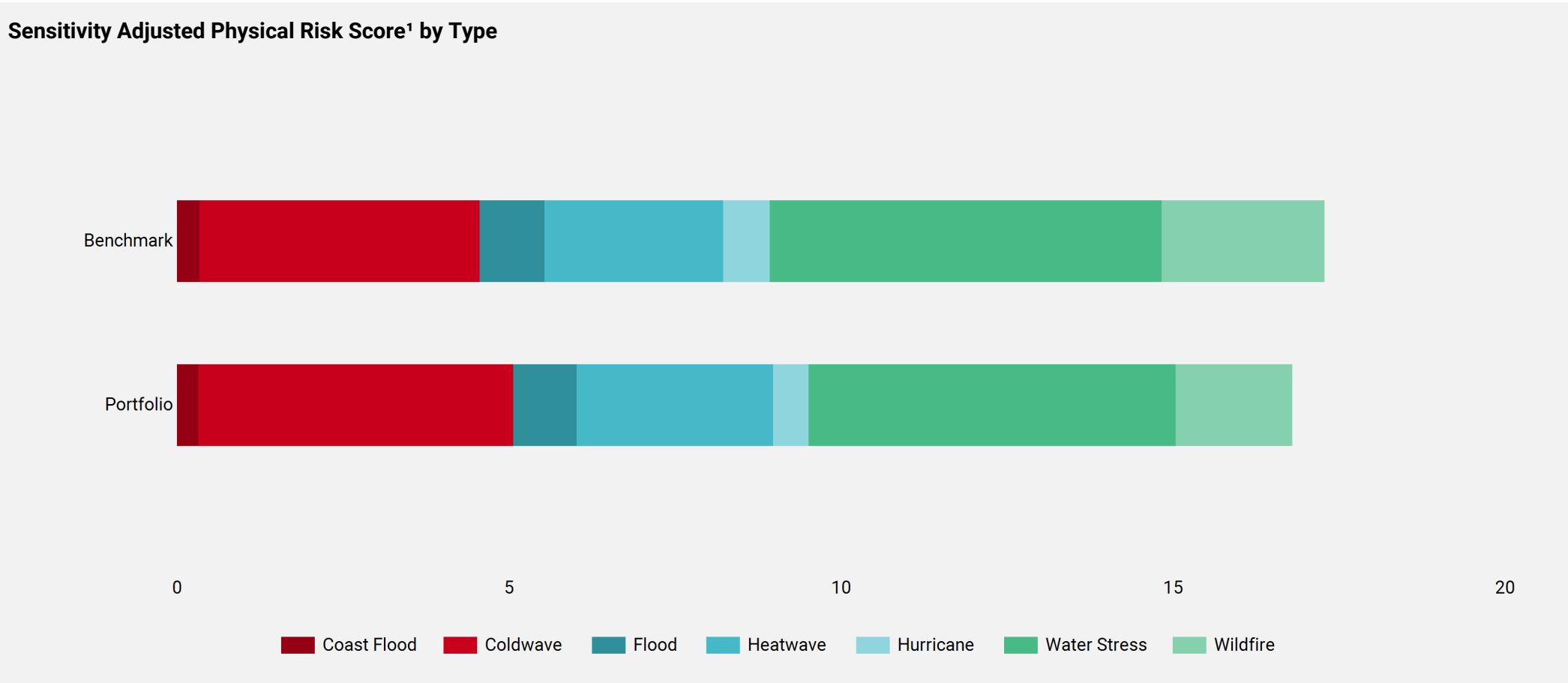
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# PHYSICAL RISK

## Physical or Tangible Effects of Climate Change



<sup>1</sup> Incorporates adjustment for the expected sensitivity of each company to each form of physical risk and level of risk is aggregated on ownership. Physical risk types (7): coastal floods, cold waves, floods, heatwaves, hurricanes, water stress and wildfires. At company level, physical risk exposure indicators are on a scale of 0 to 100 (lowest to highest). Exposure used in the chart is for 2050, under a high warming scenario (RCP 8.5).

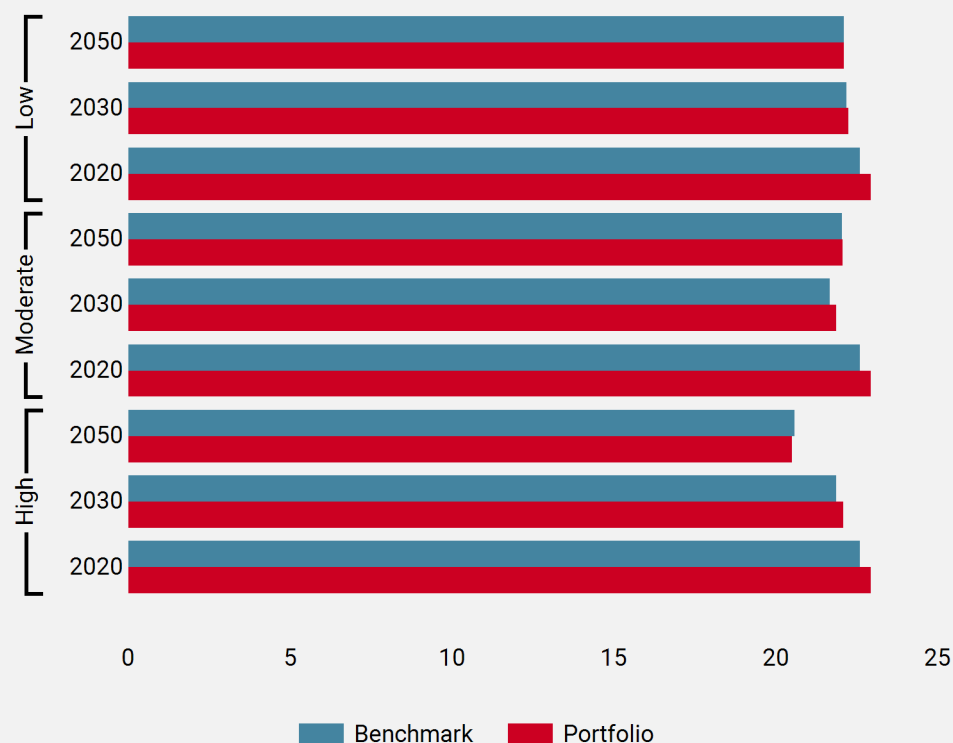
**Portfolio** refers to Uni-Global - Equities Eurozone while **Benchmark** refers to MSCI European Monetary Union.

Sources: Unigestion, MSCI, Trucost

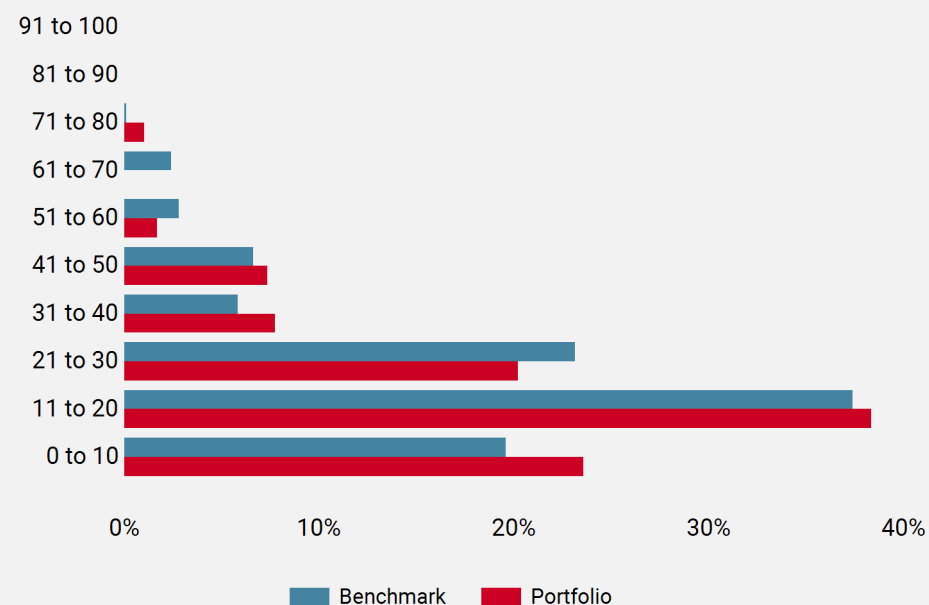


# PHYSICAL RISK

Sensitivity Adjusted Physical Risk Score<sup>1</sup> by Year and Scenario



Distribution<sup>2</sup> by Decile



	Total Weight Covered	Share Covered Using Asset Data	Number of Assets Covered
Portfolio	100.00%	87.49%	5,050
Benchmark	97.99%	87.82%	47,548

<sup>1</sup> Physical Risk Score is a sensitivity adjusted physical risk score that incorporates an adjustment for the expected sensitivity of each company to each form of physical risk. Level of risk aggregated on ownership. The aggregate sensitivity adjusted physical risk exposure is computed for all years and scenarios. High scenario corresponds to RCP 8.5, moderate is RCP 4.5 and low is RCP 2.6.

<sup>2</sup> Based on the sensitivity adjusted score. At company level, physical risk exposure indicators are on a scale of 0 to 100, from lowest to highest under a high warming scenario (RCP 8.5).

**Portfolio** refers to Uni-Global - Equities Eurozone while **Benchmark** refers to MSCI European Monetary Union.

Sources: Unigestion, MSCI, Trucost



# PHYSICAL RISK

**Sensitivity Adjusted Physical Risk Score by Sector (High Scenario<sup>1</sup> - 2050)**

	Composite	Coast Flood	Coldwave	Flood	Heatwave	Hurricane	Water	Wildfire
Communication Services	1.67	3.78	1.93	3.78	1.93	3.78	0.17	3.78
Consumer Discretionary	1.31	2.69	1.72	2.69	1.72	2.69	0.16	2.69
Consumer Staples	3.17	6.06	4.84	6.06	4.84	6.06	0.30	6.06
Energy	0.00	-	-	-	-	-	-	-
Financials	0.28	0.16	0.15	0.16	0.15	0.16	0.12	0.16
Health Care	3.49	3.89	2.37	3.89	2.37	3.89	2.49	3.89
Industrials	4.58	3.07	9.47	3.07	9.47	3.07	0.37	3.07
Information Technology	1.12	1.56	1.52	1.56	1.52	1.56	0.14	1.56
Materials	2.72	4.18	1.27	4.18	1.27	4.18	4.12	4.18
Real Estate	0.29	0.09	0.09	0.09	0.09	0.09	0.70	0.09
Utilities	1.88	3.53	0.07	3.53	0.07	3.53	2.04	3.53

<sup>1</sup> The scenario considered is RCP 8.5, or the high warming scenario.

<sup>2</sup> Composite score is the physical risk score that aggregates the 7 physical risk types. This assessment uses the sensitivity adjusted composite physical risk score. Exposure to physical risk is apportioned by ownership.

Sources: Unigestion, MSCI, Trucost



# PHYSICAL RISK

## Best/Worst Contributors

Best	Name	Sector	Ownership	Composite	Adjusted Composite	Adjusted Composite Contribution (bps)	Data Quality
	Erste Group Bank AG	Financials	0.00034%	31	2	-0.07	A
	Allianz SE	Financials	0.00044%	43	3	-0.13	A
	Axa, Paris	Financials	0.00050%	47	3	-0.15	A
	ASML Holding NV	Information Technology	0.00028%	49	10	-0.28	A
	Euronext NV	Financials	0.00103%	38	3	-0.31	A
Worst	Name	Sector	Ownership	Composite	Adjusted Composite	Adjusted Composite Contribution (bps)	Data Quality
	Diasorin Spa	Health Care	0.00498%	59	51	-25.38	B
	Enagas SA	Utilities	0.00322%	59	70	-22.53	A
	Bureau Veritas SA	Industrials	0.00525%	49	41	-21.55	A
	Etablissements Franz Colruyt SA	Consumer Staples	0.00341%	59	51	-17.41	A
	PostNL NV	Industrials	0.00361%	51	41	-14.80	B

Best (worst) performers in terms of physical risk using raw and sensitivity adjusted composite physical risk scores.

- Composite score is the raw composite physical risk score of the company without sensitivity adjustment. Composite indicates aggregation of the 7 physical risk types (coastal floods, coldwaves etc.). At company level, raw physical risk scores (composite) are on a scale of 0 to 100 (lowest to highest).
- Adjusted composite is the raw composite physical risk score adjusted for company sensitivity to physical risk.
- Data quality indicates the quality of data used to determine physical risk score at company level. There are two levels: A and B, where A indicates higher quality.
- Asset count indicates the number of assets assessed at company level to determine company exposure to physical risk. In absence of asset level data, physical risk exposure is determined based on HQ location and revenue share by country, rather than location of assets.

Contribution to portfolio physical risk score is computed on the basis of ownership and is quoted as the basis point decrease in physical risk exposure for the portfolio in the event of full divestment from the stock.

Sources: Unigestion, MSCI, Trucost





# SFDR Principal Adverse Impact Indicators

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# SFDR PRINCIPAL ADVERSE IMPACT INDICATORS

## Climate and Other Environment-related Indicators

		Metric	Unit of Measure	Impact 2022	Impact 2021	Coverage (%)
<b>Greenhouse gas emissions</b>	<b>1. GHG emissions</b>	Scope 1 GHG emissions	Tonnes	320,472	449,175	100
		Scope 2 GHG emissions	Tonnes	353,188	359,113	100
		From 1 January 2023, Scope 3 GHG emissions"	Tonnes	6,875,426	7,062,132	100
		Total GHG emissions	Tonnes	7,549,086	7,870,420	100
	<b>2. Carbon footprint</b>	Carbon footprint	Tonnes / mUSD of Enterprise Value	229	231	100
	<b>3. GHG intensity of investee companies</b>	GHG intensity of investee companies	Tonnes / mUSD of Revenue	515	574	100
	<b>4. Exposure to companies active in the fossil fuel sector</b>	Share of investments in companies active in the fossil fuel sector	%	3	4	100

Source: Unigestion, Trucost, Sustainalytics



# SFDR PRINCIPAL ADVERSE IMPACT INDICATORS

## Climate and Other Environment-related Indicators

Metric			Unit of Measure	Impact 2022	Impact 2021	Coverage (%)
Greenhouse gas emissions	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	%	50	51	91
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million USD of revenue of investee companies, per high impact climate sector"	GWh / mUSD of Revenue	1	1	100
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity- sensitive areas where activities of those investee companies negatively affect those areas	%	34	32	100
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million USD invested, expressed as a weighted average	Tonnes	174	183	100
Waste	9. Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per million USD invested, expressed as a weighted average	Tonnes	7,346	8,775	100

Source: Unigestion, Trucost, Sustainalytics



# SFDR PRINCIPAL ADVERSE IMPACT INDICATORS

## Social and Employee, Respect for Human Rights, Anti-corruption and Anti-bribery Matters

Metric			Unit of Measure	Impact 2022	Impact 2021	Coverage (%)
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises"	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	%	0	0	100
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises"	%	0	0	100

Source: Unigestion, Trucost, Sustainalytics



# SFDR PRINCIPAL ADVERSE IMPACT INDICATORS

## Social and Employee, Respect for Human Rights, Anti-corruption and Anti-bribery Matters

	Metric	Unit of Measure	Impact 2022	Impact 2021	Coverage (%)	
Social and employee matters	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	%	54	55	96
	13. Board gender diversity	Average ratio of female to male board members in investee companies	%	74	72	90
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons"	%	0	0	100

Source: Unigestion, Trucost, Sustainalytics





# SFDR PRINCIPAL ADVERSE IMPACT INDICATORS

CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS			Unit of Measure	Impact 2022	Impact 2021	Coverage (%)
<b>Emissions</b>	<b>1. Emissions of inorganic pollutants</b>	Tonnes of inorganic pollutants equivalent per million USD invested, expressed as a weighted average	Tonnes / mUSD	136	132	100
	<b>2. Emissions of air pollutants</b>	Tonnes of air pollutants equivalent per million USD invested, expressed as a weighted average	Tonnes / mUSD	2,917	3,753	100
	<b>3. Emissions of ozone depletion substances</b>	Tonnes of ozone depletion substances equivalent per million USD invested, expressed as a weighted average	Tonnes / mUSD	153	245	100
SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS			Unit of Measure	Impact 2022	Impact 2021	Coverage (%)
<b>Social and employee matters</b>	<b>6. Insufficient whistleblower protection</b>	Share of investments in entities without policies on the protection of whistleblowers	%	0	1	90

Source: Unigestion, Trucost, Sustainalytics



# Engagement

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# ENGAGEMENT

Year	Company	Engagement Status	Voting Script	Company Reply
2022	Danone	No response received yet	Concerns about the situation the company is facing in terms of its fairness ratio.	No reply received yet
2022	Kone (B)	Ongoing dialog, conference call with be/was scheduled	Election of members to the Board of Directors, given the insufficient level of independence on the Board and on key committees	Company replied and acknowledged our letter to the CEO. They explained their view on independence of directors as per Finnish law. We are in contact with them to schedule a call after the AGM around end of Q1 2022.
2021	Ahold Delhaize	Satisfactory explanation, discussion closed	Concerned about the situation the company is facing in terms of its fairness ratio.	Company replied with concrete arguments and details of how it manages the risks related to the social issue we raised in our letter. Company also confirmed the adoption of principles to guide fair compensation. Company intends to release an updated remuneration disclosure in its 2020 Annual Report. We consider this reply as satisfactory explanations to our concerns.
2021	Enagas	Satisfactory explanation, discussion closed	Concerns about GHG emissions: company is facing complaints about the climate footprint of the Trans Adriatic Pipeline.	Company replied and we scheduled a call with Sustainability experts to discuss their approach to ESG and the specific topic of the pipeline. Company gave concrete details of its sustainability strategy as well as more details on the pipeline controversy.
2021	Fresenius Medical Care	Ongoing dialog, conference call with be/was scheduled	Concerned about the situation the company is facing in terms of its fairness ratio.	We had a call with company experts to discuss the matters in detail. Company gave explanations and confirmed it is one of the subjects they aim to change in the coming years. Since company information will be reviewed again end of March 2021, we consider this dialogue as ongoing discussion.

Above table shows 5 most recent engagements. More detailed information is available upon request.

Sources: Unigestion, ISS



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