Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name:
GROUPAMA GLOBAL CONVERTIBLE

Legal entity identifier:
549300JFG11VLTNO7G87

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum number of **sustainable investments with an environmental objective**: __%	☒ It **promotes environmental and social (E/S) characteristics** and, while it does not have sustainable investment as its objective, it will have a minimum share of 20% of sustainable investments
☐ in economic activities which qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective and carried out in economic activities which qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities which do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective and carried out in economic activities which do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum number of **sustainable investments with a social objective:**___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that it does not cause significant harm to either of these objectives and that the companies in which the financial product has invested apply good governance practices.

The **EU Taxonomy** is a classification system established by Regulation (EU) 2020/852, which lists **environmentally sustainable economic activities**. Such regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective may or may not be aligned with the Taxonomy.

What environmental and/or social characteristics are promoted by this financial product?

The ESG approach developed by Groupama Asset Management is based on a quantitative and qualitative analysis of the environmental, social and governance practices of the securities in which it invests.
The analysis of these ESG criteria is based on various indicators, including:

- Environment (biodiversity, waste management, etc.).
- Social (employee training, supplier relations, etc.).
- Governance (board independence, executive remuneration policies, etc.).

The environmental and social characteristics promoted by the Sub-Fund involve favouring the net creation of jobs by the investee companies and also the exclusion of certain securities.

Additionally, the Sub-Fund has not designated a reference benchmark aligned with ESG characteristics for the purposes of the SFDR.

The **sustainability indicators** are used to verify whether the financial product meets the environmental or social characteristics promoted by the financial product.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

As part of its investment policy, the Sub-Fund will report on the following sustainability indicators to measure the attainment of each of the environmental or social characteristics it promotes:

- Average percentage growth in the number of employees of investee companies compared to the Sub-Fund's investment universe;
- Minimum share of sustainable investment.

What are the objectives of the sustainable investments that the financial product intends to make and how do the sustainable investments made contribute to such objectives?

The sustainable investment objectives that the financial product intends to pursue include environmental or social objectives.
The investments made contribute to these objectives:
1) by selecting companies whose activities contribute in a positive or very positive manner to at least one of the 16 Sustainable Development Goals as defined by the UN ("SDGs") according to the proprietary approach developed by Groupama AM. This approach is based on data from our provider Moody's.
Companies are analysed on the basis of the positive contribution made by their activities to 16 of the 17 UN SDGs (the SDG Peace, justice and strong institutions not being applicable to companies):

- The company's contribution to an SDG is "NEUTRAL" if the turnover for the sustainable activities identified is zero;
- The company's contribution to an SDG is "POSITIVE" if the turnover for the sustainable activities identified is between 1% and 5%;
- The company's contribution to an SDG is "VERY POSITIVE" if the turnover for the sustainable activities identified is strictly greater than 5%.

2) by holding green bonds, social bonds or sustainable bonds, validated by an internal methodology based on two recognised benchmarks:

- The transparency requirements of the Green Bonds Principles, Social Bonds Principles and Sustainable Bonds Principles.
- The nomenclature of activities eligible for the Greenfin label for green bonds.

For further information on our internal methodology, please consult our ESG methodology via the following link: https://www.groupama-am.com/fra/fr/particulier/finance-durable.

How do the sustainable investments that the financial product intends to make not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments made in the portfolio ensure that they do not cause significant harm ("DNSH") to a sustainable investment objective through:

- The application of Groupama AM's ESG and exclusion policies: the list of major ESG risks, the fossil fuel policy (Coal and UFF), the controversial weapons exclusion policy. Any company appearing on one of these lists is therefore considered non-compliant with the DNSH requirement.
- The application of sector exclusions: companies operating in the alcohol, arms, gambling, tobacco or pornography sectors are considered non-compliant with the

DNSH requirement if they generate more than 5% of their turnover in these sectors.

- The inclusion of adverse impact indicators in the calculation of the issuer's ESG score.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

— *How have the indicators for adverse impacts been taken into account?*

The mandatory principal adverse impacts (hereinafter referred to as "**PAIs**") are taken into account at several levels of our sustainable investment approach: the exclusion policy, the commitment policy and the internal ESG analysis methodology.
Adverse impact indicators 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12 and 13[1] are integrated into our proprietary ESG analysis methodology. PAIs 10 and 11, which relate to violations of UN Global Compact principles and OECD guidelines and the absence of a mechanism for monitoring compliance with these principles, are taken into account through a score, the Global Compact. This score is based on an analysis of companies' controversies relating to respect for human rights, labour rights, business ethics and respect for the environment.
PAI 7 – activities negatively affecting biodiversity - sensitive areas – is assessed using a proxy for the biodiversity indicator provided by our supplier Iceberg Data Lab, to ensure consistency with the impact measures reported in our Article 29 of the Energy and Climate Law Report. This ESG reporting document is available on our website: https://www.groupama-am.com/fr/finance-durable/.
PAI 4 is taken into account in our exclusion policy and our commitment policy. PAI 14 is only taken into account in our exclusion policies. An assessment of the principal adverse impacts is carried out at Sub-Fund level and reported annually in the ESG appendix to the periodic report.
[1] Further details on PAIs can be found in the definition in Annex I to Commission Delegated Regulation (EU) 2022/1288 (Tables I, II and III).

— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Detailed description*

The proprietary ESG analysis methodology incorporates the mandatory PAIs, including 10 and 11, which relate to violations of Global Compact principles and OECD guidelines, and the absence of a mechanism for monitoring compliance with these principles. These principal adverse impacts are addressed using the Global Compact score calculated by our ESG data provider. This score is based on an analysis of companies' controversies relating to respect for human rights, labour rights, business ethics and respect for the environment.

The EU Taxonomy establishes a "do no significant harm" principle, whereby Taxonomy-aligned investments should not cause significant harm to the objectives of the EU Taxonomy, and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Does this financial product consider principal adverse impacts on sustainability factors?

X Yes.

Adverse impact indicators 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12 and 13 are integrated into our proprietary ESG analysis methodology. PAIs 10 and 11, which relate to violations of Global Compact principles and OECD guidelines, and the absence of a mechanism for monitoring compliance with these principles, are taken into account through the Global Compact. This score is based on an analysis of companies' controversies relating to respect for human rights, labour rights, business ethics and respect for the environment.

PAI 7 – activities negatively affecting biodiversity - sensitive areas – is assessed using a proxy for the biodiversity indicator provided by our supplier Iceberg Data Lab, to ensure consistency with the impact measures reported in our Article 29 of the Energy and Climate Law Report. This ESG reporting document is available on our website: https://www.groupama-am.com/fr/finance-durable/.
PAI 4 is taken into account in our exclusion policy and our commitment policy. PAI 14 is only taken into account in our exclusion policies. An assessment of the principal adverse impacts is carried out at Sub-Fund level and reported annually in the Sub-Fund's periodic report.

☐ No.

What investment strategy does this financial product follow?

The ESG approach developed by Groupama Asset Management is based on a quantitative and qualitative analysis of the environmental, social and governance practices of the securities in which it invests.

The analysis of these ESG criteria results in a score ranging from 1 to 100, based on various indicators, including:

- Environment (biodiversity, waste management, etc.).
- Social (employee training, supplier relations, etc.).
- Governance (board independence, executive remuneration policies, etc.).

The Sub-Fund implements an ESG strategy based on an improvement approach to a social indicator, the net job creation criterion.
The ESG approach developed by Groupama Asset Management is based on a quantitative and qualitative analysis of the environmental, social and governance practices of the securities in which it invests. The main limitation of this analysis lies in the quality of the available information. ESG data is not yet standardised, and Groupama Asset Management's analysis ultimately relies on qualitative and quantitative data provided by companies themselves, some of which may still be incomplete or heterogeneous. To address this limitation, Groupama Asset Management focuses its analysis on the most material aspects of the sectors and companies it evaluates.
For more detailed information on the rating methodology used in the Sub-Fund and its limitations, investors are invited to refer to the methodology document available on the website www.groupama-am.com/fr/finance-durable/.

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

In order to attain the environmental and social characteristics promoted, the investment strategy relies on the following elements:

- List of Major ESG Risks: These are companies where ESG risks could jeopardise their economic and financial viability or significantly impact their value, leading to substantial market value loss or significant downgrades by rating agencies. These values are excluded.
- Fossil fuel policy: The aim of this policy is to reduce the Sub-Fund's exposure to climate risks, both physical and transitional. To limit these risks, a list of securities is defined according to precise and regularly reviewed criteria. These securities are subject to exclusion or non-reinvestment as detailed in our fossil fuel policy.
- Controversial weapons exclusion policy: This concerns companies involved in the production, marketing or distribution of controversial weapons. These securities cannot be invested in.
- Net job creation criterion: the average score on this indicator for the Sub-Fund must be higher than that of its investment universe.
- The selection of securities in the portfolio should result in an ESG rating coverage and monitoring rate of at least 90% for "Investment Grade" securities and at least

75% for “High Yield” securities, excluding money market funds and liquidity. The portfolio will favour the selection of companies with a record of positive net job creation. These are understood as changes in net job creation.

- Minimum share of sustainable investment of 20%, in line with the definition of sustainable investment given above.

What is the minimum share of the financial product committed to reduce its scope of investment prior to the application of that investment strategy?

Not applicable

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What policy is implemented to evaluate the good governance practices of the companies in which the financial product invests?

In order to ensure that investee companies comply with good governance practices, the Sub-Fund applies an internal analysis methodology, which takes good governance criteria into account through its ESG approach.
The criteria considered are:

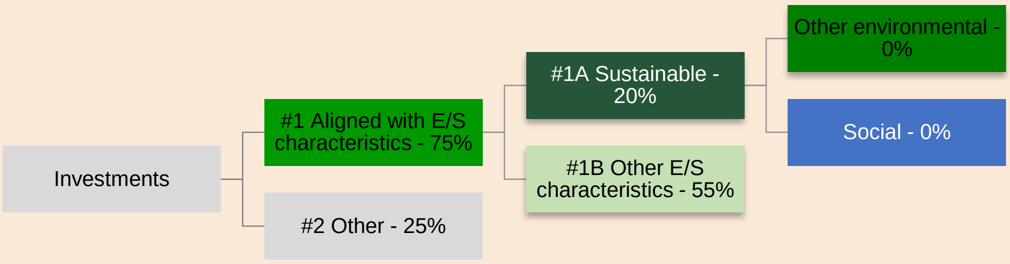
- The percentage of independent board members;
- Integration of ESG criteria in executives’ remuneration,
- The existence of a CSR committee within the board of directors,
- Anti-corruption policies and the existence of controversies,
- Responsible lobbying practices and the existence of controversies.

What asset allocation is planned for this financial product?

Within the portfolio:

Asset allocation describes the share of investments in specific assets.

- The minimum share of investments contributing to the environmental and social characteristics promoted by the Sub-Fund is 75% (#1 below), excluding money market funds and liquidity.
- The minimum share of sustainable investments is 20% (#1A below).
- The minimum share of Taxonomy-aligned investments is 0%.



Taxonomy-aligned activities are expressed as a %:
- of **turnover** reflecting the share of revenue derived from green activities of the companies in which the financial product invests;
- of **capital expenditure** (CapEx) showing the green investments made by the companies in which the financial product invests, e.g. for the transition to a green economy;
- of **operating expenditure** (OpEx) reflecting the green operational activities of companies in which the financial product invests.

#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product, which are neither aligned with the environmental or social characteristics, nor do they qualify as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- Sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives;
- Sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

How does the use of derivatives allow the environmental or social characteristics promoted by the financial product to be attained?

Not applicable

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund promotes social characteristics and is committed to making a minimum of 20% of sustainable investments. However, the Sub-Fund is not committed to making a minimum number of sustainable investments with an environmental objective aligned with the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for **fossil gas** include emission limits and a switch to renewable electricity or low-carbon fuels by the end of 2035. As far as **nuclear energy** is concerned, the criteria include comprehensive rules on nuclear safety and waste management.

Does the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy[1]?

☐ Yes,

☐ In fossil gas   In ☐ clear energy

☒ No

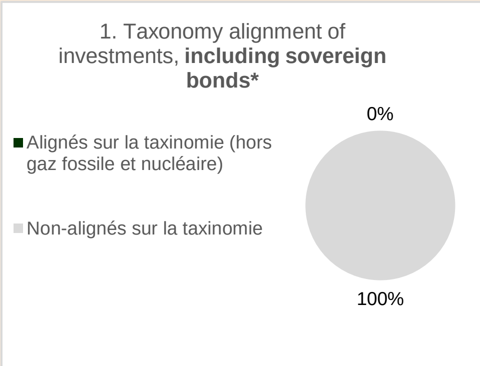
Due to the complexity of data collection and the lack of data from companies in the target markets for activities aligned with the Taxonomy, we are unable to provide this

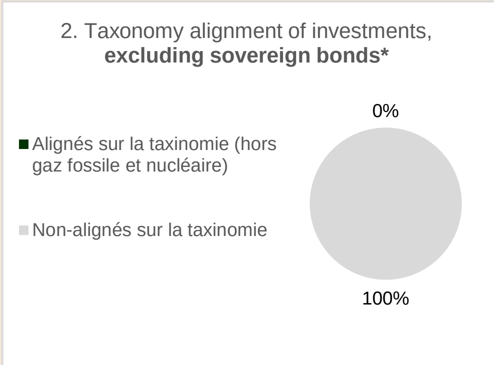
[1] Fossil gas and/or nuclear activities will only comply with the EU Taxonomy if they contribute to limiting climate change ("climate change mitigation") and do not cause significant harm to any objective of the EU Taxonomy – see explanatory note in the left margin. All of the criteria applicable to economic activities in the fossil gas and nuclear energy sectors that comply with the EU Taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

information at this time. Groupama AM does its best to collect the data needed to respond to activities aligned with the Taxonomy.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.
Transitional activities are activities for which low-carbon alternatives are not yet available and, among other things, have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy alignment of sovereign bonds*, the first graph shows Taxonomy alignment in relation to all of the investments of the financial product, including sovereign bonds, while the second graph shows Taxonomy alignment solely in relation to the investments of the financial product other than sovereign bonds.





*This graph represents up to 100% of the total investments**.*

**For the purpose of these graphs, "sovereign bonds" comprise all sovereign exposures*
***As the Sub-Fund does not make sustainable investments aligned with the EU Taxonomy, the share of sovereign bonds in the Sub-Fund's portfolio will have no impact on the share of sustainable investments aligned with the EU Taxonomy included in the graph.*

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund promotes environmental and social characteristics and is committed to achieving a minimum of 20% of sustainable investments. However, the Sub-Fund is neither committed to achieving a minimum number of sustainable investments with an environmental objective aligned with the EU Taxonomy, nor to a minimum share of investments in transitional and enabling activities.

The symbol represents sustainable investments with an environmental objective that do **not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Sub-Fund promotes environmental and social characteristics and is committed to achieving a minimum of 20% of sustainable investments. At this stage, it is difficult to identify the breakdown of the portfolio responding specifically to an environmental objective, as some of the SDGs, such as SDG 11 - Sustainable cities and communities, identify activities that contribute indiscriminately to environmental and social issues.

What is the minimum share of socially sustainable investments?

The Sub-Fund promotes environmental and social characteristics and is committed to achieving a minimum of 20% of sustainable investments. At this stage, it is difficult to identify the breakdown of the portfolio that specifically meets a social objective, as some of the SDGs, such as SDG 11 - Sustainable cities and communities, identify activities that contribute indiscriminately to environmental and social issues.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The "#2 Other" category is made up of issuers or securities that are not rated due to the lack of sufficient ESG data, but for which the fund's exclusion policies apply.
These investments are part of a portfolio diversification strategy.

This category also includes money market funds and liquidity held as ancillary liquid assets.
With the exception of SRI-labelled money market funds managed by Groupama Asset Management directly, no minimum environmental or social safeguard is implemented for investments included in category “#2 Other”.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes used to measure whether the financial product attains the environmental or social characteristics that it promotes.

The Sub-Fund has not designated a reference benchmark to determine whether it is aligned with the environmental or social characteristics it promotes.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

- **How is the alignment of the investment strategy with the index methodology ensured on a continuous basis?**

Not applicable.

- **How does the designated index differ from a relevant broad market index?**

Not applicable.

- **Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

Where can I find more product-specific information online?

More product-specific information can be found on the website:
https://www.groupama-am.com/fra/fr/particulier/products/lu1856264822