



CLIMATE TRANSPARENCY REPORT 2020

Groupama Asset Management

About the Climate-related Disclosure Indicators

Climate has been identified as a top priority for PRI signatories, with over 70% of asset owners reporting this as the most important long-term trend they are acting on.

The FSB Task Force's guidance on climate-related financial disclosure aim to create a single framework for disclosure on assessment and management of climate-related risk. The recommendations, supported by investors representing US\$22 trillion, identify four main disclosures, Governance, Strategy, Risk Management, Metrics and Targets, and include specific guidance for asset owners and managers.

As a result, the PRI introduced climate-related disclosure indicators that can be used to align with the TCFD recommendations in the 2020 PRI Reporting Framework.

About this report

This report is an export of only the climate-related indicators from the 2020 Reporting Framework response. The full Public Transparency Report is available here (<https://reporting.unpri.org/surveys/PRI-reporting-framework-2020/-258781BB-43C2-42E2-93F5-C2DD076027FB/79894dbc337a40828d895f9402aa63de/html/2/?lang=en&a=1>). It shows the responses to all the completed climate indicators, even those you chose to keep private. It is designed for your internal review or – if you wish - to share with your stakeholders.

The PRI will not publish this report on its website if you have designated your 2020 climate reporting as “private”. Otherwise, you will be able to access the Climate Transparency Report of your organisation and that of other signatories on the [PRI website](#) and on the [Data Portal](#).

To easily locate information, there is a **Recommendation index** which summarises the indicators that signatories complete and disclose. The report presents information exactly as it was reported as per signatory preference. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory are presented in this report.

TCFD Recommendations Index

Strategy and Governance - CC			TCFD Recommendation			
Indicator	Reported	Disclosure	Governance	Strategy	Risk Management	Metrics & Targets
SG 01.6 CC	✓	Public				
SG 01.7 CC	✓	Public				
SG 01.8 CC	✓	Public				
SG 01.9 CC	✓	Public				
SG 01.10 CC	✓	Public				
SG 07.5 CC	✓	Public				
SG 07.6 CC	✓	Public				
SG 07.7 CC	-	Public				
SG 07.8 CC	-	Public				
SG 13.1	✓	Public				
SG 13.2	✓	Public				
SG 13.4 CC	✓	Public				
SG 13.5 CC	✓	Public				
SG 13.6 CC	✓	Public				
SG 13.7 CC	✓	Public				
SG 13.8 CC	✓	Public				
SG 14.1	✓	Public				
SG 14.2	✓	Public				
SG 14.3	✓	Public				
SG 14.6 CC	✓	Public				
SG 14.7 CC	✓	Public				
SG 14.8 CC	✓	Public				
SG 14.9 CC	✓	Public				
SG 15.1	✓	Public				
SG 15.2	✓	Public				
SG 15.3	✓	Public				

Symbol	Status
✓	The signatory has completed this sub-indicator
-	The signatory did not complete this sub-indicator.
	This indicator is relevant to the named TCFD recommendation
Within the first column "Indicator", indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.	

ORGANISATIONAL OVERVIEW

This section provides an overview of your organisation. These characteristics are used to define your peer groups.

MAIN CHARACTERISTICS	
Name	Groupama Asset Management
Signatory Category	Fund Management - Majority
Signatory Type	Investment Manager
Size	US\$ > 50 billion AUM
Main Asset Class	Multi-Asset
Signed PRI Initiative	2006
Region	Europe
Country	France
Disclosure of Voluntary Indicators	97% from 38 Voluntary indicators

Groupama Asset Management

Reported Information

Public version

Strategy and Governance

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Investment policy

SG 01	Mandatory	Public	Core Assessed	General
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1	Indicate if you have an investment policy that covers your responsible investment approach.
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SG 01 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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SG 01.6 CC	Indicate whether your organisation has identified transition and physical climate-related risks and opportunities and factored this into the investment strategies and products, within the organisation's investment time horizon.
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Yes

Describe the identified transition and physical climate-related risks and opportunities and how they have been factored into the investment strategies/products.
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1. We assess environmental issues through our fundamental analysis. Climate related-risks and opportunities are included into our global vision and taken into account for each analyzed company. To identify, assess and manage climate-related risks and opportunities, we have an environmental analysis which has 4 pillars depending on the sectors:

- **Strategic management of environmental (including climate) issues:** identify physical risks, transition risks, opportunities related to climate change, governance on environmental issues, management risks process...
- **Change in business model:** current positioning of finished products / activities, means implemented by the company to change its business model
- **Climate:** carbon footprint, energy efficiency, internal carbon pricing, positioning the company in a 2°C scenario (new indicator in temperature)
- **Resource and externalities management:** 1/ efficiency of the production tool: energy consumption, water consumption, protection of biodiversity, 2/ externalities management: waste management, circular economy

Therefore, these environmental and climate issues are taken into account in the final recommendation if they have or will have a material impact on the company's activities and results.

2. Green bonds: an in-house "Green bonds" methodology (updated in 2019). This approach aims to assign an internal assessment to each green bond. Four criteria are analyzed: 1/ characteristics of the green bond (evaluation and selection regarding climate change, management of proceeds, etc) 2/ environmental quality of the projects 3/ ESG strategy of the company 4/ transparency

3. In 2019, setting up of an exclusion for all portfolios managed by Groupama AM (including dedicated funds and third-party mandates, unless the client instructs otherwise): progressive disinvestment of companies for which more than 30% of Revenue or Production mix is linked to coal (threshold lowered to 20% in 2020).

4. For our Asset and Liability Management:

a. For the last three years, we have been analyzing the climate change exposure of a part of our assets, ie. directly invested equity and corporate bonds in our Asset and Liability Management portfolios (ALM). We choose to focus on 7 sectors, partially because they are carbon-intensive sector and partially because they are providing solutions regarding climate change (Auto, utilities, capital goods, materials, energy, transport and food and beverage). We are classifying each year these issuers in 3 categories, based on our internal fundamental analysis. Each one of this category have an implication regarding portfolio management and investment decisions.

- Category 1: issuers favorably positioned in relation to the energy transition => Retention or strengthening of securities
- Category 2: issuers whose positioning and/or implementation of climate policies seem unconvincing in terms of coherence between objectives and means or in terms of dynamic => Issuers "under supervision": No new investment, and in case of prolonged degradation or non-progression, a progressive disinvestment will be plan.
- Category 3: issuers whose positioning penalizes the energy transition => Total disengagement is targeted.

b. Exclusions: progressive disinvestment of companies for which more than 30% of Revenue or Production mix is linked to coal, and no new investment in companies for which oil sands represents more than 15% of their reserves.

c. A targeted amount invested in Green Bonds.

No

SG 01.7 CC	Indicate whether the organisation has assessed the likelihood and impact of these climate risks?
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Yes

	Describe the associated timescales linked to these risks and opportunities.
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We integrate ESG factors into our investment analysis. Analysts identify ESG material issues across the sector and/or company. ESG material issues (including climate related-risks and opportunities) are issues which have or will have an impact on the company's financials. These issues are taken into account into our final recommendation for an outlook of 18 months. Therefore, our timescale to assess likelihood and impact is 18 months.

No

SG 01.8 CC	Indicate whether the organisation publicly supports the TCFD?
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Yes

No

SG 01.9 CC	Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.
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Yes

	Describe
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Within our ESG strategy, we intend to identify and manage all material ESG-related risks and opportunities. Climate is an integral part of our ESG approach.

Our ESG Strategy is implemented by a specific team, with its Director directly referring to Groupama AM's CEO. The implementation of ESG policies is decided and reviewed by a quarterly ESG Strategy Committee.

Under the ESG Strategy, several working groups were set up, including one whose objective was to formalize the identification of ESG related-risks and opportunities following a sector-specific approach. One of the recommendation of this working group was to undertake a review of our Environmental analysis in order to better highlight climate-related issues and align our analysis with TCFD recommendations, by identifying Climate- Governance, Strategy, Risk Management, Metrics & Targets. This review was conducted in 2018 and led to an evolution of our Environmental fundamental analysis.

In our environmental fundamental analysis, we use four KPI's to assess the transition risks :

- **The carbon footprint:** we use scope 1, scope 2, Upstream scope 3 for all sectors and we use sectorial-

related carbon footprint when relevant (gCO₂/km for the auto sector). In 2019, we changed provider of carbon footprint data. As a result, our scope has been expanded. Before we took into account scope 1, scope 2 and scope 3 first-tier suppliers. Now we take into account scope 1, scope 2 and upstream scope 3.

- **Green Share:** percentage of positive activities in the revenue of companies. It addresses only the positive side of company activities. The methodology for calculating the green share is based on European taxonomy.

- **NEC:** Net Environmental Contribution. It is based on the environmental impact of all the products and services of the company: 100% is the best product or service performance available, 0% the industry average and -100% the worst. For example, for a utility, renewable energy would have 100%, and coal -100%. By netting positive and negative contribution to the environmental transition, this indicator is given a full picture of the issuer's performance and contribution and therefore giving an indication of its ability to face transition risks.

- **Alignment of the company's strategy with a 2°C scenario (temperature):** In 2019, we integrated a new indicator on the alignment of the company's strategy with a 2°C scenario (in temperature) in our internal environmental methodology. This indicator is analyzed under the "Climate" pillar of our methodology. This indicator provides a more forward-looking view of the company's positioning in the face of the energy transition.

No

SG 1.10 CC	Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.
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- Public PRI Climate Transparency Report
- Annual financial filings
- Regular client reporting
- Member communications
- Other
- We currently do not publish TCFD disclosures

Governance and human resources

SG 07 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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SG 07.5 CC	Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.
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	Board members or trustees
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

	Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Other Chief-level staff or heads of departments

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Portfolio managers

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Investment analysts

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Dedicated responsible investment staff

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Other role, specify (1)

CSR Director

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Other role, specify (2)

Sales/Marketing

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

SG 07.6 CC

For board-level roles that have climate-related issue oversight/accountability or implementation responsibilities, indicate how these responsibilities are executed.

Within our ESG strategy, we intend to identify and manage all material ESG-related risks and opportunities. Climate is an integral part of our ESG approach.

Our ESG Strategy is implemented by a specific team in Groupama AM, with its Director directly referring to Groupama AM's CEO. The implementation of ESG policies is decided and review by a quarterly ESG Strategy Committee.

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
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SG 13.1

Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

Yes, in order to assess future ESG factors

Describe

Our approach aims to incorporate ESG in every asset class (equity, credit and sovereign bonds). ESG criteria provide a key to understanding the three transitions that are profoundly transforming today's corporate models: 1/Energy and environmental transition 2/Digital transition 3/ Demographic transition.

Yes, in order to assess future climate-related risks and opportunities

Describe

We have integrated climate-related issues into our analysis methodology for several years. We have also developed an in-house green bonds methodology, in order to enhance our investment in this asset class. We are also using a 2° scenario analysis for a part of our assets (ALM).

No, our organisation does not currently carry out scenario analysis and/or modelling

SG 13.2

Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

We do the following

- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify
- We do not consider ESG issues in strategic asset allocation

SG 13 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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SG 13.4 CC

Describe how your organisation is using scenario analysis to manage climate-related risks and opportunities, including how the analysis has been interpreted, its results, and any future plans.

- Initial assessment
- Incorporation into investment analysis

Describe

In 2019, Groupama Asset Management has implemented two parallel assessments of a part of its portfolios with regard to global warming (on our Asset and Liability Management (ALM)).

The first results of these analyzes indicate divergent conclusions on the alignment of portfolios with a 2°C trajectory. Nevertheless, the concrete application of these multiple initiatives, although heterogeneous and not stabilized, enriches the thinking of Groupama Asset Management teams, which participate in different working groups.

In addition, in 2019, we integrated a new indicator on the alignment of the company's strategy with a 2°C scenario (in temperature unit) in our internal environmental methodology. This indicator is analyzed under the "Climate" pillar of our in-house methodology. This indicator provides a more forward-looking view of the company's positioning in the face of the energy transition.

- Inform active ownership
- Other

SG 13.5
CC

Indicate who uses this analysis.

- Board members, trustees, C-level roles, Investment Committee
- Portfolio managers
- Dedicated responsible investment staff
- External managers
- Investment consultants/actuaries
- Other

SG 13.6
CC

Indicate whether your organisation has evaluated the potential impact of climate-related risks, beyond the investment time horizon, on its investment strategy.

- Yes

Describe

For the last three years, we have been analyzing the climate change exposure of a part of our assets, ie. directly invested equity and corporate bonds in our Asset and Liability Management portfolios (ALM). In 2019, we worked on applying this approach to dedicated funds.

We choose to focus on 7 sectors (vs 5 sectors in 2018), partially because they are carbo-intensive sector and partially because they are providing solutions regarding climate change (Auto, utilities, capital goods, materials, energy, transport (new) and food and beverage(new)). We are classifying each year these issuers in 3 categories:

- **Category 1:** issuers favorably positioned in relation to the energy transition
- **Category 2:** issuers whose positioning and/or implementation of climate policies seem unconvincing in terms of coherence between objectives and means or in terms of dynamic
- **Category 3:** issuers whose positioning penalizes the energy transition

This classification is made based on our internal fundamental analysis, which relies on four pillars

- **Strategic management of environmental (including climate) issues:** identify physical risks, transition risks, opportunities related to climate change, governance on environmental issues, management risks process, is the company member of the initiative Science-Based Targets?
- **Change in business model:** current positioning of finished products / activities, means implemented by the company to change its business model (% capex in low carbon activities, development of green products/services, new technologies, eco-conception, innovation, etc)
- **Climate:** carbon footprint, energy efficiency, internal carbon pricing, positioning the company in a 2°C scenario (new indicator in temperature)
- **Resource and externalities management:** 1/ efficiency of the production tool (input): energy consumption, water consumption, protection of biodiversity, 2/ externalities management (output) : waste

management, recycling, circular economy

Each one of this category have an implication regarding portfolio management and investment decisions:

- **Category 1:** Retention or strengthening of securities
- **Category 2:** issuers "under supervision". On these issuers we plan not to increase the exposure. In case of prolonged degradation or non-progression, a progressive disengagement will be plan.
- **Category 3:** total disengagement is targeted.

No

SG 13.7
CC

Indicate whether a range of climate scenarios is used.

- Analysis based on a 2°C or lower scenario
- Analysis based on an abrupt transition, consistent with the Inevitable Policy Response
- Analysis based on a 4°C or higher scenario
- No, a range is not used

SG 13.8
CC

Indicate the climate scenarios your organisation uses.

Provider	Scenario used
IEA	<input checked="" type="checkbox"/> Beyond 2 Degrees Scenario (B2DS)
IEA	<input checked="" type="checkbox"/> Energy Technology Perspectives (ETP) 2 Degrees scenario
IEA	<input checked="" type="checkbox"/> Sustainable Development Scenario (SDS)
IEA	<input checked="" type="checkbox"/> New Policy Scenario (NPS)
IEA	<input checked="" type="checkbox"/> Current Policy Scenario (CPS)
IRENA	<input type="checkbox"/> RE Map
Greenpeace	<input type="checkbox"/> Advanced Energy [R]evolution
Institute for Sustainable Development	<input type="checkbox"/> Deep Decarbonisation Pathway Project (DDPP)
Bloomberg	<input type="checkbox"/> BNEF reference scenario
IPCC	<input type="checkbox"/> Representative Concentration Pathway (RCP) 8.5
IPCC	<input type="checkbox"/> RPC 6
IPCC	<input type="checkbox"/> RPC 4.5
IPCC	<input type="checkbox"/> RPC 2.6
Other	<input type="checkbox"/> Other (1)
Other	<input type="checkbox"/> Other (2)
Other	<input type="checkbox"/> Other (3)

SG 14	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1
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SG 14.1 Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)

other description (1)

Inequality

Other, specify(2)

other description (2)

urbanization

None of the above

SG 14.2 Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments

Specify the AUM invested in low carbon and climate resilient portfolios, funds, strategies or asset classes.

	trillions	billions	millions	thousands	hundreds
Total AUM		1	020	000	000
Currency	EUR				
Assets in USD		1	124	347	323

Specify the framework or taxonomy used.

We have 711 million euro of assets under management invested in Green Bonds. We invest in Green Bonds following our internal methodology (updated in 2019). Four criteria are analysed: 1/ characteristics of the green bond (evaluation and selection process, management of proceeds, etc) 2/ environmental quality of the projects 3/ ESG strategy of the company 4/ transparency

- Phase out your investments in your fossil fuel holdings
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify
- None of the above

SG 14.3	Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.
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- Scenario analysis
- Disclosures on emissions risks to clients/trustees/management/beneficiaries
- Climate-related targets
- Encouraging internal and/or external portfolio managers to monitor emissions risks
- Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- Weighted average carbon intensity
- Carbon footprint (scope 1 and 2)
- Portfolio carbon footprint
- Total carbon emissions
- Carbon intensity
- Exposure to carbon-related assets
- Other emissions metrics
- Other, specify

	other description
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- Two metrics: Green share and NEC (Net Environmental Contribution)
- None of the above

SG 14 CC	Voluntary	Public	General
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SG 14.6 CC	Provide further details on the key metric(s) used to assess climate-related risks and opportunities.
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Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology
Climate-related targets	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	When analysing a company, we are taking into account their climate-related target	Depends on the company	Depends on the company
Weighted average carbon intensity	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	Metrics used to assess climate related risks and opportunities in our internal analysis For our SRI/thematic/impact portfolios, this indicator has to be lower than the benchmark	tons CO2e/EUR million of revenue	Carbon intensity of each constituents weighted at the portfolio level
Carbon footprint (scope 1 and 2)	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	Metrics used to assess climate related risks and opportunities in our internal analysis	tons CO2e/EUR million of revenue	data from Beyond-Ratings
Portfolio carbon footprint	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	For our SRI/thematic/impact portfolios, this indicator has to be lower than the benchmark	tons CO2e/EUR million of revenue	Carbon intensity of each constituents weighted at the portfolio level
Total carbon emissions	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	Metrics used to assess climate related risks and opportunities in our internal analysis	tons CO2e	data from Beyond-Ratings
Carbon intensity	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	must be lower than the benchmark	tons CO2e/EUR million of revenue	data from Beyond-Ratings

SG 14.7
CC

Describe in further detail the key targets.

Targettype	Baseline year	Target year	Description	Attachments
<input type="checkbox"/> Absolute target <input checked="" type="checkbox"/> Intensity target	Monthly		The carbon intensity of the portfolio level has to be lower than the benchmark's	File 1:CDTECD-VF-Mise-en-forme_2019.pdf
<input type="checkbox"/> Absolute target <input checked="" type="checkbox"/> Intensity target	Monthly		The carbon intensity of the portfolio level has to be lower than the benchmark's	File 1:CDTCreditEuroSR-VF-Mise-en-forme_2019.pdf
<input type="checkbox"/> Absolute target <input checked="" type="checkbox"/> Intensity target	Monthly		The carbon intensity of the portfolio level has to be lower than the benchmark's	File 1:FR0010294991.pdf
<input type="checkbox"/> Absolute target <input checked="" type="checkbox"/> Intensity target	Monthly		The carbon intensity of the portfolio level has to be lower than the benchmark's	File 1:CDTFG-VF_Mise-en-forme.pdf
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				

**SG 14.8
CC**

Indicate whether climate-related risks are integrated into overall risk management and explain the risk management processes used for identifying, assessing and managing climate-related risks.

- ⦿ Processes for climate-related risks are integrated into overall risk management

Please describe

We have put in place a new environmental analysis to better highlight climate-related issues and align our analysis with TCFD recommendations.

We have a fundamental analysis of environmental issues. Climate related-risks and opportunities are included into our global vision and taken into account for each analyzed company. Investment analysts have a responsibility to integrate environmental issues into their analysis and a distinction should be made between an issuer's environmental policy analysis and environmental thematic analysis.

To identify, assess and manage climate-related risks and opportunities, we have an environmental analysis which has 4 pillars depending on the sectors:

- **Strategic management of environmental (including climate) issues:** identify physical risks, transition risks, opportunities related to climate change, governance on environmental issues, management risks process, is the company member of the initiative Science-Based Targets?
- **Change in business model:** current positioning of finished products / activities, means implemented by the company to change its business model (% capex in low carbon activities, development of green products/services, new technologies, eco-conception, innovation, etc)
- **Climate:** carbon footprint, energy efficiency, internal carbon pricing, positioning the company in a 2°C scenario (new indicator in temperature)
- **Resource and externalities management:** 1/ efficiency of the production tool (input): energy consumption, water consumption, protection of biodiversity, 2/ externalities management (output): waste management, recycling, circular economy

In this environmental fundamental analysis, we use four KPI's to assess the transition risks :

- **The carbon footprint:** we use scope 1, scope 2, Upstream scope 3 for all sectors and we use sectorial-related carbon footprint when relevant (gCO2/km for the auto sector). In 2019, we changed provider of carbon footprint data. As a result, our scope has been expanded.
- **Green Share:** percentage of positive activities in the revenue of companies. It addresses only the positive side of company activities. The methodology for calculating the green share is based on European taxonomy.
- **NEC:** (Net Environmental Contribution). It is based on the environmental impact of all the products and services of the company: 100% is the best product or service performance available, 0% the industry average and -100% the worst. For example, for a utility, renewable energy would have 100%, and coal -100%. By netting positive and negative contribution to the environmental transition, this indicator is given a full picture of the issuer's performance and contribution and therefore giving an indication of its ability to face transition risks.
- **Alignment of the company's strategy with a 2°C scenario** (temperature): In 2019, we integrated a new indicator on the alignment of the company's strategy with a 2°C scenario (in temperature) in our internal environmental methodology. This indicator is analyzed under the "Climate" pillar of our methodology. This indicator provides a more forward-looking view of the company's positioning in the face of the energy transition.

Therefore, these environmental and climate issues are taken into account in the final recommendation if they have or will have a material impact on the company's activities and results.

- Processes for climate-related risks are not integrated into overall risk management

SG 14.9 CC	Indicate whether your organisation, and/or external investment manager or service providers acting on your behalf, undertake active ownership activities to encourage TCFD adoption.
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- Yes

Please describe

Groupama AM participated in an initiative set up by AFG (French Asset Management Association), MEDEF (the French Business Confederation) and FFA (French Federation of Insurance) bringing together issuers and investors in order to define a communication framework on corporate climate strategy and related indicators. We relied on the TCFD recommendations to set this reporting framework and extract the essential information expected.

Groupama AM also participated in two working Group inside the initiative Finance for Tomorrow :

- Workshop on Climate risks for investors : aiming to analyse how, as investors, we are analysing physical and transition risks, which tool are we using and rely on and their limits.
- Workshop on Professional Training : aiming to define a list of ESG and climate "knowledge" that each member of a financial institution needs to acquire.

- No, we do not undertake active ownership activities.
- No, we do not undertake active ownership activities to encourage TCFD adoption.

SG 15	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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SG 15.1	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.
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- Yes

SG 15.2	Indicate the percentage of your total AUM invested in environmental and social themed areas.
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0.1	%
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SG 15.3

Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.

Area

- Energy efficiency / Clean technology

Asset class invested

- Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

8

- Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

41

- Fixed income - Corporate (financial)

Percentage of AUM (+/-5%) per asset class invested in the area

27

- Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

24

- Fixed income - Securitised

- Cash

Brief description and measures of investment

One of our main investment strategy consists in selecting world leaders companies in alternative energy sectors: for example wind or bio mass energy.

Our choices are guided by the connection of the issuers' strategies with the SDGs related to those issues.

We diversify out of the core energy sector among the equipment manufacturers : we choose the companies that deliver products in capacity to improve their environmental print.

- Renewable energy

Asset class invested

- Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

2

- Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

47

- Fixed income - Corporate (financial)

Percentage of AUM (+/-5%) per asset class invested in the area

28

- Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

22

- Fixed income - Securitised

- Cash

Brief description and measures of investment

One of our main investment strategy consists in investing in world leaders companies of waste treatment.

Our choices are guided by the connection of the issuers' strategies with the SDGs related to those issues.

At the same time, in order to finance durable infrastructures we are focused on supra national issuers that finance many climate actions.

- Green buildings

Asset class invested

- Listed equity

- Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

51

- Fixed income - Corporate (financial)

Percentage of AUM (+/-5%) per asset class invested in the area

40

- Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

9

- Fixed income - Securitised

- Cash

Brief description and measures of investment

Our main strategy consists in investing in green bonds of sovereign issuers that finance infrastructure works throughout the world.

Our choices are guided by the connection of the issuers' strategies with the SDGs related to those issues.

We diversify in investing in corporate bonds market : we are specially interested in investing in issuers working in construction and renovation of green buildings.

Sustainable forestry

Asset class invested

- Listed equity
- Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

77

- Fixed income - Corporate (financial)

Percentage of AUM (+/-5%) per asset class invested in the area

23

- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Cash

Brief description and measures of investment

We support sovereign issuers that finance their struggle to avoid deforestation in their countries.

Our choices are guided by the connection of the issuers' strategies with the SDGs related to those issues.

This is particularly the case in latin America and this is the reason why we invest in such bonds issued by some south american states.

- Sustainable agriculture
- Microfinance
- SME financing
- Social enterprise / community investing
- Affordable housing
- Education
- Global health

Asset class invested

- Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

17

- Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

13

- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

70

- Fixed income - Securitised
- Cash

Brief description and measures of investment

Among the many healthcare companies of the sector we support particularly the laboratories involved in the struggle of infectious diseases or those involved in the manufacturing of specialized products , for example pharmaceutical diagnostics or reagents.

Our choices are guided by the connection of the issuers' strategies with the SDGs related to those issues.

- Water
- Other area, specify
durable consumption

Asset class invested

- Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

45

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

55

- Fixed income - Securitised
- Cash

Brief description and measures of investment

The main sector where we invest is the food industry's sector. We support companies of food industry's sector particularly focused on environmental issues.

Our choices are guided by the connection of the issuers' strategies with the SDGs related to those issues.

To diversify the investments we are not only focused on this specific sector : for example we select companies related to this sector but specialized in the recycling packaging food industry business.

No