BANQUE TRANSATLANTIQUE
GESTION DE FORTUNE DEPUIS 1881

DECLARATION OF MAIN NEGATIVE IMPACTS ON SUSTAINABILITY FACTORS

In accordance with Article 4 of Regulation (EU) 2019/2088, financial market participants publish information on their websites about whether or not they have taken into account the main adverse sustainability impacts (PAIs) arising from their investment decisions.

1. DEFINITION

Negative sustainability impacts represent the negative effects that investment decisions may have on sustainability factors. These sustainability factors correspond to environmental issues (greenhouse gas emissions, biodiversity, etc.), social issues (respect for human rights, the fight against corruption, etc.) and governance issues (representation of women in management bodies, etc.).

2. PERIMETER

The declaration of whether or not the main negative impacts have been taken into account in investment decisions applies to the funds managed by the Bank, as well as to the Managed Services, Advisory Services and Solutions Investissements accounts.

3. IMPLEMENTATION

Banque Transatlantique Luxembourg has developed a responsible approach to its investments in companies issuing listed instruments with :

- <u>The implementation of a policy of exclusion</u>: This commitment is first and foremost associated with a policy of exclusion shared with Crédit Mutuel Alliance Fédérale. Banque Transatlantique Luxembourg excludes from its management companies involved in the development, production and distribution of so-called controversial weapons. The exclusion perimeter includes anti-personnel mines as defined by the Ottawa Treaty, which came into force in 1999, and cluster munitions as defined by the Oslo Convention adopted in 2008.

  Banque Transatlantique Luxembourg is fully committed to the values of Corporate Social Responsibility, and has joined forces with Banque Transatlantique, Crédit Mutuel Asset Management and Crédit Mutuel Gestion, who are collaborating on this initiative through the Corporate Social Responsibility (CSR) Committee. Constantly evolving, this committee focuses on sectors with a high negative impact on the environment, or with a very high risk profile in terms of social responsibility. A sectoral exclusion policy has been defined, targeting the coal-fired power plant, arms and mining sectors, and this reflection will be extended to other sectors that the Bank considers controversial.

- <u>ESG analysis and rating</u>: as part of its sustainable and responsible investment approach, the Bank analyzes companies' financial and extra-financial information in order to integrate it into its investment decisions, while demonstrating transparency to its customers. The Bank's extra-financial analysis policy is based on research produced by specialist suppliers, and on qualitative analyses carried out by Dubly Transatlantique Gestion, which has a team of analysts/managers responsible for identifying whether a company's strategy is capable of generating responsible and sustainable growth. The Bank also relies on the analyses of its data provider MSCI to assess a company's ESG risks and rating.

Following the publication of ESMA's RTS of February 2, 2021, the Bank has grouped the main negative impacts into 4 categories:

Category	PAI / Main Negative Impacts
Climate and environment	Greenhouse gas emissions
	Carbon footprint
	Greenhouse gas intensity of invested companies
	Exposure to companies active in the fossil fuel sector
	Share of non-renewable energy consumption and production
	Energy consumption intensity by sector with high climate impact
	Activities with a negative impact on biodiversity-sensitive areas
	Greenhouse gas emission intensity (for States)
	Exposure to fossil fuels via real estate assets
	Exposure to energy-inefficient real estate assets
Waste production and use of water resources	Discharge into water
	Ratio of hazardous and radioactive waste
Violation of human rights	Violations of the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises
	Lack of processes and mechanisms for monitoring compliance with the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises
	Exposure to controversial weapons (landmines, cluster munitions, chemical or biological weapons)
	Countries of investment subject to violations of social standards
Social areas and employee rights	Unadjusted gender pay gap
	Gender diversity on boards of directors

Following in-depth analysis, the Bank has concluded that **the data currently available on the main negative impacts are not sufficiently robust to enable informed and rigorous investment decision-making**.

As a result, and after careful assessment of the relevance and reliability of the information available, the **Bank has decided, in the current context, not to integrate ILPs into its investment decisions.** This decision reflects our commitment to analytical rigor and the protection of our customers' interests, in line with current regulatory standards.

However, in the interests of transparency towards its stakeholders, the Bank has been committed since January 1, 2024 to integrating IAPs into its investment process if the available data are sufficiently robust to enable informed and rigorous investment decision-making.

It is important to note that the Bank incorporates a sustainability impact analysis approach into its investment policy. It attaches increasing importance to any event or situation in the environmental, social or governance field which, if it occurs, could have an impact, real or potential, on the value of the investment. In particular, the information system will integrate

IAPs to enable investment teams to measure directly the effects of their investment choices on the main negative impacts aggregated at portfolio level.