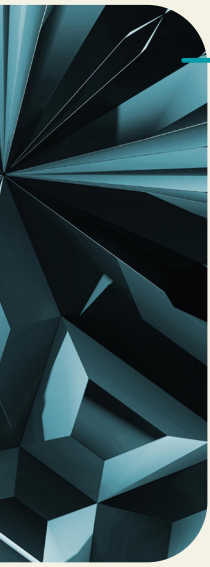
STEWARDSHIP
REPORT

LA FRANÇAISE
Crédit Mutuel Alliance Fédérale

Crédit Mutuel
Asset Management

2024



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Foreword

Long-term value creation requires more than financial performance—it demands responsible stewardship. At GLF (Groupe La Francaise), stewardship remains a cornerstone of our commitment to responsible investment. As a signatory to the Principles for Responsible Investment (PRI), we are committed to integrating environmental, social, and governance (ESG) factors into our investment decisions, engaging actively with stakeholders, and promoting sustainable financial markets. We recognize our fiduciary duty to act in the best long-term interests of our clients, beneficiaries, and the broader society. Our stewardship efforts aim to create long-term value for our clients while addressing critical environmental, social, and governance (ESG) challenges.

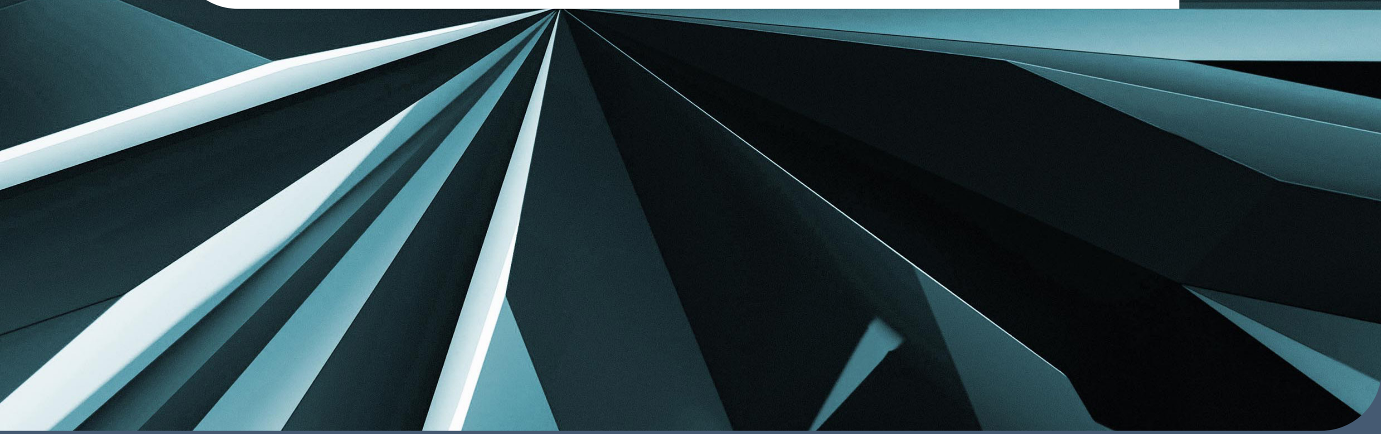
As the financial landscape evolves, so do our responsibilities as active owners. During 2024, we consolidated our stewardship activities to meet growing stakeholder expectations and regulatory developments, as well as the assimilation of stewardship practices of two leading French names – La Francaise Asset Management (LFAM) and Credit Mutuel Asset Management (CMAM). This report outlines our evolved approach to stewardship, highlighting how we aim to exercise our responsibilities as investors to protect and enhance the value of our clients' assets, going forward. It also details our engagement activities, voting practices, and collaborative initiatives over the past year, demonstrating our commitment to transparency, accountability, and sustainable growth.

In 2024, we continued to strengthen our position as active owners by integrating stewardship into every aspect of our investment approach. Guided by PRI principles, we focused on engaging with investee companies, exercising voting rights, and collaborating with stakeholders to promote sustainable outcomes. Our thematic stewardship strategy prioritizes four key pillars: climate change, natural capital, social capital, and governance. These pillars guide our efforts to mitigate environmental impacts, foster equitable opportunities, and uphold transparency and accountability in corporate practices.

We invite you to explore this report and learn more about how we leverage stewardship to deliver long-term financial and societal benefits.

Building *Sustainable Value* Through Responsible Investment

Stewardship: Our Commitment to Responsible Investment



LA FRANÇAISE
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Stewardship: Our Commitment to Responsible Investment

The preamble to the PRI (Principles of Responsible Investment) starts with – 'as institutional investors, we have a duty to act in the best long-term interests of our beneficiaries'. As a sustainability-focused asset manager and a partner to our clients and to our investee companies, we strive to be active owners – stewards – to the long-term goal of creating a resilient, sustainable future for ourselves and for others. In 2024, we continued to build on the strong foundation established in previous years, guided by the PRI principles and our four thematic pillars: Climate Change, Natural Capital, Social Capital, and Governance.

Stewardship is a cornerstone of our investment philosophy and a key driver of long-term value creation for our clients. As a leading French asset manager, we recognize the profound responsibility that comes with managing our clients' assets and the impact our decisions can have on the broader economy, society, and environment.

2024 was also the year when the two main asset management arms of the group (Groupe La Francaise – GLF), Credit Mutuel Asset Management (ex-CMAM) and La Francaise Asset Management (ex-LFAM) came together in the merger that has led to the formation of the new CMAM (referred as CMAM through the rest of the document). The report refers to the joint efforts of the two entities – combined, post-merger and separately, pre-merger.

WHY STEWARDSHIP MATTERS TO US

Our Stewardship approach is rooted in a commitment to delivering long-term value for our clients while promoting sustainable and responsible investment practices. By acting as responsible stewards, we strengthen the trust our clients place in us, recognizing that trust is the foundation of our relationships and long-term success. Stewardship also plays a crucial role in identifying and mitigating risks, supporting better risk-adjusted returns, and safeguarding client investments over time. Beyond financial outcomes, we use our influence to drive positive change within the companies we invest in, contributing to a more sustainable and equitable world while upholding the integrity and efficiency of financial markets.

Our approach is built on key investment principles that shape our engagement with companies and the broader market. ESG integration is central to our process, ensuring that environmental, social, and governance factors are systematically considered across all asset classes to manage risks and identify opportunities. We take a long-term perspective, prioritizing sustainable value creation over short-term market fluctuations to build resilient financial and societal outcomes. Active ownership is a cornerstone of our philosophy, as we engage with companies, exercising our voice and voting rights to influence corporate behavior and promote best practices. Transparency remains fundamental, with a strong commitment to clear, consistent, and meaningful reporting on our stewardship activities and their impact. Recognizing the power of collective action, we collaborate with industry peers and global initiatives to strengthen responsible investment practices and drive meaningful change. These guiding principles reinforce our commitment to both strong investment performance and broader societal impact.

2025 has proven, so far, to be a challenging year regarding sustainability leadership and accountability given the ESG backlash in the United States, the mounting credibility debate around sustainable legislation and the recent European omnibus proposal that reduced the European sustainable ambitions. In that context, our group remains committed to our sustainability commitments and will continue to engage with issuers all through the year to advocate for more transparency and adoption of good sustainability practices despite the regulatory or political headwinds.

GOVERNANCE AND IMPLEMENTATION

The stewardship governance process and systems are designed to ensure effective oversight and implementation of sustainable investment practices. The Stewardship Committee plays a central role in this structure, operating as a cross-functional decision-making body that addresses policy frameworks, methodological choices, and strategic initiatives related to stewardship activities. It ensures that voting, engagement, and exclusion policies are aligned with the firm's sustainable investment framework.

The committee includes representatives from various departments, including ESG analysts, portfolio managers, investment directors, internal control teams, data teams, and sustainable investment specialists. This diverse composition ensures a comprehensive approach to stewardship that integrates multiple perspectives and areas of expertise. Meetings of the Stewardship Committee are held at least quarterly and are chaired by the Head of Stewardship. The committee's activities are overseen by senior leadership, including the Head of Sustainable Investments, Head of Risk and Compliance, the Chief Investment Officer and the Chief Executive Officer for the asset management arm, ensuring alignment with our broader strategic objectives. Voting rights to key stewardship decisions, such as validation of controversies, development of key policies/ processes, or resolution of discrepancies in recommendations related to implementation of those policies, reside with the CEO, CIO, Head of Risk and Group head of Sustainability, also referred to as the 'Voting Members of the Stewardship Committee'.

KEY POLICY DOCUMENTS

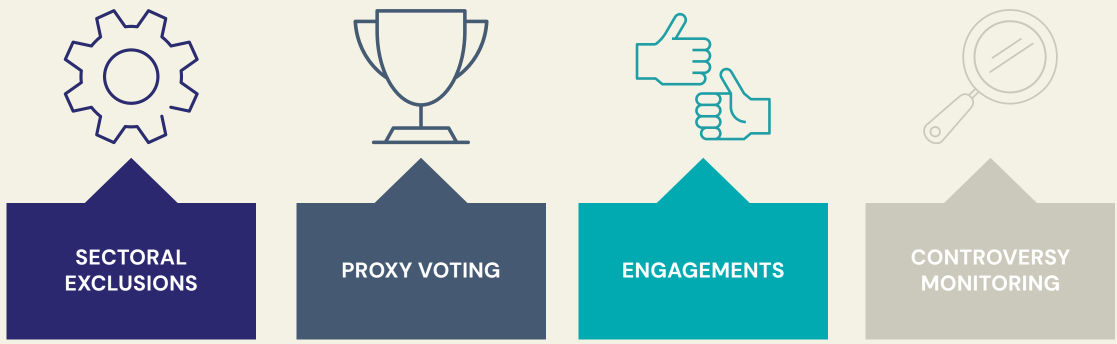
Detailed policy documents have been published for 2025 outlining our updated approach to voting, exclusions, and engagements:

- **Voting Policy:** It emphasizes corporate governance best practices, climate action, and shareholder rights. It is particularly stringent for high-carbon sectors in 2025.
- **Engagement Policy:** This policy outlines our process for active engagement with companies to promote sustainable practices. It includes steps like issue identification, formalization of objectives, active dialogue, and progress tracking.
- **Exclusions Policy:** Our group applies strict exclusion criteria for sectors like coal and other high-risk industries based on environmental and social impact thresholds. Our regular controversy screening process ensures all severe and very severe controversies are fundamentally analysed and highrisk names are excluded or watched closely to avoid unexpected volatility in our portfolios.

OUR STEWARDSHIP TOOLKIT

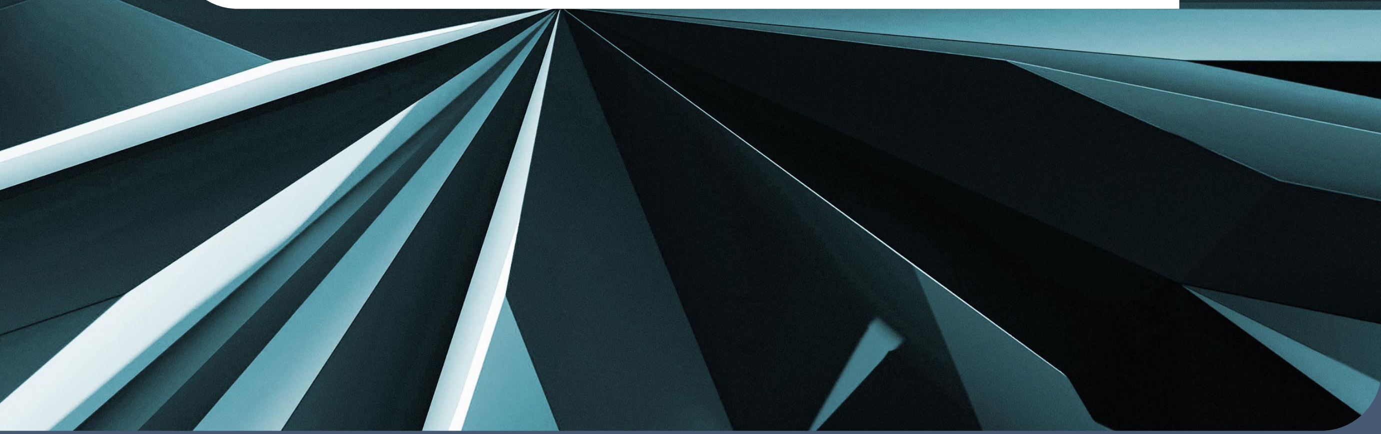
Our stewardship approach is rooted in engagements, through meetings, letters, and collaborative initiatives, proxy voting, controversy monitoring, and sectoral exclusions, ensuring a consistent and effective voice across the entire process of investment decision- making. To effectively implement our stewardship principles, we employ a range of tools and practices:

- **Engagement:** We perform both company and system-based engagements to influence positive outcomes on topics we care about across the entire eco-system.
- **Voting:** We exercise our voting rights diligently, guided by our comprehensive voting policy that emphasizes good governance and sustainability.
- **Controversy Monitoring:** We track significant controversies across our asset management business, on a regular basis and implement our analytical results through a well-established governance system – the Stewardship Committee
- **Sectoral Exclusions:** Our group exclusion policy ensures that we can exclude businesses and companies that we deem non-investible because of their involvement in controversial or harmful activities.



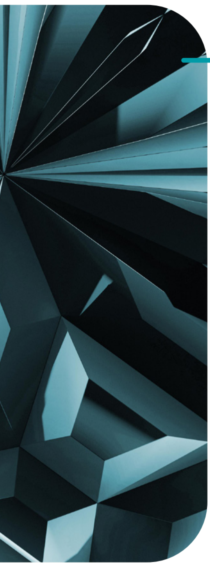
By leveraging these principles and tools, we aim to be exemplary stewards of our clients' capital. We believe that our approach not only serves our clients' best interests but also contributes to building a more sustainable and resilient financial system. **As we navigate the complex challenges of today's investment landscape, our commitment to responsible stewardship remains unwavering, guiding us towards a future where financial returns and positive impact go hand in hand.**

Key Highlights
for 2024



FIRST YEAR FOR THE MERGED ENTITY

- **2024 was the year of transition** – the two legacy teams merged formally as of May 2024.
- **Policy and process documents were finalized** and published for the merged entity – CMAM – on engagements, voting and exclusions, including both sectoral and controversy-based exclusions.
- **The new Stewardship Committee of the group was formed,** with 4 Voting members with final decision-making authority on all stewardship-related activities for all asset management entities.



SIGNIFICANT ENGAGEMENT ACTIVITIES

- **In 2024, we conducted around 125 overall engagements with companies.** These included 34 dialogues, 26 direct engagements and 65 collaborative engagements with 104 unique companies across various geographies and sectors and on various topics and themes.
- Our 4-pillared thematic focus led to **targeted engagements on decarbonization strategies, biodiversity preservation, and various social and governance challenges** across our investee organizations.
- Social Capital topics like health, human rights and workforce disclosures led our thematic focus, with climate change following behind. But **Natural Capital and governance topics gained traction.**

ACTIVE OWNERSHIP THROUGH VOTING

- Our voting activities in 2024 saw **increased participation in shareholder meetings,** particularly on «Say-on-Climate» resolutions.
- Overall our **participation to General Meetings has peaked above 95%**
- **We updated our voting policy for 2025** to align with new regulatory standards and stakeholder expectations, ensuring that it reflects best market practices. Parts of our voting policy to be enhanced by engagement campaigns.

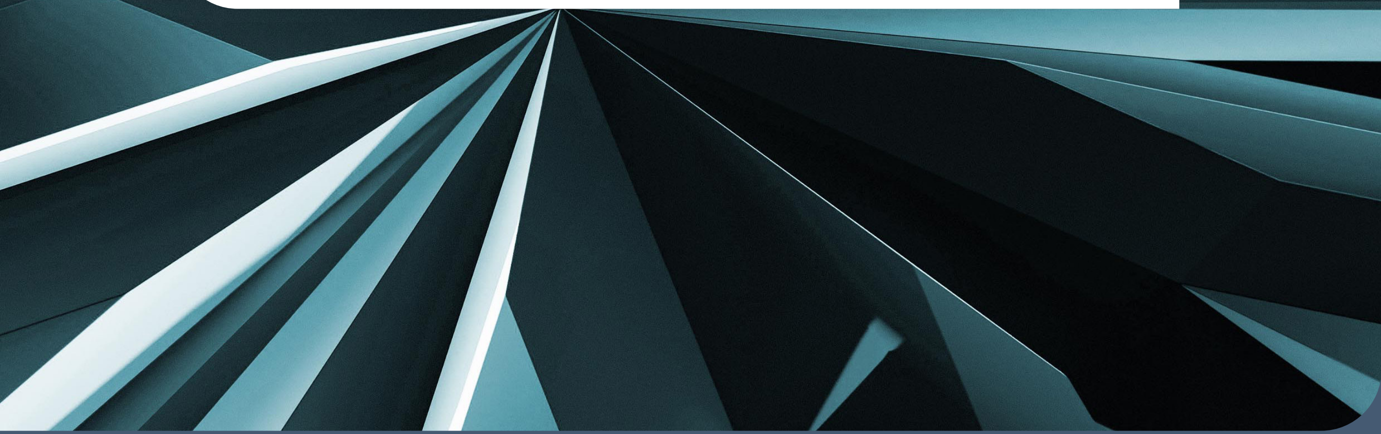
INDUSTRY ASSOCIATIONS AND POLICY ADVOCACY

- **We co-signed several policy-level initiatives** advocating for stronger ESG disclosures and regulations across Europe and on global level.
- **We enhanced our industry associations** with active participation with French SIF (FIR)'s social taxonomy guides, Finance for Biodiversity's target setting guidance and new associations within IIGCC across diversified climate topics.
- **We actively participated in consultations related to the UN Plastics Treaty** through our association with the Business Coalition for the Global Plastics Treaty.

STEWARDSHIP COMMITTEE ACTIVITIES

- **The Stewardship Committee met six times in 2024,** reflecting its growing role in overseeing all stewardship-related decisions.
- Voting members of the Stewardship Committee ensured **effective decision making across the organization.**

Thematic Approach

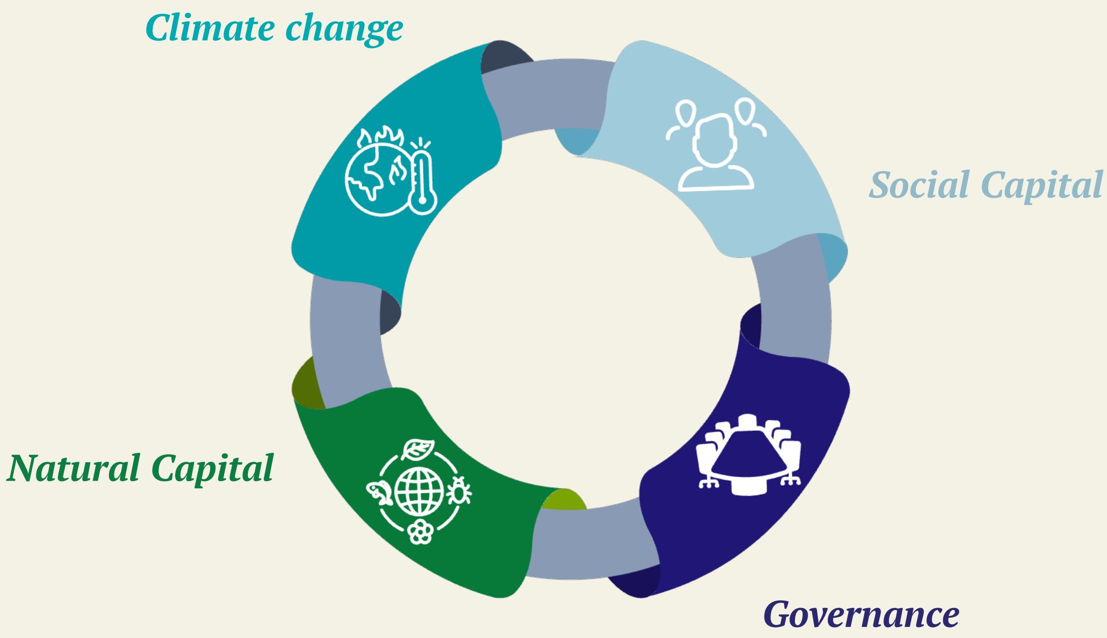


Thematic Approach

Our Stewardship activities follow a thematic approach, ensuring alignment with our sustainable investment priorities and focusing on the most material issues for our portfolios.

2024 was a pivotal year for us as we focused on merging our legacy stewardship activities and policies. As per our updated and integrated policies for voting, engagement and exclusions, **all our Stewardship activities** (as covered by the Stewardship Committee) **are, and will be, organized under four thematic pillars** as described below – Climate Change, Natural Capital, Social Capital and Governance.

The following pages provide insights into how our stewardship strategy and activities have aligned with our thematic priorities in 2024 and continue to do in 2025.

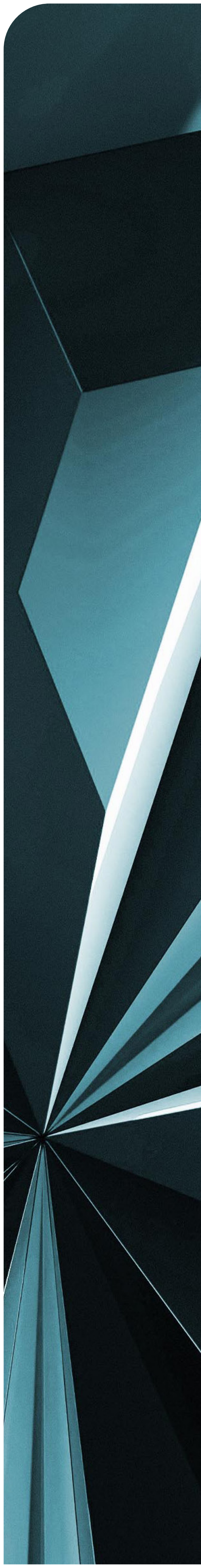


CLIMATE CHANGE

Our group recognises the urgency of global warming and embeds a systemic, forward-looking perspective into its analysis, voting, and engagement efforts. 2024 was a defining year for climate action, albeit marked by intensifying challenges. The year is now confirmed as the hottest on record, with global temperatures breaching the 1.5°C threshold above pre-industrial levels for the first time over a full year. Europe, particularly Greece, faced its longest-lasting heatwave on record, resulting in widespread wildfires and fatalities. Meanwhile, Antarctica experienced an alarming mid-winter heatwave, with temperatures soaring up to 28°C above average, further accelerating ice melt and contributing to rising sea levels. The compounding effects of these climate extremes also took a heavy toll on agriculture, with France suffering a 30-40% reduction in winter crop yields due to excessive rainfall, while Brazil and the U.S. grappled with prolonged droughts. As these crises unfolded, it became increasingly clear that climate change is not a distant threat but an urgent reality reshaping ecosystems, economies, and livelihoods. Natural disasters caused global losses of US$320bn in 2024, up from $268bn in 2023, of which around US$ 140bn were insured, making it the third most expensive year for insurers on record, according to reinsurer MunichRe – all the while the election of President Trump and the subsequent U.S. withdrawal from the Paris Agreement started reshaping the geopolitical landscape on the other, raising concerns about the momentum of global climate cooperation.

To reflect our climate-related convictions we worked to update our exclusion Policy on the energy sector. It now prohibits us from investing in any company which does not meet at least one of the following criteria, unless they have a credible, quantified and verifiable plan to exit coal by 2030: (i) an annual coal production <10 million tonnes; (ii) a coal-fired power generation capacity <5 GW; (iii) coal as a percentage of sales <10%; (iv) coal's share of the energy production mix <10%; (v) no deployment of new capacity. In addition, we have developed a "strict" approach and an "alternative" approach to investing in O&G companies: our "strict" approach consists of excluding issuers which either develop new conventional or unconventional hydrocarbon exploration and extraction projects, as well as those of which >20% of total hydrocarbon production comes from unconventional exploitation. Our "alternative" approach allows investing in companies proactively transitioning their business models: it authorizes the raising of the unconventional O&G production threshold to 30% if issuers have a credible transition.

Climate change is also an imperative that we consider in our stewardship initiatives – in 2024, we engaged with 14 companies on this topic directly and collaboratively (more on this under the "Collaborative Engagements" of this report).



NATURAL CAPITAL

When it comes to our approach on Natural Capital, we acknowledge the interconnectedness of Nature and Climate and all our analysis, voting and engagement efforts take environment-as-a-whole approach. 2024 was a year of stepping forward on biodiversity and nature with COP16 convening in Cali in October/November 2024. Branded as the 'implementation COP', the conference marked an intensification of commitments to protect ecosystems, recognize the rights of Indigenous people, and channel financial support to the most biodiverse countries. There were several other industry announcements during the year, including the launch TNFD adopters which has surpassed 600 names till date, the launch of the International Advisory Panel on Biodiversity Credits (IAPB) framework, and Nature Action 100 bumped into action during its first full year of implementation which led to the release of the first corporate benchmark assessment around COP16. Our views on the outcomes of COP16 can be found here.

Recognizing the urgency of biodiversity loss and resource depletion, we prioritize the preservation and enhancement of Natural Capital by addressing deforestation, water security, pollution, and advancing circular economy principles to reduce waste and improve resource efficiency. During 2024, we were involved in multiple collaborative engagements on the theme. We are members of Nature Action 100, engaging actively with 3 companies – L'Oreal, Lowe's Company and Ajinomoto alongside other investors. In early 2024, we also joined the Nature Action 100 Technical Advisory Group, on behalf of the Finance for Biodiversity foundation. We remain active members of the foundation and were co-contributors to the release of the first Nature Target Setting Framework for Asset Managers and Asset Owners. Additionally, we joined the Pesticides Working Group with ShareAction focusing on engaging with Bayer. Bayer is excluded from our funds based on its involvement in severe controversies related to pesticides and we aim to use our engagement to influence the company to evolve its practices with a better outcome for environment. We also continued our engagements with chemical companies on their exposure to PFAS with IIHC from last year. We intend to continue with these engagements during 2025.

For 2025, Groupe La Francaise has introduced a new exclusion policy related to deforestation, wherein we have decided to exclude 17 companies with severe controversies related to deforestation across all entities of the group. We have also introduced for 2025, a voting policy element with respect to companies in 4 priority GICS sectors with a high materiality to Land Use Change – Consumer Staples, Consumer Discretionary, Utilities and Materials. We expect companies in these sectors to have a zero-deforestation policy or an effective land management policy to address their negative impacts. In the absence of an effective policy, we have sent a letter inviting them to engage on the topic – if even after the engagement, the research team is not satisfied with the company's response to their exposure and impact on land use, we intend to vote against the financial accounts of the concerned company at the upcoming AGM . It has been very encouraging to see a lot of companies taking up the opportunity to engage and being very transparent about their plans and challenges. We will report on the progress of the campaign in our next stewardship report.

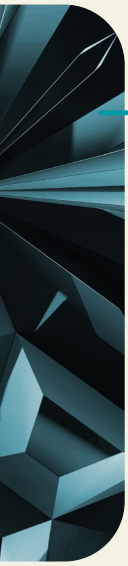
SOCIAL CAPITAL

Social sustainability is a critical pillar for global economic growth and achieving sustainable development but faces mounting pressures that could hinder progress in addressing shared challenges like biodiversity loss and climate change. Our focus on Social Capital reflects our dedication to fostering inclusive communities and equitable workplace opportunities, with particular attention to health and well-being, diversity and inclusion, and fair labor practices. Throughout 2024, we expanded our approach on social capital to address common social challenges like diversity & inclusion, human rights, workforce, and public health, navigating a year marked by significant controversies on labour rights and other workforce and social issues globally.

During 2024, we aimed to promote sustainable practices on various social issues through dialogues, collaborative and direct engagements and influenced public policy developments on human rights and human capital issues through our work with PRI Advance on Human Rights, FIR (Forum pour l'Investissement Responsable) on Social Taxonomy in EU, WDI (Workforce Disclosure Initiative) on Human Capital disclosures, and others. We have been active supporters of inclusivity in the workplace through initiatives like the 30% Investors Club and our commitment to diversity through our voting policy. Our custom policy votes against male directors (except CEO) if the Board has less than 40% women. We actively participated in ShareAction-led Long-term Investors in People's Health (LIPH) initiative aimed at improving public health through engagements with foods manufacturers and retailers. With LIPH, after a year of intense yet unsatisfactory management meetings with Nestle on their healthier products portfolio targets, we have co-filed a shareholder resolution during their 2024 AGM. Our aim is to encourage the company management to set quantitative targets on growing the healthier part of their portfolio as a percentage, to skew their offerings towards the healthier side. We have been active members of PRI Advance, leading on 1 and supporting 2 company engagements on human rights issues in the renewables and mining supply chain. We touched upon several topic this year including Indigenous peoples' rights and diversity & inclusion in supply chain.

For 2025, we aim to continue our work on the social capital pillar through our collaborative and direct engagements. We continue to be active members of the Labor Rights Investor Network to better understand and contribute to the development of investors' understanding of common labor rights issues, developments, regulations, and controversies along with collaboratively push the needle. We aim to continue our engagement campaign with WDI and our company engagements with 30% Investor Club and PRI Advance. We have also joined the Just Transition working group of the IIGCC for 2025.

For 2025,
we aim to continue our work on
the social capital pillar



GOVERNANCE

Our commitment to strong Governance underscores the importance of transparency, accountability, and ethical leadership. We engage on key governance matters, including robust corporate governance structures, responsible remuneration practices, board diversity, and shareholder rights, ensuring that companies operate with integrity and long-term value creation in mind.

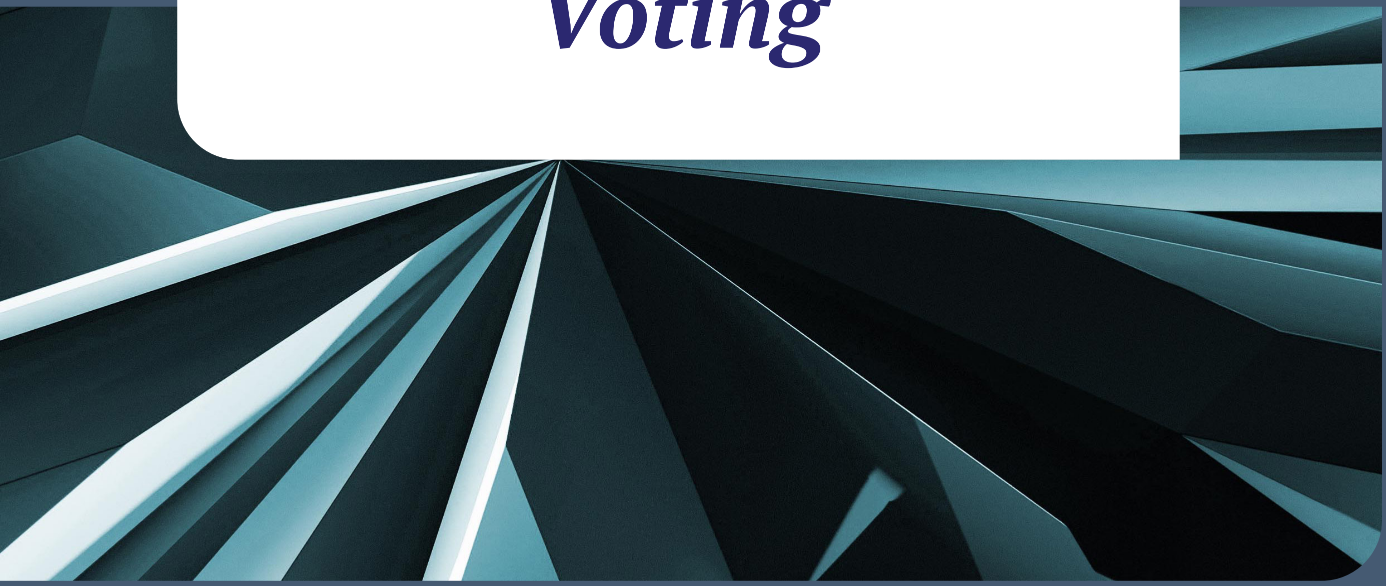
Governance, which refers to corporate governance standards but also to transparency, accountability and sustainable leadership, **is one of the fundamental tenets of companies' healthy management and plays a crucial role in their operational long-term stability.** Moreover, the three themes previously mentioned (climate change, natural capital and social capital) cannot be managed efficiently without appropriate boards and management teams' quality , commitment, transparency and oversight.

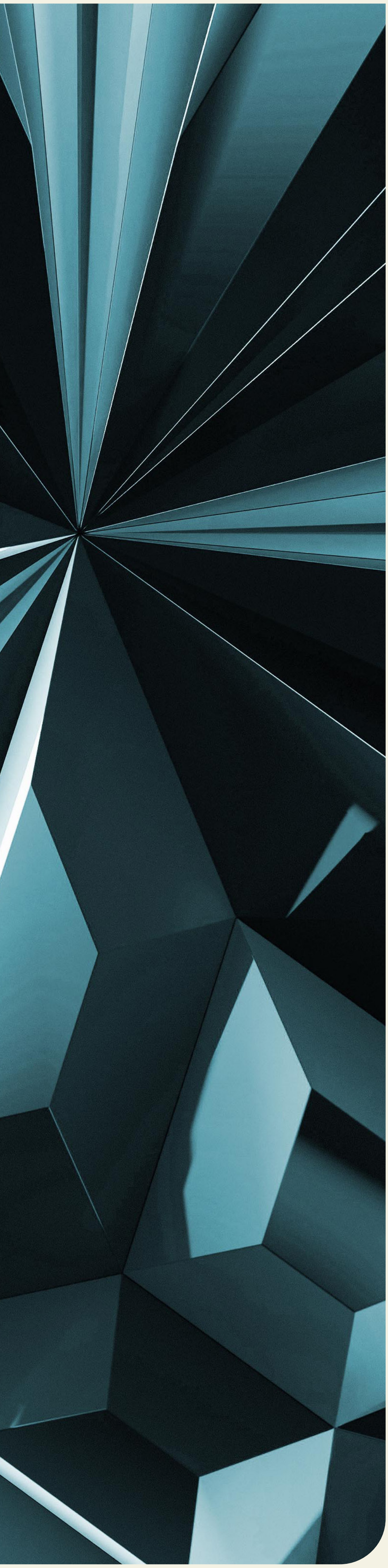
We expect issuers to be completely transparent about the ESG issues they identify and the related measures, targets and results. A good level of disclosure of ESG data is key for us as active investee since it paves the way for discussions and allows us to set objectives and monitor progress. We also expect issuers to adopt sound corporate governance standards. We pay particular attention to boards' composition including board members' skills, independence, tenure, attendance and diversity. Same scrutiny applies to executive remuneration practices where we have a close look at remuneration levels, alignment with performance, stringency of indicators underlying variable compensations and integration of ESG criteria in the variable remuneration objectives.

To reinforce Governance at our investee level, we use several tools such as proxy voting, direct engagement and collaborative engagement. In our voting policy, we have explicit voting guidelines covering topics such as board members composition, executive remuneration, respect for minority shareholders' rights or auditors' independence. In 2024, we have come to vote against 19%* of management proposals at AGMs to express our dissatisfaction with some governance features (*ex-CMAM level, excluding LFAM perimeter). During 2024, we also conducted several governance-related direct engagements, ahead of AGMs, among which Stellantis, Edenred, Renault, Worldline or Sopra Steria. Furthermore, as a member of the SMID (Small and Mid Cap) Club of the Forum d'Investissement Responsible ("FIR", the French arm of the Sustainable Investment Forum), we actively engaged with Seb and Ipsos, alongside other investors, on governance related matters.

We aim to continue our work on Governance themes during 2025 through our direct and collaborative engagements and voting policy implementations.

Voting





Voting

In 2024, the proxy voting market entered a new phase of maturity, characterized by regulatory-driven standardization, technological enablement, and rising client expectations for stewardship transparency and customization. Asset managers globally have expanded their proxy voting infrastructure to meet evolving regulatory obligations and to differentiate their stewardship capabilities in an increasingly competitive landscape.

The European proxy voting market advanced rapidly, shaped by tightening regulation, rising ESG expectations, and increased client demand for voting customisation. The implementation of SRD II, combined with SFDR and CSRD reporting obligations, drove asset managers to strengthen voting policies, expand disclosure, and align voting behavior with ESG and sustainability commitments. Thematic voting intensified across climate transition plans, biodiversity, supply chain due diligence, and diversity targets. Shareholder proposals linked to nature-related risks and sustainability-linked executive pay received record support in European AGMs.

In the U.S., proxy voting landscape experienced notable shifts, particularly concerning Environmental and Social (E&S) shareholder resolutions. According to Morningstar's analysis , the ESG-related resolutions was predominantly driven by «anti-ESG» proposals, which surged to 97 in 2024 from 48 in 2022. However, these anti-ESG resolutions garnered minimal shareholder support, averaging only 3% in 2024, down from 9% in 2022. Anti-DEI proposals more than doubled in the last year, from 6 in 2023 to 13 in 2024. However, support remained minimal at 1.7%. Concurrently, governance-focused proposals, traditionally central to shareholder meetings, saw a resurgence. After experiencing a decline in support in 2023, governance resolutions rebounded in 2024, reflecting renewed investor interest in corporate governance matters.

1 The 2024 Proxy Season in 3 Charts | Morningstar
2 DEI: Diversity, Equity & Inclusion

As an active shareholder, we exercise our voting rights at shareholder meetings and engage with companies to encourage sustainable practices. This commitment is designed with a medium- to long-term perspective, aligning with the recommendations of the French Association of Financial Management (AFG). The core principles guiding our voting policy are respect for minority shareholder rights, transparency and quality of information, clarity and balance of power within management bodies, promotion of long-term business strategies, and support for best practices in corporate governance.

Our voting policy complements our investment philosophy, focusing on long-term performance within the funds' management guidelines. While applying our voting principles broadly, we consider the unique characteristics of each company, especially smaller ones, and respects local regulations on corporate law and governance. As a responsible investor, we emphasize governance structures and practices that foster long-term shareholder value and risk management. The Sustainable Investment research team analyses key companies and topics and engages with companies to discuss some elements of the voting policy, expecting clear, timely, and transparent information regarding financial and extra-financial performance and governance for informed voting.

NEW VOTING POLICY 2025

In 2025, the four Stewardship themes were reinforced in our combined voting policy , a snapshot of which is shown in the graphic below. For our complete custom voting policy, please click here.

Climate change

- Reporting to CDP
- Science-based Targets
- Say-on-Climate Resolutions

Social Capital

- Diversity: % women on Board of Directors and Executive Committee
- Human rights controversies

Natural Capital

- Deforestation policy in the consumer, energy and power generation sectors

Governance

- Remuneration
- ESG Governance

SAY ON CLIMATE RESOLUTIONS

Ex-CMAM and Ex-LFAM voted on 15 and 16 "Say on Climate" proposals respectively, during the 2024 voting season, namely those of Gecina, GEA Group, Repsol, National Grid, La Française de l'Energie, Eramet, Energias de Portugal (EDP), Ferrovial, Icade, Canadian Pacific Kansas City Ltd, Canadian National Railway Company, Unilever, Gestamp Automocion, Amundi, TotalEnergies and Aena S.M.E. for LFAM.

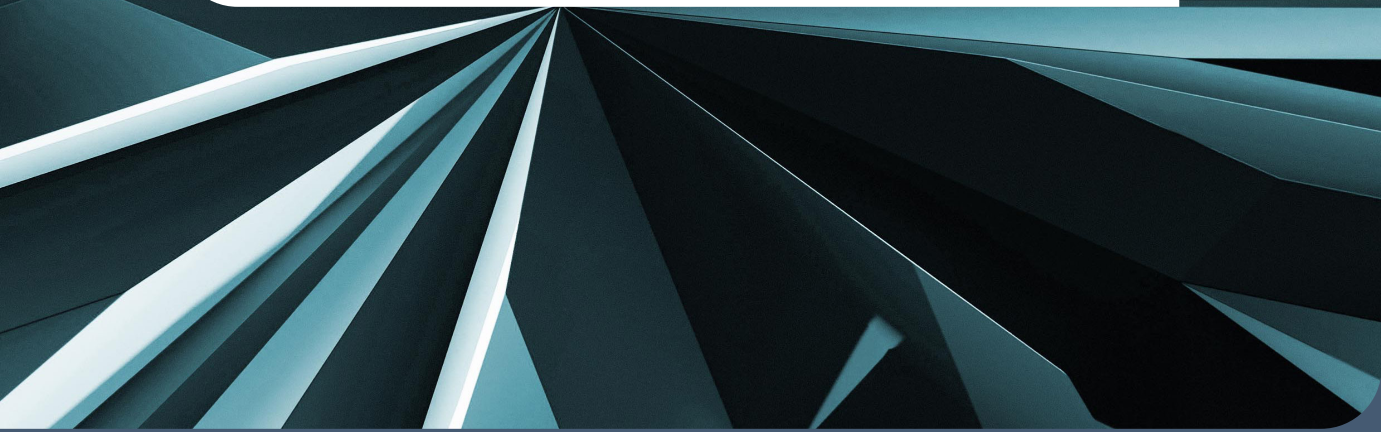
In the absence of a management-led "Say on Climate" resolution submitted by companies in high-emitting sectors (identified as energy, materials and utilities) at least every three years, CMAM's policy was to vote against the appointment of the Chairman of the Board – if this appointment was being put to a vote. If not, the instructions were to vote against the appointment of the members of the CSR committee. In the absence of a resolution relating to the members of the CSR Committee, vote against the appointment of all directors.*If the agenda does not include any of the 3 cases, vote in favour of approving the financial statements, but with the following comment: 'We expect companies in carbon-intensive sectors to submit a "Say on Climate" resolution to a shareholder vote at least every 3 years.'

On LFAM's end, the policy was to vote against the approval of company accounts if a company in a carbon-intensive sector did not submit a "Say on Climate" resolution to a shareholder vote. La Française AM's approach was also to vote against the approval of company accounts if the following conditions were met: the company does not respond to the CDP questionnaire on Climate Change, Water and Forests where the sector has critical materiality to the relevant topic; or the company does not commit to implementing a Science-based emissions reduction target SBTi (excluding oil & gas sector).

In 2024, CMAM voted in favour of all 15 management-led "Say-on-Climate» resolutions enumerated above. LFAM voted "against" 4. Notably, LFAM voted against TotalEnergies' Sustainability & Climate Transition Plan progress report, due to the plan lacking rigor in places, notably with regards to the 2030 worldwide objective related to Scope 3 emissions, which undermined the credibility and relevance of the progress in LFAM's eyes. The company planned to (i) increase its LNG & Gas fossil fuel production volumes including by 50% between 2023 and 2030 and (ii) maintain its oil production until 2030. LFAM was also of the opinion that the company strategy to scale down fossil fuel exploration and production to meet IEA recommendations lacked transparency. For these reasons, we also voted against the Sustainability & Climate Transition Plan in 2023. On the "for" side, LFAM supported the climate strategies and progress reporting of the remainder of the 16 companies, including, for instance AENA S.M.E.'s updated report on its Climate Action Plan. Indeed, the company was ahead of its scopes 1+2 emissions reduction targets; it had also recalculated and submitted new targets to SBTi for approval. It mitigated LFAM's concerns about the previous strategy which did not include any scope 3 emissions targets.

We published our updated voting policy early 2025, following the merger. Depending on the size and sector of the company, our new policy on climate looks at one, two or all of the criteria mentioned in our updated voting policy: namely responding to the CDP questionnaire; committing to CO2 emissions reductions validated by the Science-Based Targets Initiative (SBTi); and submitting either a "Say on Climate" resolution or a climate progress report to a shareholder vote. If these criteria are not met, Crédit Mutuel Asset Management will vote against the approval of the financial statements of the company. Additionally, all Say-on-climate resolutions put to vote on the AGM agenda will be analysed and then voted in accordance.

Voting updates 2024



Voting *updates* 2024

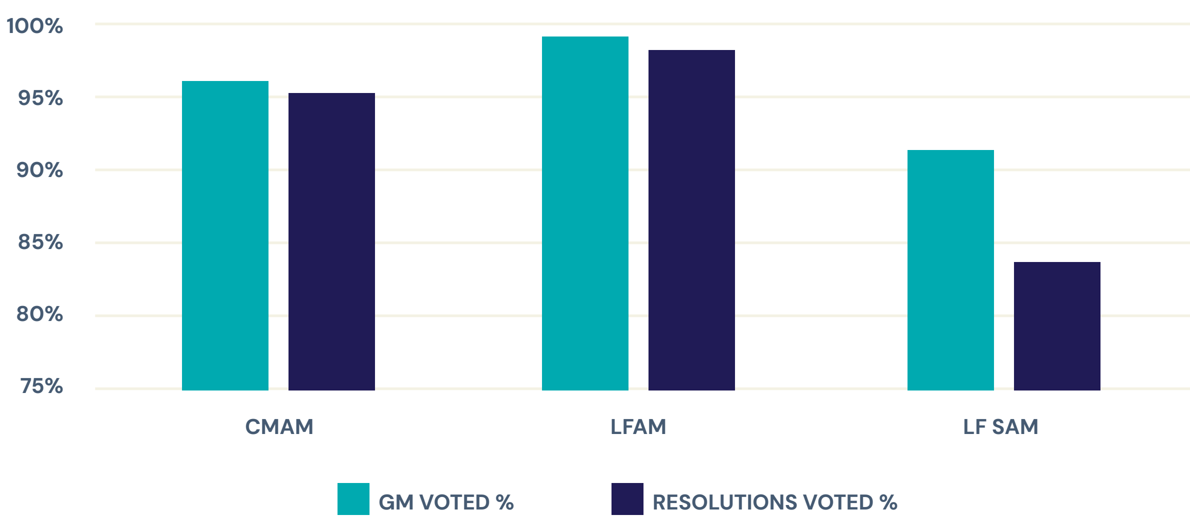
KEY FIGURES – GENERAL MEETINGS

Credit Mutuel Asset Management
In 2024, CMAM voted at 797 general meetings, representing 96% of the general meetings for which the management company held voting rights.

La Française Asset Management
In 2024, LFAM voted in 99.1% of the General Meetings (GM) and 96.4% of the resolutions presented, i.e. for 347 companies out of the 350 held in portfolio, a result very close to our goal of 100% vote in GM.

La Francaise Systematic Asset Management
In 2024, LF SAM voted in 91.5% of the General Meetings and 86.6% of the resolutions presented, i.e. for 182 companies out of the 199 held in portfolio.

VOTES GM AND RESOLUTIONS

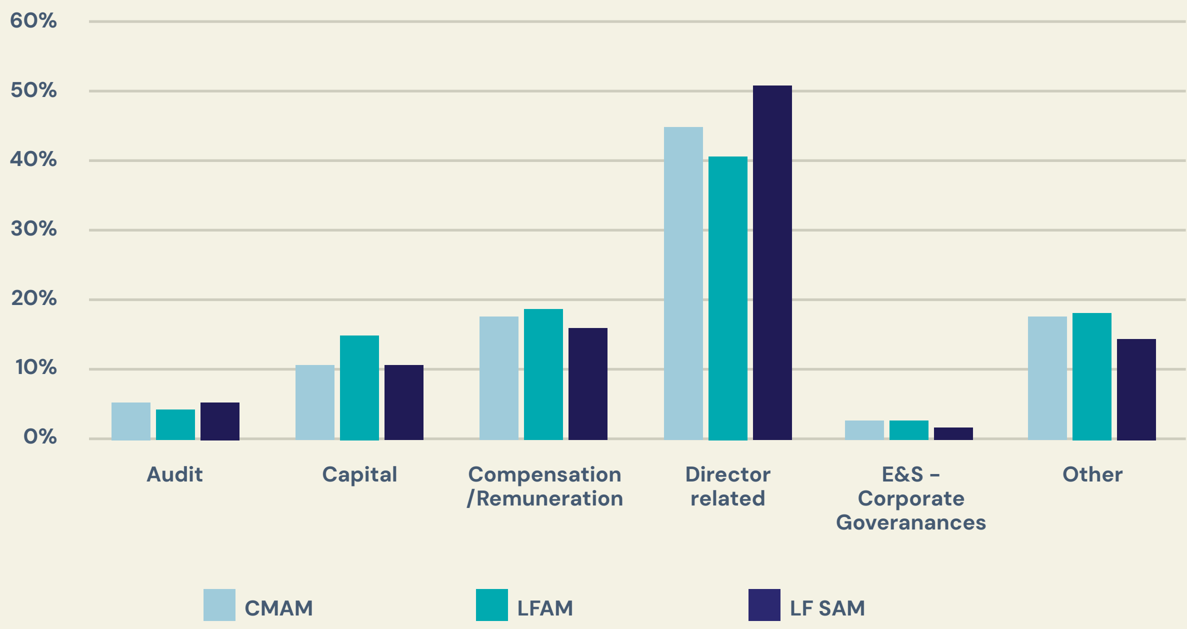


The vast majority of unexercised voting rights are linked to the need to block securities before the meeting, which Management Companies do not practice. Otherwise, some votes could not be cast because of technical or administrative malfunctions which led to a problem with the recording of votes.

KEY FIGURES – RESOLUTIONS

The general meetings for which the management companies exercised their voting rights represented a total of 12,800 resolutions for CMAM; 6,064 for LFAM; and 2,802 for LFSAM; i.e. an average of around 16 resolutions per meeting. Only about 3.5% of resolutions were proposed by shareholders, with the overwhelming majority proposed by the Board.

TYPE OF RESOLUTIONS VOTED – %



For management companies, resolutions on the composition or remuneration of the Board represent almost half of the resolutions voted. Then come those related to executive compensation, which account for just under 20% of resolutions. Followed by those related to capital or the choice of auditors. Resolutions on ESG – environmental, social or governance themes account for only around 2.5% of the resolutions voted.

The main principles of the voting policy have been respected. Management companies have voted online with their voting policy for 99.9% of resolutions. The few deviations from the policy may be due either to the outcome of engagement actions with the companies concerned or the result of work done internally that drive a change of our votes in line with the specific situation analysed.

KEY FIGURES – MANAGEMENT OPPOSITION

The percentage of resolutions, whether from management or shareholders, on which Management Companies voted against the management recommendation is 19.8% for CMAM, 32.3% for LFAM and 24.1% for LFSAM, an increase compared to 2023 for all Management Companies. More specifically, among the resolutions presented by shareholders, although few in proportion, this percentage of votes against management amounted to 45% for CMAM, 53% for LFAM and 20% for LF SAM. Finally, in the course of various AGs voted CMAM has expressed itself at least once against one of the resolutions put to the vote in 77.4% of the cases, LFAM in 83.7% and LF SAM in 71.9%.

	CMAM	LFAM	LF SAM
Vote against management (general) %	**20%**	**32%**	**24%**
GM with at least one vote against %	77%	84%	72%
Vote against management – management resolutions %	18%	31%	24%
Vote against management – management resolutions in France %	25%	34%	11%
Vote against management on shareholder resolutions %	45%	53%	20%
Voting policy respected %	99,8%	99,8%	100,0%

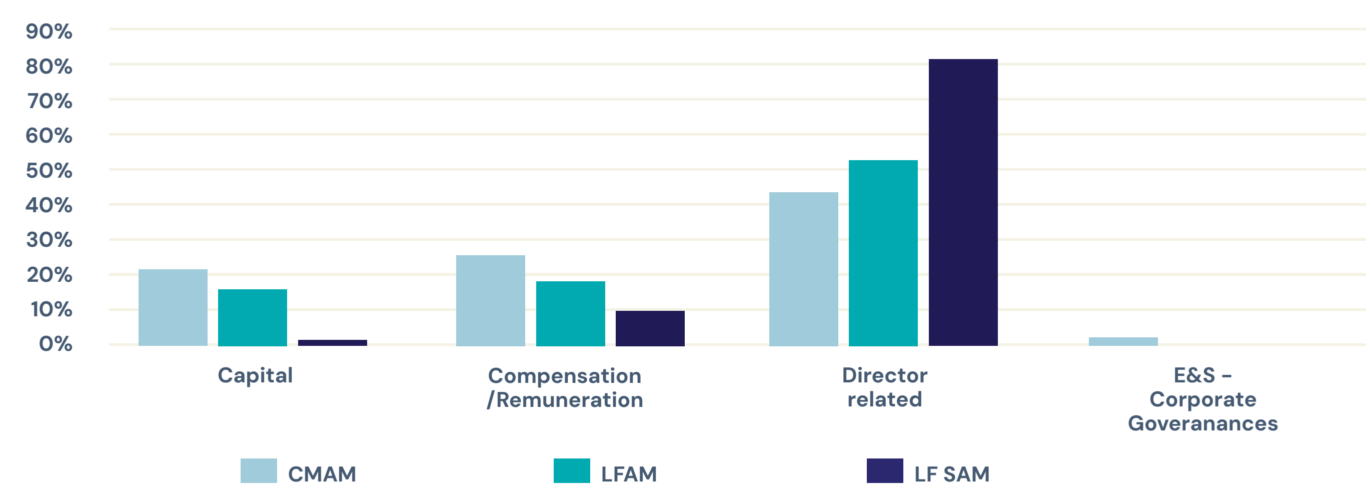
Votes against management are of two kinds:

- A rejection of resolutions tabled by management
- Or support for resolutions filed by shareholders but not supported by management

MANAGEMENT RESOLUTIONS

The resolutions not supported by the management companies cover three major themes in the same order even if the variations are significant from one management company to another: very far ahead of the other themes, the composition of the Board and the remuneration of its members (from 43% to 81% according to the management companies), followed by the remuneration of directors (between 10% and 26%) and finally the capital operations (from 1% to 22%). The number of resolutions filed by management and not supported is significantly higher in France than in the other geographical areas for CMAM and to a lesser extent LFAM but much lower for LF SAM:

MANAGEMENT RESOLUTIONS VOTED AGAINST MANAGEMENT RECOMMANDATIONS – %

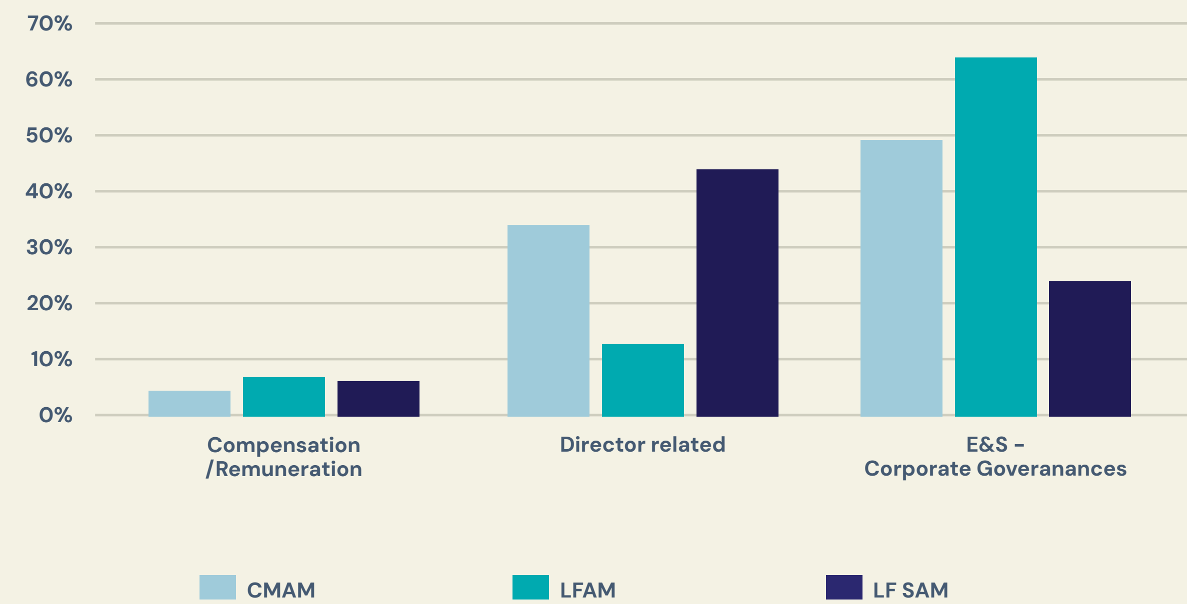


SHAREHOLDERS RESOLUTIONS

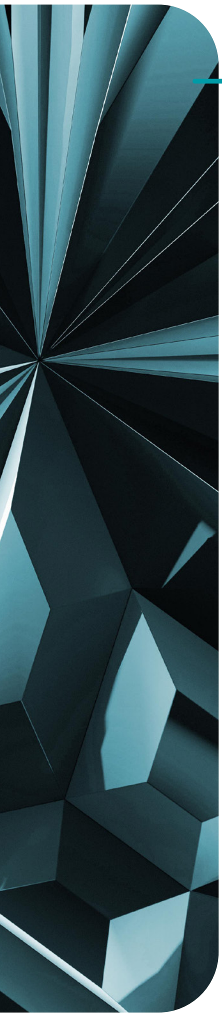
In 2024, Management Companies voted on resolutions filed by shareholders who averaged 3% of the total number of resolutions submitted. In the vast majority of cases, these resolutions have been supported. This support is explained by their call to contribute to greater transparency on specific issues often overlooked or omitted by issuers. Through the answers provided, the better informed investor strengthens his judgment to appreciate the financial and notoriety risks that may arise as a result of litigation or mismanagement. This ensures that early on, business initiatives, practices or processes are sufficiently effective to address potential operational risks. Even if the annual reports published by the company suggest a beginning of consideration of our expectations, the formulation of a request for an analytical report in AG informs or reminds the company of our degree of sensitivity on certain topics and the need to examine and treat it.

Nevertheless, there remains a need to ensure that these resolutions put forward reasonable demands for more transparency and reporting on environmental and social issues. The United States still concentrates most of the shareholder resolutions filed with more than two thirds of the resolutions that the management companies were asked to vote on, the delta then being divided between Italy, China or France.

SHAREHOLDER RESOLUTIONS VOTED AGAINST MANAGEMENT RECOMMANDATIONS – %



Resolutions filed by shareholders covered various topics. Except for LF SAM, the E&S – Corporate governance resolutions accounted between 49% and 64% of all shareholders resolutions, to be put in perspective with the 0,2% to 1% of the management resolutions.



- **Nearly 40% of shareholder resolutions dealt with governance standards such as executive compensation and board composition** (request for appointment of an independent board chair, proposal for candidate directors, request for strengthening board diversity). These resolutions were particularly widespread in Europe, where they represented between 2/3 and 3/4 of the resolutions tabled (Axa, BNP Paribas, Piaggio, Seco…).

- **Between 25 and 30% of the resolutions dealt with social issues, including respect for human rights and fundamental labor rights** (non-discrimination, freedom of association, the fight against forced labor and child labor, etc.). The groups were asked to address these issues for their employees, subcontractors and suppliers, with a focus on sensitive regions where fundamental rights are not sufficiently respected. These requests were mainly made to North American groups (Amazon, Alphabet, Apple, Meta, Mc Donald, Walmart, Walt Disney…)

- **Around 20% of the resolutions tabled were related to environmental issues and in particular the climate** with reporting requests on climate strategies, carbon objectives and management of risks related to climate change for companies in the oil sector (TotalEnergies, Exxon Mobil, Chevron, Unilever…) but not only.

- **A number of resolutions** (around 5%, almost exclusively directed at American companies) **have focused on lobbying topics** with requests made to several large capitalizations to communicate on their lobbying policies and expenditures (Amazon, IBM, Alphabet…).

CLIMATE RESOLUTIONS

In 2024, Management Companies voted on a few dozen resolutions related to the climate (49 for CMAM, 28 for LFAM and 11 for LF SAM) of which approximately 70% were filed by minority shareholders (see previous section). CMAM voted for the 15 Say on Climate proposed by management, while LFAM only supported 4 of the 8 Say on Climate proposed by the management and LF SAM 3 of the 4 Say on Climate put to the vote by management. The votes against mainly highlighted the lack of reporting on CO2 emissions, particularly on scope 3, or the absence of reduction targets.

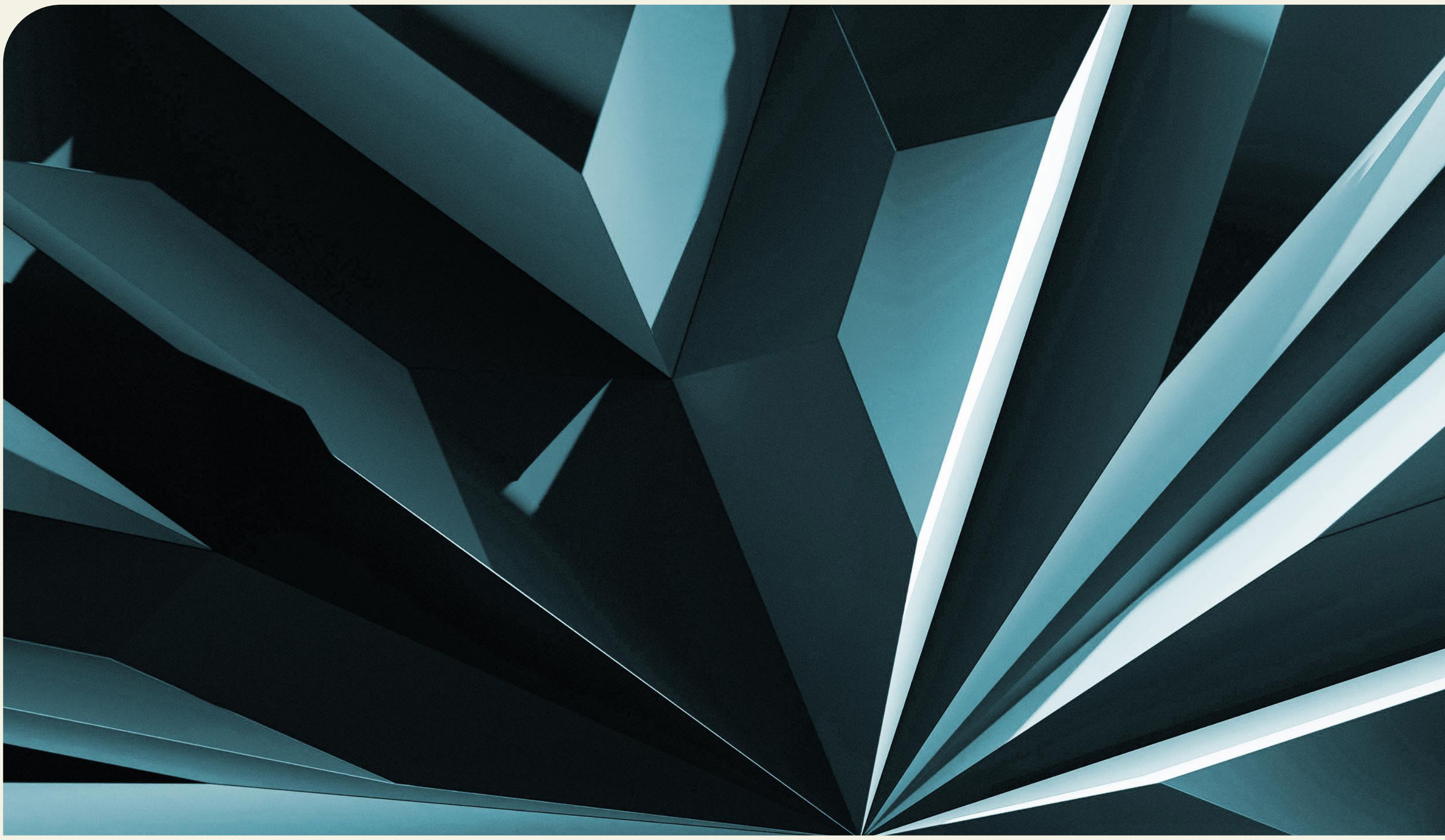
PUBLICATION OF OUR VOTES

Details of the votes cast by the various Management Companies:

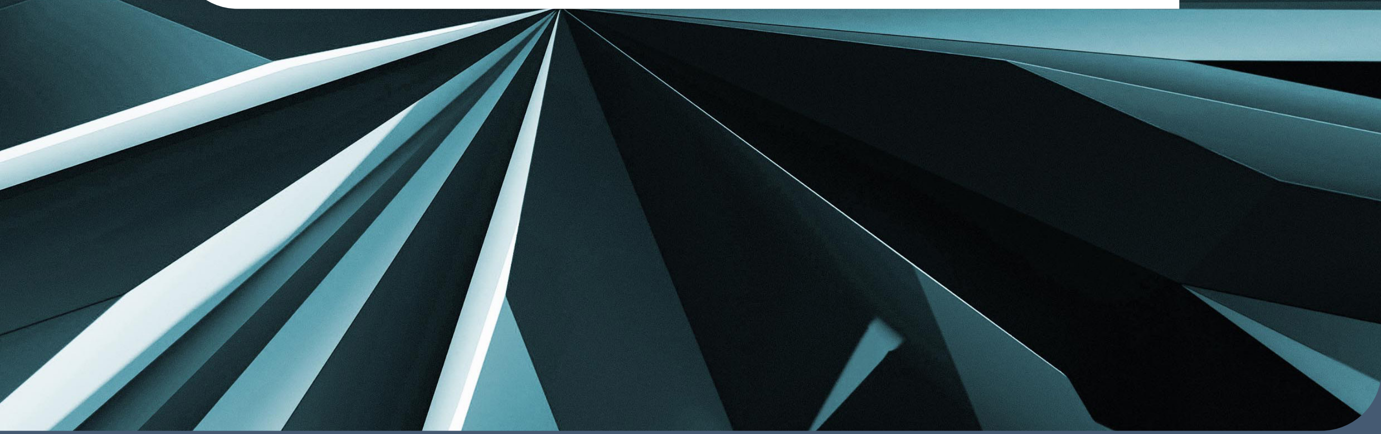
- Since Jan 1st, 2022 for Credit Mutuel AM : Here
- Since July 1st, 2017 for La Française Asset Management (fund family LFAM) : Here
- Since Jan 1st, 2021 for La Francaise Sytematic Asset Management (fund family LFSAM) : Here

SRI LABEL

→ *Funds*	Shareholders' Meetings	Shareholders' Meetings voted	%	Attendance at AGMs (%) – FRANCE
CM-AM EURO EQUITIES	63	56	88,9%	100%
CM-AM GLOBAL SELECTION SRI	85	81	95,3%	100%
CM-AM SELECTION USA SRI	95	95	100%	100%
CM-AM SUSTAINABLE PLANET	51	46	90%	100%
LA FRANÇAISE LUX – INFLECTION POINT CARBON IMPACT GLOBAL	53	53	100%	100%
LF ACTIONS EURO CAPITAL HUMAINS	49	49	100%	100%
LF LUX INFLECTION POINT CARBON IMPACT EURO	46	46	100%	100%
S. ACTIVE ACTIONS ISR	40	35	87,5%	100%
CM-AM SOLIDAIRE TEMPERE ISR	26	22	84,6%	100%
S. ACTIVE DIVERSIFIE ISR	29	26	89,7%	100%

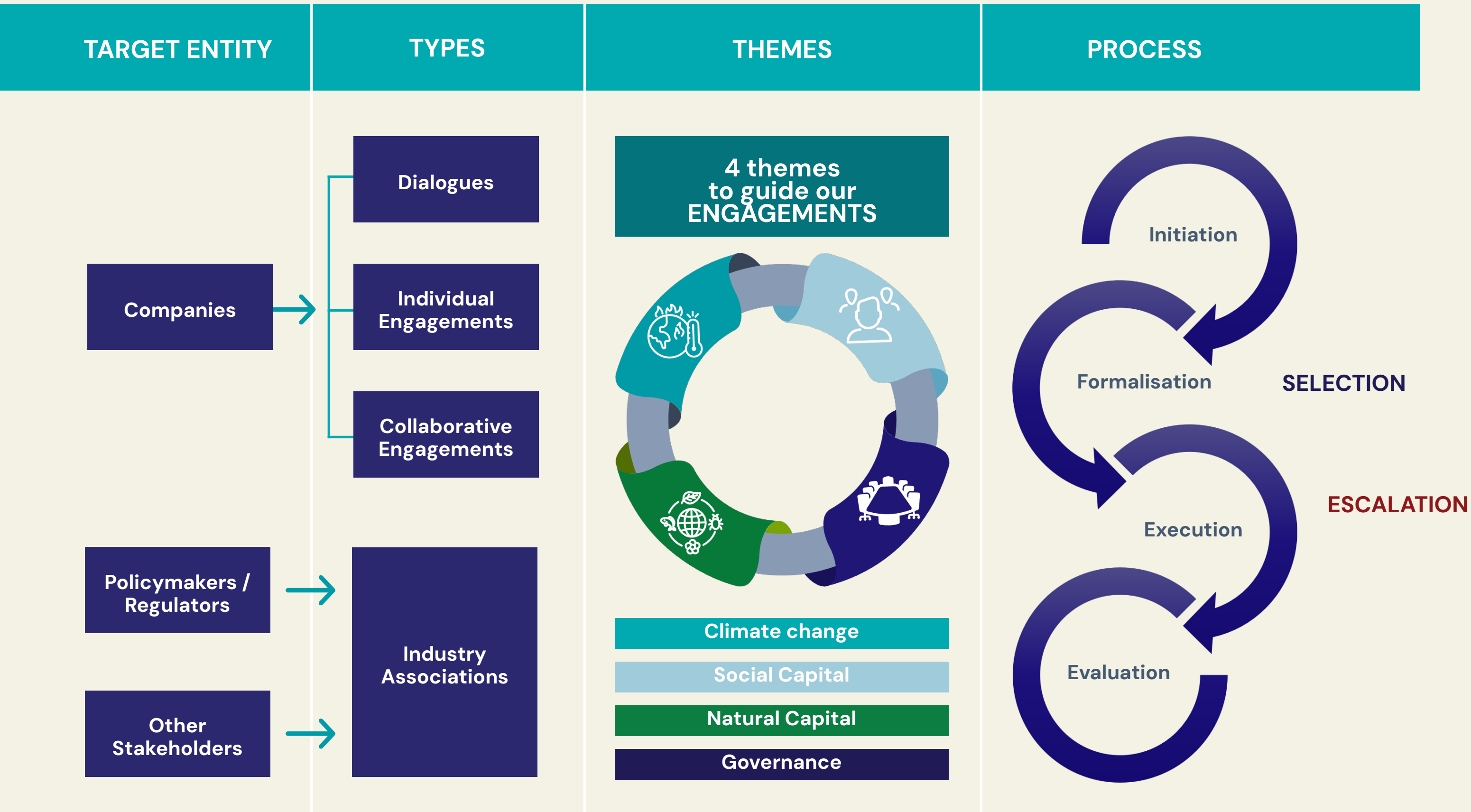


Engagement



Engagement

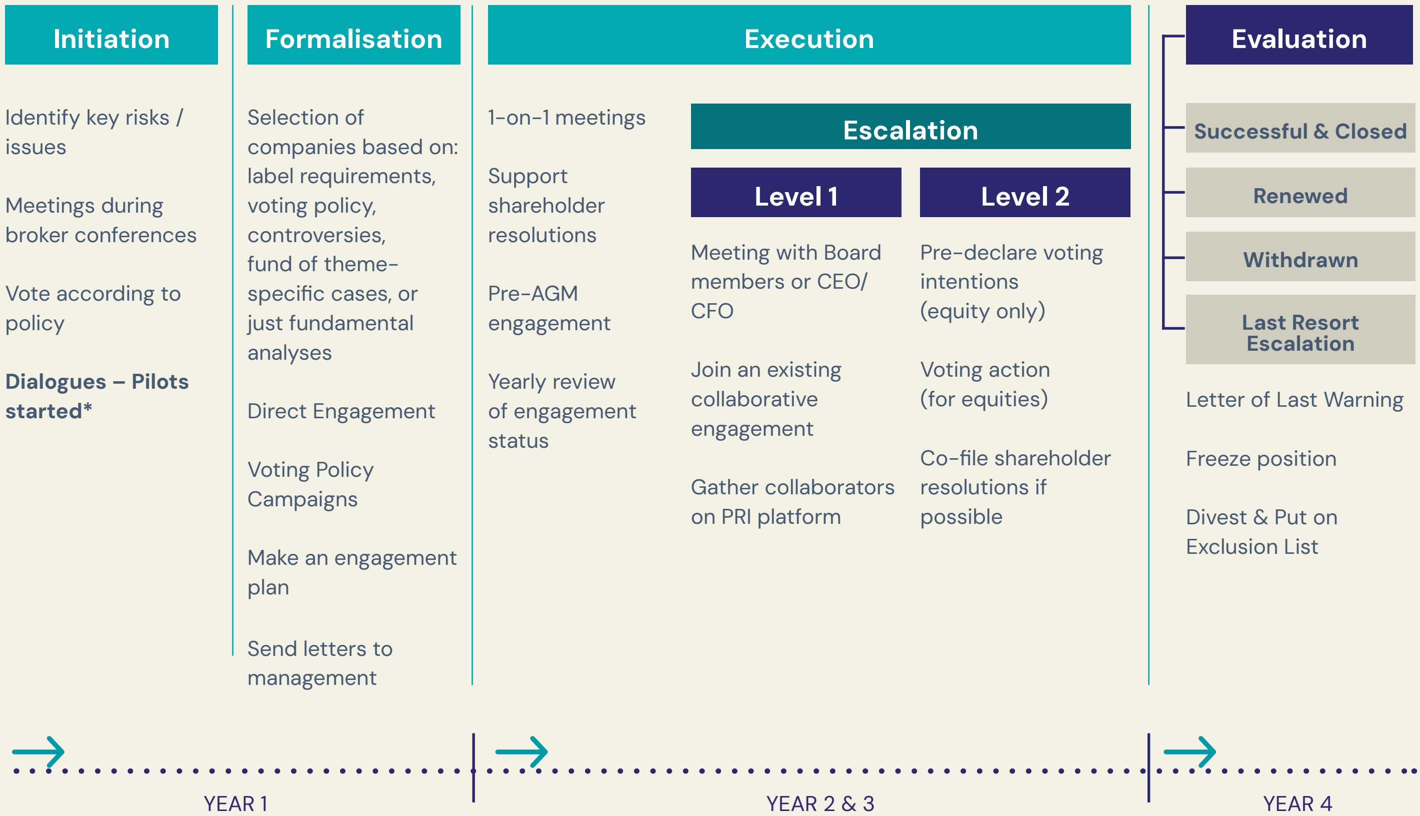
Engagement is one of the most important tools of Stewardship for our group. Through engaging with both companies and wider ecosystem of policymakers, regulators, etc., we can encourage improving best market practices, sustainability outcomes and/or public disclosures and policies. Our engagement activities are structured, research-driven, and tailored to address material environmental, social, and governance (ESG) risks and opportunities. We prioritize companies where engagement can have the most impact and organize them along the 4 stewardship themes - climate change, natural capital, social capital and governance.



More details on our engagement priorities and strategy can be found in our engagement policy.

Engagement Process

Our engagement activities are supported by a dedicated team of responsible investment professionals. This team is responsible for conducting research, engaging with companies, and monitoring progress. The responsible investment team works closely with our investment teams to integrate ESG considerations into our investment decisions. We define specific, measurable, achievable, relevant, and time-bound (SMART) engagement objectives. We regularly monitor companies' progress against these objectives and adapt our engagement approach if necessary. Our new engagement process is designed to foster long-term value creation by driving meaningful dialogue with investee companies. Through constructive engagement, we aim to influence corporate practices, enhance transparency, and promote sustainable business strategies aligned with the best interests of our clients. We strive to adopt a structured approach to our engagement activities in four phases, that are planned in a chronological order as demonstrated below:



We publish this annual stewardship report that provides detailed information on our engagement activities, including the issues we have engaged on, the companies we have engaged with, and the results of our engagements.

Escalation Process

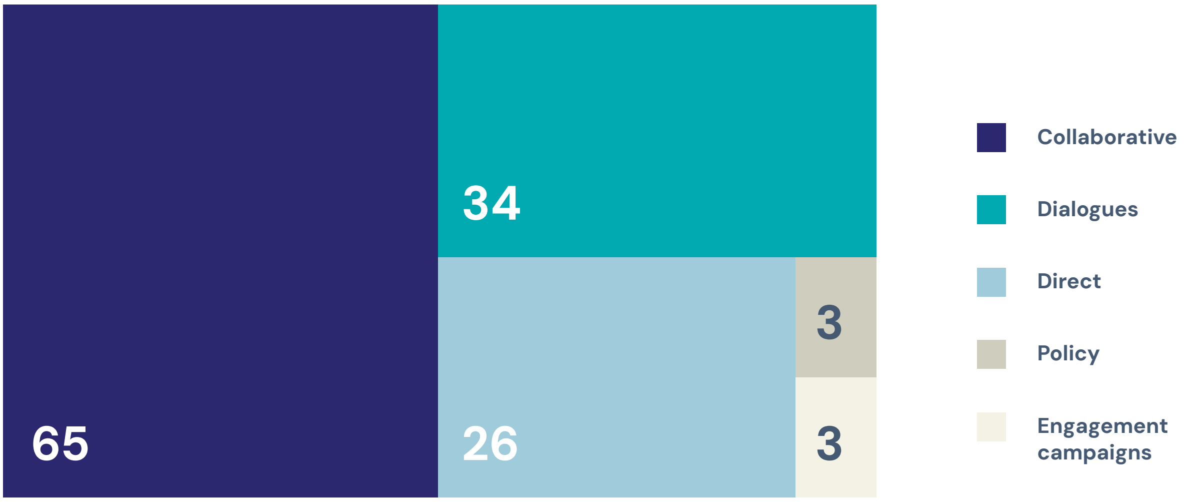
If the company does not adequately address our concerns, we may resort to an escalation strategy. We consider a few factors before deciding to escalate an engagement, including the severity of the issue, the company's willingness to engage with us, and the potential for real impact. We have defined 3 different levels of escalation. Each escalation level increases in severity of the actions undertaken.

Engagement Overview 2024

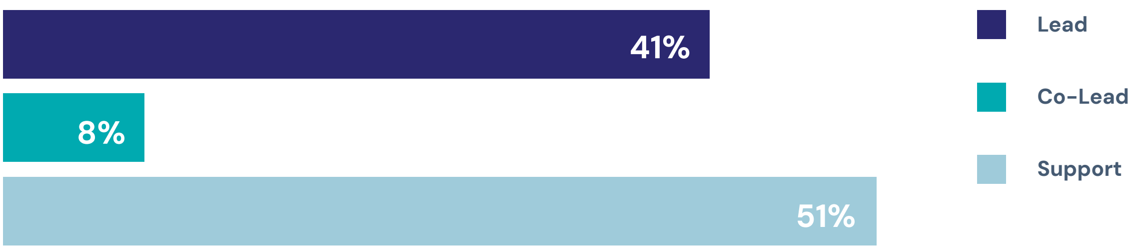
2024 was the year of merger for our two legacy asset management businesses. Nevertheless, we ended the year with a strong repertoire of ongoing engagements and will aim to continue building on them in the new year. Overall, the two entities conducted 131 engagements, including 3 engagement campaigns and 3 public policy engagements. We engaged with 104 unique companies, spread across 125 engagement actions – 65 collaborative engagements, 26 individual engagements and 34 dialogues conducted throughout the year. Overall, environmental topics, including climate change and natural capital thematics, dominated our conversations, while social capital theme led the year's engagement efforts, driven by collaborative actions and individual letters sent. Regionally, France and Europe remained our obvious focus, while in terms of sectors, we had significant engagements with companies in financials, materials and consumer sectors.

Some highlights from the year are presented in the graphs below:

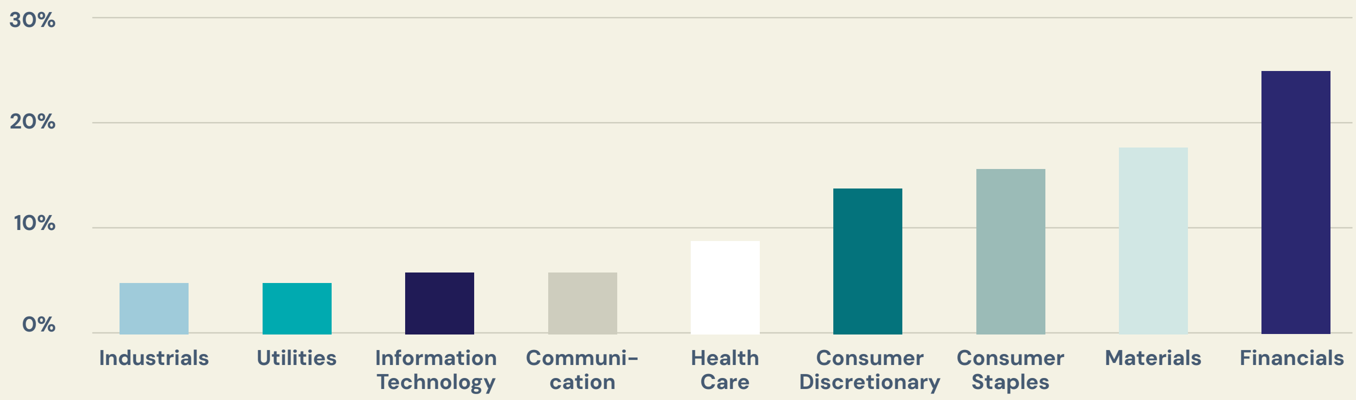
ALL ENGAGEMENTS



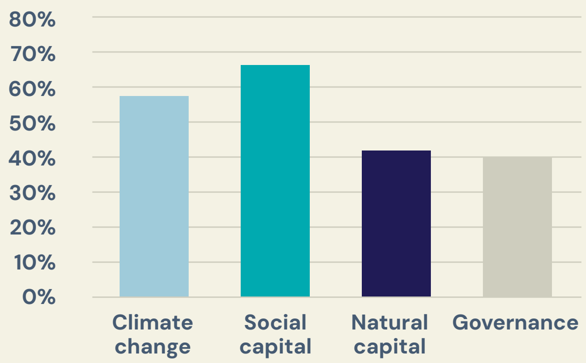
COLLABORATIVE ENGAGEMENTS



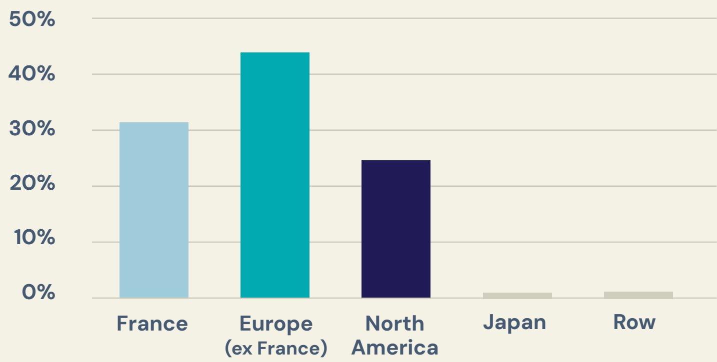
SECTORIAL DISTRIBUTION
of companies engaged with



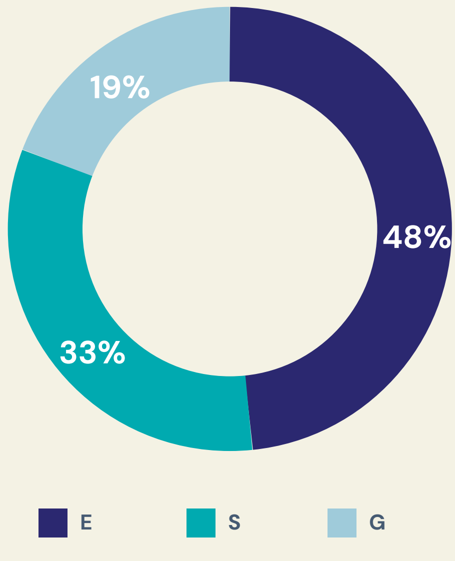
THEMATIC DISTRIBUTION
of company engagements and dialogues



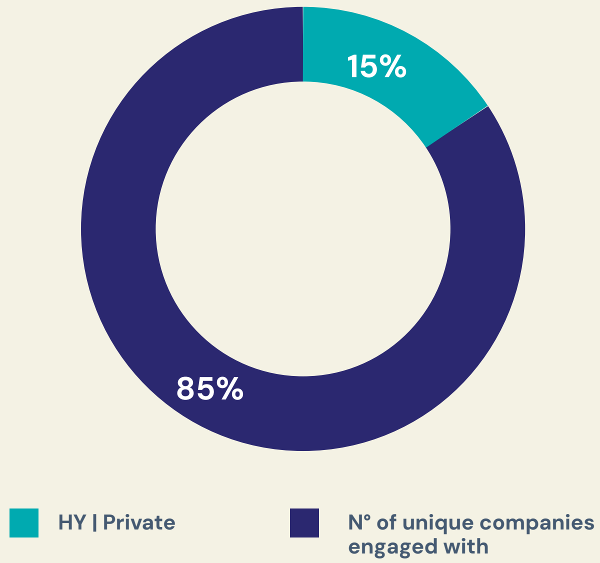
REGIONAL DISTRIBUTION
of companies engaged with



ESG DISTRIBUTION



PRIVATE OR HY COMPANIES



SRI LABEL

The «Label ISR» (Label d'Investissement Socialement Responsable) is a French certification that aims to highlight investment funds that meet high standards of social and environmental responsibility. The label is awarded to funds that adhere to a set of criteria designed to ensure that their investments contribute to the sustainable development of the economy, society, and the environment.

Funds carrying the Label ISR are required to integrate Environmental, Social, and Governance (ESG) factors into their investment processes. This means they must select companies or projects that not only offer financial returns but also align with responsible practices across various sectors, including climate change mitigation, human rights, and governance practices. The Label ISR encourages a proactive approach to identifying investments that support sustainability and ethical business practices. **There are 2 key requirements that concern our engagement/stewardship practices:**

- The applicant fund publishes its most recent ESG engagement report on its website, if applicable on the page dedicated to the fund, and s**pecifies the number of ESG engagement actions carried out over the past period, and the proportion of the fund concerned by at least one ESG engagement action**.
- The applicant fund publishes its most recent ESG engagement report on its website, if applicable on the page dedicated to the UCI, **and specifies the classification of ESG engagement actions according to pillars E, S and G.**

In terms of commitment, funds under the Label ISR are expected to demonstrate transparency in their ESG strategies, report on the ESG performance of their portfolios, and engage with companies to promote continuous improvements in ESG-related practices.

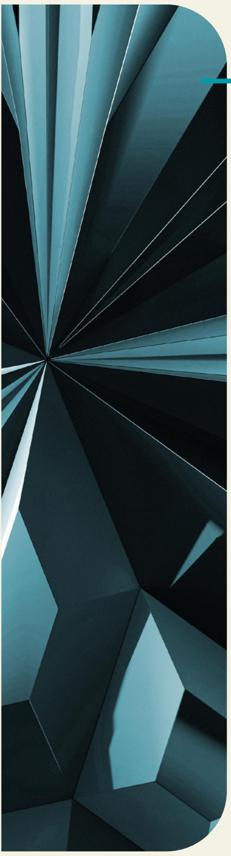
Our combined entities have had multiple portfolios that have been carrying the SRI label for the last several years. As per the old label requirements, we publish an annual summary on our engagements on the holdings in the labelled portfolios. For 2024, the details are in the table below:

Funds	Number of companies engaged with	% by weight engaged with	% by number engaged with
CM-AM CASH ISR	13	34%	22%
CM-AM EURO EQUITIES	16	45%	29%
CM-AM GLOBAL SELECTION SRI	10	18%	10%
CM-AM MONE ISR	7	32%	25%
CM-AM OBLIGATIONS ISR	19	23%	20%
CM-AM SELECTION USA SRI	6	13%	6%
CM-AM SOLIDAIRE TEMPERE ISR	22	31%	22%
CM-AM SUSTAINABLE PLANET	16	40%	32%
La Française Actions Euro Capital Humain	19	48%	40%
La Française LUX - Inflection Point Carbon Impact Euro	23	32%	25%
La Française LUX - Inflection Point Carbon Impact Global	7	19%	16%
La Française Obligations Carbon Impact	10	31%	26%
La Française Sub Debt - Part C	15	44%	38%
La Française Trésorerie ISR	36	24%	18%
S. ACTIVE ACTIONS ISR	15	35%	35%
S. ACTIVE DIVERSIFIE ISR	15	25%	20%

Funds	E, S and G distribution of engagement actions			
	E	S	G	Overall*
CM-AM CASH ISR	43%	10%	19%	29%
CM-AM EURO EQUITIES	19%	48%	10%	24%
CM-AM GLOBAL SELECTION SRI	10%	90%	0%	0%
CM-AM MONE ISR	42%	17%	0%	42%
CM-AM OBLIGATIONS ISR	29%	32%	7%	32%
CM-AM SELECTION USA SRI	0%	100%	0%	0%
CM-AM SOLIDAIRE TEMPERE ISR	26%	35%	10%	29%
CM-AM SUSTAINABLE PLANET	16%	42%	16%	26%
La Française Actions Euro Capital Humain	19%	46%	15%	19%
La Française LUX - Inflection Point Carbon Impact Euro	26%	39%	10%	26%
La Française LUX - Inflection Point Carbon Impact Global	14%	71%	0%	14%
La Française Obligations Carbon Impact	25%	42%	0%	33%
La Française Sub Debt - Part C	22%	50%	6%	22%
La Française Trésorerie ISR	31%	36%	9%	24%
S. ACTIVE ACTIONS ISR	35%	13%	26%	26%
S. ACTIVE DIVERSIFIE ISR	45%	15%	5%	35%

* referes to % of engagements where the topics were spread across all E, Sand G issues.

Funds	No. of collaborative engagements	% of engagement actions related to collaborative engagement actions	Degree of involvement in collaborative engagements		
			Lead	Co-Lead	Support
CM-AM CASH ISR	7	33%	1	1	5
CM-AM EURO EQUITIES	12	57%	7	0	5
CM-AM GLOBAL SELECTION SRI	8	80%	6	0	2
CM-AM MONE ISR	5	42%	1	0	4
CM-AM OBLIGATIONS ISR	13	46%	5	1	7
CM-AM SELECTION USA SRI	6	100%	5	0	1
CM-AM SOLIDAIRE TEMPERE ISR	15	48%	6	1	8
CM-AM SUSTAINABLE PLANET	10	53%	5	1	4
La Française Actions Euro Capital Humain	14	54%	8	0	6
La Française LUX – Inflection Point Carbon Impact Euro	16	52%	7	1	8
La Française LUX – Inflection Point Carbon Impact Global	6	86%	5	0	1
La Française Obligations Carbon Impact	5	42%	2	0	3
La Française Sub Debt – Part C	12	67%	6	0	6
La Française Trésorerie ISR	21	47%	7	2	12
S. ACTIVE ACTIONS ISR	9	39%	3	1	5
S. ACTIVE DIVERSIFIE ISR	8	40%	1	1	6



In 2025, we will strengthen our engagement policy to align with the recommendations of the new ISR label framework. Specifically, for the four funds that follow a rating improvement approach, engagement will be conducted with issuers in the portfolio that belong to the bottom 30% of the initial investment universe, based on ESG ratings. These issuers will consistently undergo an ESG engagement process, with a maximum timeframe of three years (including any potential escalations). If no improvement is observed by the end of this period, the issuer will be removed from the portfolio.

The complete engagement framework, including the setting of objectives and escalation actions, **is outlined in the engagement policy,** which is available on our website.

DIALOGUES

Regular dialogues with listed and unlisted companies are central to our engagement activities. These discussions enable our analysts and portfolio managers to clarify ESG-related concerns, assess the effectiveness of corporate sustainability strategies, and encourage companies to adopt best practices. Our dialogue-driven approach is tailored to the materiality of the issues at hand, covering topics such as climate transition plans, biodiversity protection, supply chain human rights, and corporate governance. By maintaining ongoing conversations, we foster accountability, encourage transparency, and track progress toward responsible business practices.

Active dialogue can take the form of individual or group meetings. Our analysts and portfolio managers seek to establish a constructive dialogue with listed and unlisted companies. In these dialogues, we focus on specific topics when clarification is needed for our analysis, or on topics that we consider essential to the company's strategy and business model, and which seem to us to lack clarity or direction.

For 2025, we have identified most material topics to have active dialogues with companies in each sector. Some of them, not exhaustive, are listed below:

Sector	Climate Change	Natural Capital	Social Capital	Governance
Automobiles	Batteries	Circular Economy	Human rights	
Banks	Fossil Fuel Financing		Gender Diversity	Board Structure
Food & Agriculture	Supply chain decarbonisation	Deforestation / Land Use change	WASH	
Utilities	Climate Transition	Land Use Management	Human Rights / Just Transition	
Chemicals	Decarbonisation	PFAS, Pesticides		
Technology	Data Centres PUE	E-Waste	Responsible AI	
Healthcare			Access to Health in Developing countries	Business Ethics

We engage in dialogue with companies, not only for our equity funds but also for our credit funds. From experience, we know that as a credit manager, we can engage in constructive dialogue with the issuers whose securities we hold in our portfolio and exert influence through debt financing. Our experience also shows that when companies are in the investor presentation phase, just before issuing a bond, they are often open to dialogue on a wide range of topics.

INDIVIDUAL ENGAGEMENTS

Individual or direct company engagements is a cornerstone of our stewardship strategy. We actively engage with investee companies through structured, issue-specific engagements that focus on material ESG factors. These engagements aim to influence corporate behavior on key challenges such as decarbonization, board diversity, executive remuneration, and labor rights. Our direct engagements follow a structured process: we set clear objectives, track progress over time, and escalate our efforts when necessary, including voting at shareholder meetings or considering divestment if concerns remain unaddressed. This hands-on approach enables us to drive meaningful improvements at the company level while aligning investments with long-term sustainability goals.

In 2024, we engaged with companies across diverse geographies and sectors, addressing critical themes such as climate action, biodiversity preservation, labor rights, and corporate governance. We used multiple modes of engagement including pre-AGM engagement with targeted companies at ex-CMAM, which we are continuing in 2025. We also sent engagement letters to companies beginning of the year continuing the LFAM engagement campaigns from previous year. We have had some success with the engagements we have done with Canadian Banks on their fossil fuel strategy over the last 1/1.5 years, but the others have been met with limited progress. We aim to continue the engagements that have been progressing and decide on those that have been unresponsive. We will be using our investment teams to connect with companies more effectively and escalate when necessary.

In 2025, we have 2 new engagement campaigns – one related to our voting policy elements, the other related to the SRI-label requirements. Our voting policy campaign has been running on human rights controversies, gender diversity on executive board and zero deforestation policy with selected sectors/companies. We have received positive responses and interest to engage from many targeted companies. We will update on the outcomes of the campaign in our next Stewardship report in 2026.

Climate change

- Climate Transition Plan – High Emitting Sector*
- Fossil Fuel Financing – Canadian Banks (Ongoing)

Social Capital

- Human Rights Controversies – Voting Policy Campaign
- Gender Diversity on executive board – SBF120 - Voting Policy Campaign

Natural Capital

- Zero Deforestation Policy on consumer, energy and materials sectors – Voting Policy campaign
- Biodiversity/Nature related controversies*

Governance

- Responsible AI Practices – Technology Sector*

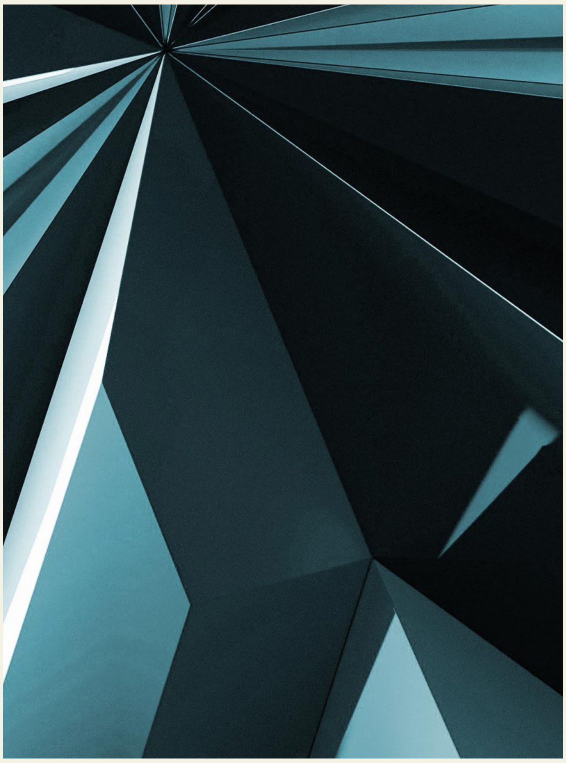
** Tentative*

TD Bank/Canadian Banks

In 2023, our analysis of the top 5 Canadian Banks concluded that they have a relatively high exposure to the fossil fuel industry, particularly to tar sands oil. As a result, we decided to engage with these Banks sending letters to those we were exposed to, explicitly asking them to strengthen their exclusion policies to cease financing Fossil Fuel Expansion and Tar Sands Oil both at the project and corporate levels.

In May 2024, external research[3] highlighted that, while finance for tar sands companies declined in 2023, Canadian banks still dominate the tar sands league table. In the meantime, their financings of fossil fuel expansion remained stable. We also note that the 5 Canadian banks decided to pull out of the UN-convened Net Zero Banking Alliance, showing concerning disengagement on climate related topics.

Consequently, we continue to engage with these banks, with follow-up emails and calls to reiterate our requests. In case we find it necessary, we might escalate using relevant tools.



Teleperformance

We engaged with the company during the pre-AGM engagements (ex-CMAM) because we had concerns regarding:

- board of directors composition
- combination of the CEO and Chairman roles
- executive compensation
- risks related to the integration of recently acquired company Majorel

On a positive note, the Board composition is evolving in the right direction with ongoing renewal bringing new skills and a decrease in the average age of directors. Furthermore, the company demonstrated its willingness to extend its CSR strategy to Majorel but this point must be followed over time to ensure effective implementation.

Regarding the combination of functions, the CEO and Chairman roles were planned to be maintained until January 2026 to properly manage the integration of Majorel (more than 50,000 employees) and to deal with the rise of significant challenges such as artificial intelligence, which was making sense for us as investors. Then, they were supposed to be split. Nevertheless, the unexpected departure of the presumed successor in August 2024 called into question this plan so we need to pursue the engagement on this topic.

Lastly, engagement also needs to be pursued on remuneration because, even though the company carefully took note of our issues (unchallenging and inadequate ESG criteria used in the variable executive compensation), we do not anticipate any medium-term changes on the topic.

Stellantis

The purpose of this meeting was to share our governance expectations and comments ahead of the 2024 General Assembly. The discussion focused on executive compensation and board composition aspects, where we identified areas for improvement.

Stellantis seems to be well aware of the areas of improvement related to the composition of the board (independence and diversity) and should respond to this in 2025 when 7 of the 11 mandates will be renewed. The issue of compensation remains sensitive, however, with 2024 CEO's remuneration amounts that were even higher than previously, due to the activation of the « CEO Transformation Incentive 2021-2025 », a long-term cash compensation plan that goes on top of to the regular STIP et LTIP. While this remuneration was in line with the group's excellent performance, we note a lack of alignment with the evolution of compensation of employees. We then opposed the remuneration report at the AG 2024 and engagement must continue on the topic of fair value sharing.

[3] Banking On Climate Chaos, 2024, Banking on Climate Chaos 2024 - Banking on Climate Chaos

COLLABORATIVE ENGAGEMENTS

Systemic ESG challenges often require collective investor action. Collaborative engagement is an essential tool in our stewardship framework, allowing us to amplify our influence by working alongside other investors and stakeholders. We actively participate in collaborative initiatives and industry-wide coalitions such as Net Zero Engagement Initiative, PRI Advance, Nature Action 100, etc. to encourage improved ESG standards across sectors. By working alongside institutional investors, policymakers, and advocacy groups, we amplify our impact and participate in market-wide change. These engagements focus on critical issues like climate resilience, water stewardship, human rights, and responsible supply chain management. Through coordinated efforts, we extend our influence beyond individual holdings to shape industry norms and improve corporate sustainability at scale.

In 2024, we participated in several collaborative initiatives targeting systemic challenges that no single investor can address alone. These collaborations focused on pressing global issues such as climate change mitigation, biodiversity and nature loss management, and human rights in supply chains. By joining forces with like-minded investors through industry platforms and coalitions, we were able to engage with a broader range of companies and advocate for higher ESG standards at both sectoral and policy levels. Collaborative engagement not only strengthens our voice but also fosters knowledge sharing and alignment on best practices within the investment community.

During 2025, we intend to continue our collaborative engagements on all 4 pillars of our Stewardship Strategy.

Climate change

- CDP Climate Change Non-Disclosure Campaign (NDC)
- Net Zero Engagement Initiative (IIGCC)
- Climate Action 100+
- ShareAction – Banks & Chemicals Decarbonisation Working Groups

Natural Capital

- Nature Action 100
- CDP NDC – Forests and Water
- Finance for Biodiversity Foundation – FABRIC
- ShareAction – Pesticides Working Group
- IIHC

Social Capital

- PRI Advance
- Workforce Disclosure Initiative
- Long Term Investors' in People's Health (LIPH)
- 30% Investor Club
- Tech and Mental Health Initiative
- Access to Medicine

Governance

- FIR SMID Working Group

We discuss our activities on some of these in the next pages.

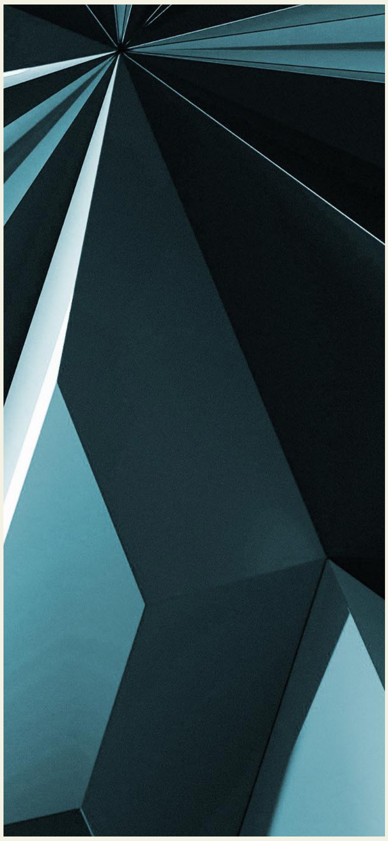
NZEI

We remain an active member of the Institutional Investor Group on Climate Change (IIGCC), notably via the Net Zero Engagement Initiative which is an investor-led initiative aimed at helping IIGCC members align more of their individual investment portfolios with a net zero pathway using corporate engagement. It focuses on major emitters beyond the Climate Action 100+ focus list.

An example of this is our engagement with TUI AG: we had several calls with the company over the course of 2024, seeking to gauge where the company is at in its decarbonation journey, which challenges remain and how we can best accompany TUI in its endeavours. We covered the following topics:

- ESG-linked remuneration (including embedding decarbonation into the STI)
- Contrails and non-CO2 emissions
- Physical risk considerations
- We also launched a discussion on climate lobbying, for which we, alongside Phoenix Group, set up a call between TUI and InfluenceMap.

It was decided with the company that there would be continued discussions on remuneration and contrails at least. In 2025, we also seek to deepen our dialogue on how the company aims to integrate sustainable aviation fuels (SAFs) into its operations.



30% Investor Club

We have been a member of the 30% Investor Club France since 2021, to strengthen our commitment to gender diversity and inclusion in our stewardship efforts. The club aims to promote better gender diversity within the SBF 120's executive management teams. As per the Annual report 2024, the club actively engaged with 19 companies during 2024, out of which CMAM led engagements on 2 companies and supported other investors on 4. The fourth year of engagement reveals that the Ex Com of the SBF120 companies are in average nearing 30%-woman representation, a slight improvement compared to last year. If progress can only be gradual, it is essential to stay vigilant on the effectiveness of gender diversity and equity strategies.

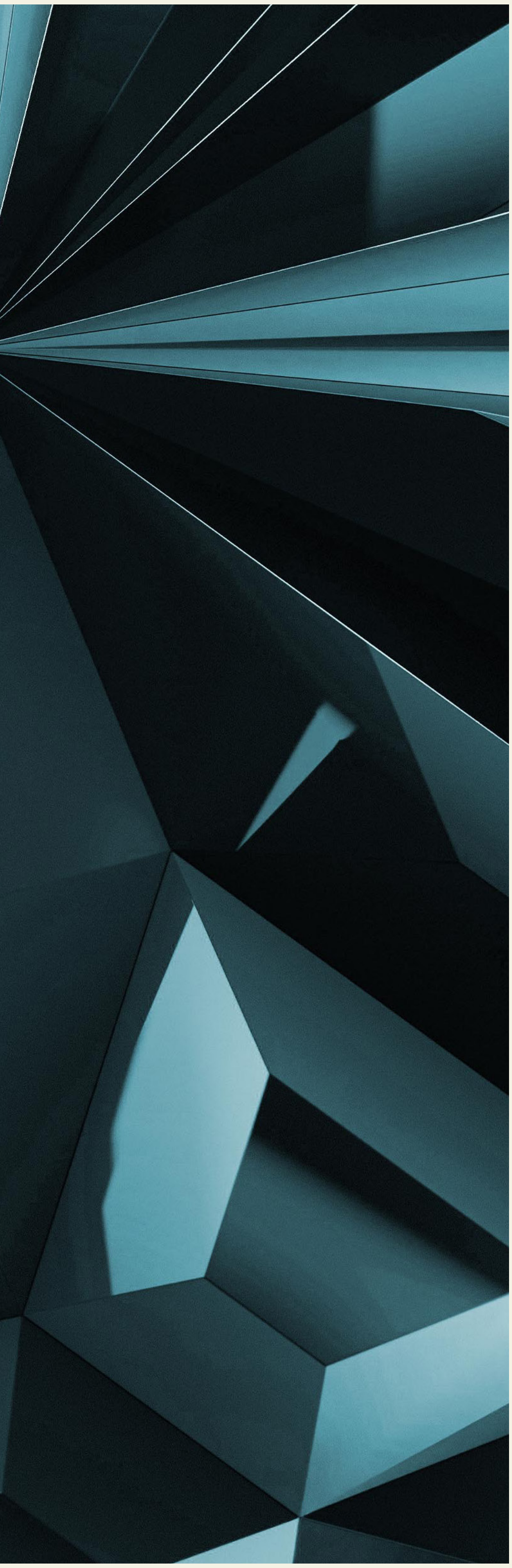
During our calls, the companies showcased their dedication to addressing the gender pay gap and advancing diversity, equity, and inclusion initiatives. We chose to meet two companies evolving in a difficult economic environment and in in a sector traditionally more appealing to men: auto parts companies.

On the gender pay Gap, Valeo has decided to extend the French "Gender Equity Index" to all its entities worldwide, ambitioning a complete strategy of equal opportunities between men and women: gender equity in salary, performance and promotion, number of employees that have received a pay rise following a maternity leave, number of women among the 10 highest compensation of the entity (related KPI is integrated in the Variable Remuneration plan of the top 1700 people).

Gender Equality strategy: Forvia's strategy is set over 5 years and aligned with the anticipated transformations of the company. The goal is to build high quality teams, with the ability to work effectively together. This is done by objectifying the actions without ever putting men and women in opposition. To spread this corporate culture, the group relies on 40 ambassadors.

Overall, both companies exemplify a strong commitment to fostering inclusivity and advancing gender diversity and equality in the workplace. Recognized in the annual report of the 30% Investor Club, Forvia and Valeo's efforts serve as a testament to its dedication.

Research consistently shows companies with diverse leadership teams tend to be more innovative, make better decisions, and achieve stronger financial performance. Therefore, our support for initiatives like the 30% Investor Club extends beyond mere advocacy; it's a strategic investment in the long-term success and sustainability of the companies in which we invest.



Long Term Investors in People's Health (LIPH)

LIPH is an engagement program launched by ShareAction in October 2022. Its objective is to equip investors with the necessary tools to enhance health outcomes for workers, consumers, and communities by sharing best practices and creating collaborative opportunities in corporate engagement.

Previously under La Française Asset Management, which joined LIPH in Q3 2022, the engagement has continued under Crédit Mutuel Asset Management since 2024. As one of the first signatories, La Française AM has played a key role in LIPH's initiatives, leveraging investor influence to support various engagement efforts, including participating in company meetings, signing private and public letters, providing quotes for articles and advocacy letters, and contributing to the preparation and submission of shareholder resolutions.

Our two-year engagement with Nestlé highlights our ongoing commitment to corporate accountability and improved health outcomes.

2022 & 2023 AGM: Despite multiple meetings, Nestlé did not commit to LIPH's request to set sales targets for healthier products based on government-endorsed nutrient profiling models or report on them annually. In December 2022, LIPH proposed a shareholder resolution, but it failed to meet the required threshold due to administrative complexities in filing resolutions for Swiss companies and time constraints before the AGM. However, this experience helped us better prepare for future engagements.

2023 & 2024 AGM: Following three meetings and a public letter to the CEO, Nestlé introduced a new target to increase sales of healthier foods. However, after internal discussions, LIPH deemed it insufficient. As a result, a new shareholder resolution was launched, which Crédit Mutuel AM supported at the AGM 2024. The resolution secured 11% support, a modest result, but a breakthrough as it marked the first time Nestlé faced a resolution on this issue, strengthening LIPH's influence and expertise in advocating for healthier food options.

LIPH continues to make meaningful progress in corporate health engagement. Following years of engagement with Kraft Heinz and the most recent shareholder resolution, the company reaffirmed its commitment to transparent reporting on the healthiness of its sales starting in 2025. This milestone makes Kraft Heinz the first among six U.S. target companies to commit to appropriate disclosure, marking a major step forward in promoting healthier food options through investor-led initiatives.

SMID Club

As an important French investment firm, we are part of the FIR (Forum d'Investissement Responsable) – the French arm of the Sustainable Investment Forum. Created in 2001, the FIR is a multi-stakeholder association whose social purpose is to promote and develop responsible investment and its best practices.

Within the FIR, Crédit Mutuel Asset Management is part of the SMID Club, that dedicates to the dialogue and engagement with small and mid-cap companies on ESG issues to accelerate the structuring and formalization of ESG approaches by those companies and to help them to make the best possible ESG progress. The SMID Club is organized into several working groups, including one on corporate governance on which Crédit Mutuel Asset Management was more particularly active throughout year 2024. A panel of French SMID companies with governance issues was selected and responsibilities to engage with them were split across the working group members. In 2024, we notably led the engagement with Groupe Seb and Ipsos.

Furthermore, Crédit Mutuel Asset Management along with 6 other members of the SMID Club and with the help of the FIR, also led the organization of a physical event gathering around 20 SMID companies to discuss the challenges posed by the upcoming CSRD. During a half day, representatives from those companies had the opportunity to participate into different roundtables and exchange around the issues at stakes surrounding the CSRD implementation.

Beyond that, we also had the opportunity to discuss with Middle Next which is an association representing around 1000 small & mid cap companies, private and publicly listed. During our talks, we understood the difficulty of implementing all the CSRD regulations for small companies including the time and financial implications and we tried to think about solutions to deal with their concerns. Finally, we discussed our expectations as a responsible investor regarding best governance practices as Middle Next issues a code of governance and monitors its implementation among its members.

Engagement Campaigns

Overall, in 2024, we had 62 company-specific collaborative engagements and participated in 3 wider engagement campaigns directed at companies or sectors. We supported the CDP Non-Disclosure Campaign (CDP NDC) for the 5th consecutive year and the Science Based Targets Campaign (CDP SBTi) for the 4th time. We co-signed all 1600+ letters sent by CDP to companies with high criticality on Climate, Water and/or Forests to respond to their questionnaire. We led the engagement with the CDP Non-Disclosure campaign on 6 names - BYD, Ekinops, Fleury Michon, Graines Voltz, Groupe Seb, and Reno de Medici. Following our engagement, EKINOPS responded for the climate change module this year.

Additionally, we co-signed the letters sent to the 50 chemical companies targeting by IIHC on their hazardous chemicals strategy. We also, continued our involvement with WDI – targeting 16 companies directly, while being part of the wider campaign on 1000 companies to diclose on their workforce data to the organization. Importantly, during 2024, WDI's management moved from ShareAction to Thomson Reuters Foundation, with whom we continue to work actively.

We will continue our participation in the engagement campaigns during 2025.

INDUSTRY ASSOCIATIONS AND INITIATIVES

Collaboration with industry associations is a cornerstone of our approach to advancing responsible investment practices. In 2024, we strengthened our partnerships with key organizations at both national and international levels, enabling us to contribute to the development of best practices and ESG standards. As an active member of the Principles for Responsible Investment (PRI), we participated in working groups and collaborative initiatives addressing climate change, corporate governance, and social equity. We also engaged with regional associations such as the French Asset Management Association (AFG) and the Forum pour l'Investissement Responsable (FIR), contributing to discussions on sustainable finance policies and industry-wide ESG guidelines.

In 2024, we strengthened our partnerships with leading organizations such as IIGCC and Finance for Biodiversity (FfB) Foundation to address climate change and biodiversity loss. LFAM had been an active member of multiple working groups like Proxy Voting and Bondholder Stewardship at IIGCC. During 2024, we joined the Net Zero Engagement Initiative (NZEI), Climate Adaption, Climate Lobbying and Just Transition Working Groups. These programs focus on helping develop industry guidelines for investors aiming to align their portfolios with net-zero targets and on engaging with high-emitting companies to adopt sustainable business strategies. Additionally, we supported the Nature Action 100 initiative by becoming a member of their Technical Advisory Group, coordinated by FfB and Planet Tracker which supports the collaborative engagement by providing technical advice and support to the Steering Group (IIGCC and Ceres) in execution and further development of the initiative. More details on FfB and FIR below.

In 2025, we aim to actively participate in the new working groups with IIGCC and renew our work with AFG across their working groups. We aim to continue our active participation in these industry associations with an aim to both contribute to market developments and improve our expertise on relevant topics.

Climate change

- Global Commission Mining 2030
- CDP Green Finance Accelerator
- IIGCC
  - Utilities Decarbonisation Working Group
  - Proxy Voting Working Group
  - Climate Lobbying
  - Climate Adaptation

Social Capital

- FIR GT Social – Communities, Workers, Products
- PRI Advance – Indigenous Communities Working Group
- Workforce Disclosure Initiative – Advisory Group
- Labor Rights Investor Network
- IIGCC Just Transition Working Group

Natural Capital

- NA100 Technical Advisory Group
- Business Coalition for Global Plastics Treaty
- Finance for Biodiversity Foundation
  - Target Setting Working Group
  - Impact Assessment Working Group
  - Engagement Working Group

Governance

- AFG Corporate Governance Working Group
- AFG Responsible Investment Working Group
- IIGCC Bondholder Stewardship Working Group
- IIGCC EU Stewardship Code Working Group
- UKSIF

Finance for Biodiversity (FfB) Foundation - Working Groups

2024 was again a busy year for us with Finance for Biodiversity foundation. We continued to be active members of 3 working groups with the foundation – Impact Assessment, Target Setting and Engagement. During 2024, we contributed on several key publications and public policy engagements leading up to COP16 in Cali, California. With the Target Setting Working Group that was convened in late 2022, we contributed to the development of the second and updated edition to Nature Target Setting Framework for asset owners and asset managers released during July 2024.

Building on the initial guidelines, this second edition represented a major step forward in empowering investors to set ambitious nature targets. It enhances the original framework and introduces new elements to help financial institutions align their investments with nature targets, reinforcing the urgent need to halt and reverse biodiversity loss by 2030. Key updates in this edition included a refined framework for nature targets, categorizing them into initiation, monitoring, and portfolio targets to facilitate implementation.

A unified approach replaces the beginner and advanced tracks, ensuring all targets align with the 2030 Global Biodiversity Framework. The latest ENCORE data (June 2024) enhances insights into impact materiality across priority sectors. The framework highlights three key impact drivers—land use change, water use, and toxic pollution—supported by sufficient data for target setting. It also provides detailed guidance, concrete examples, and structured support to help investors establish effective nature targets. The scope of this beta version is, for now, listed equity and corporate bonds. FfB Foundation will collaborate with SBTN, UNEP FI and other organizations in further development of these targets.

FIR Groupe de Travail (Working group) Social

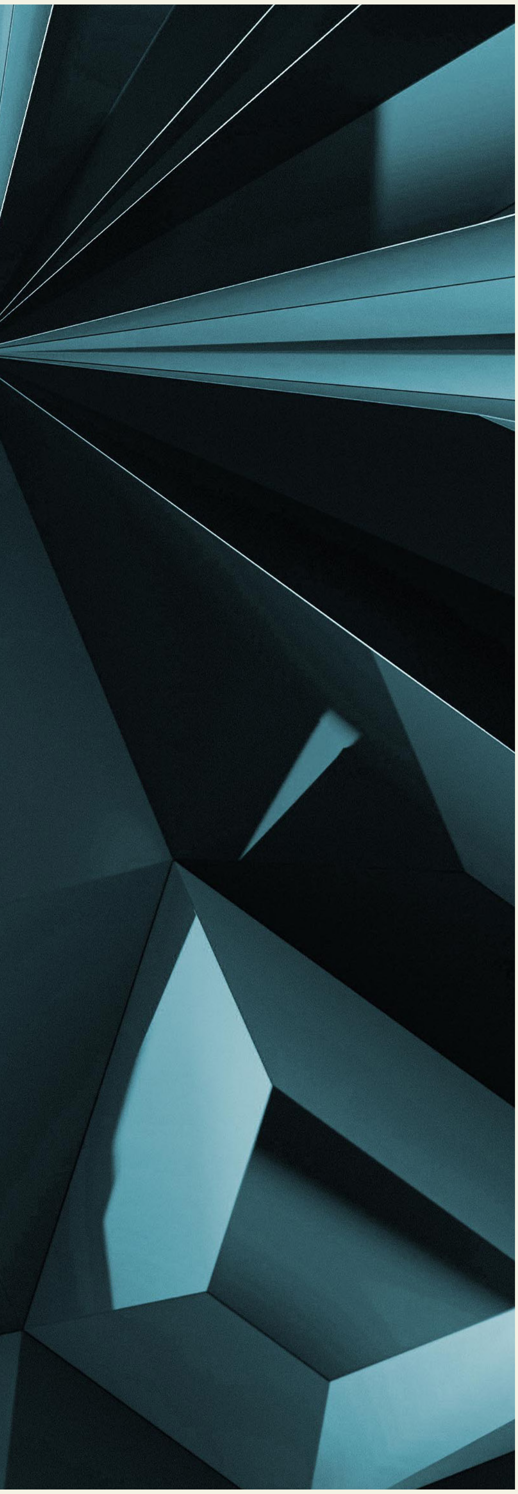
While today's taxonomy is exclusively environmental and given the failure to complete the social taxonomy project at European level, FIR has started a working group of more than 50 investors and stakeholders in responsible and impact investment, among which Crédit Mutuel Asset Management, to reintroduce the social issue to the European agenda.

The first objective was to establish an analytical framework to enable investors to understand social issues and assess the social contribution of their investments. The working group started with identifying the priority stakeholders and key related social issues bearing financial materiality for investments and impact materiality for stakeholders:

Workers and suppliers	Local communities	End users
Respect for fundamental social rights	Protecting democracy - access to quality information	Availability of essential goods: education, health
Remuneration: living wage	Tax justice	Affordability of products and services
Diversity & Inclusion	Local development and inclusion	Accessibility of products and services
Health and safety	Risk prevention	Quality

Source: https://www.frenchsif.org/isr_esg/wp-content/uploads/GSG-France-Toward-social-impact-Feb25.pdf

This was then broken down into a set of social indicators to look at. The approach aimed to be sector-neutral, economy-wide and adaptable to the different national social contexts within the European Union. Results were synthetized into a working paper that was published in early 2025. From there, the investors should use this paper to promote social objectives and common methodologies for reporting on them in a consensual manner. This should then make it possible to define the foundations of a European social taxonomy based on practice and experience, within 3 to 5 years.



Public Policy Engagements

We recognize that public policies play a critical role in driving systemic change, ensuring the stability of financial markets, and addressing pressing environmental and social challenges. In 2024, we engaged with policymakers, regulators, and standard-setting bodies through our industry associations and collaborative engagement platforms to advocate for frameworks that support responsible investment and sustainable finance.

Our public policy engagement focuses on contributing to the development of regulations and standards aligned with global commitments such as the Paris Agreement and the European Union's Sustainable Finance Action Plan. As part of these efforts, we actively participated in consultations on key topics, including the implementation of the Corporate Sustainability Reporting Directive (CSRD) and updates to the EU Taxonomy. By providing feedback and sharing insights from our investment expertise, we aim to influence policies that promote transparency, accountability, and ESG integration across financial markets.

In addition to regulatory consultations, we co-signed letters and statements advocating for stronger climate action, biodiversity protection, and human rights safeguards. We co-signed the FIR (Forum d'Investissement Responsible)'s tribune on Say-on-Climate for the third time, urging companies to include relevant information in their management resolutions and legislators in France to institutionalise a new form of these resolutions. We continued to actively participate in proposals forwarded from BCGPT (Business Coalition for Global Plastics Treaty) to the INC (International Negotiations Committee) on developing the treaty. Additionally, we co-signed a statement, addressed to INC-4 negotiators, that sets out what a robust agreement would include from the perspective of the financial sector. These initiatives reflect our commitment to leveraging our influence as an asset manager to support the transition to a more efficient, inclusive economy.

Through these partnerships, we not only amplify our voice on critical issues but also help shape a more resilient financial ecosystem that aligns with societal goals. Our active participation in industry associations and public policy engagements underscores our belief in collective action as a powerful driver of change. These efforts are integral to our stewardship strategy as we work towards creating long-term value for clients while addressing global challenges.

Controversy Monitoring

Controversy *Monitoring*

Controversy monitoring is an essential responsible investment tool, helping us track negative events, regulatory breaches, and ESG-related issues that could impact portfolio performance. By identifying and assessing these incidents pro-actively, we can make informed decisions about portfolio adjustments, engagement strategies, and risk mitigation. We use two external data sources to do systematic filtering of controversies from our investment universe - Norms-Based Research from ISS ESG and Controversies Research from Sustainalytics to feed our ESG Controversies Database.

For the positions held in our funds, we follow a rigorous and transversal process – with research, risk and management teams – to analyze all very severe controversies (according to ISS and Sustainalytics highest ratings) **and any adequate remediation actions taken by the concerned firm.** The final decision on exclusion/inclusion/watchlist is taken by the Voting members of the Stewardship Committee and shared with relevant parties (investment, risk and data teams) during the quarterly meeting of the Stewardship Committee. More details on the process can be found on the policy document on our website.

A traffic light system is used to categorize controversies post the Stewardship committee decision – with 4 color codes to specify the level of controversy specific to the companies in our investment universe:

RED	ORANGE	YELLOW	GREEN
Not ok/sell	Frozen / Excluded subject to review asap	Watchlist	Ok
ISS NBR score 10 or Sustainalytics Category 5	ISS NBR score 10 or Sustainalytics Category 5	ISS NBR score 7-9 or Sustainalytics Category 4	ISS NBR score 6/below or Sustainalytics Category 3/below
Ad Hoc names to be excluded	Ad Hoc names to be frozen	Ad Hoc names + Names exempted from Red List	Ad Hoc names considered ok by SC
Decided by SC to exclude	Decided by SC to freeze for a maximum of 6 months and reviewed every 3 months	Recommend to consult the ESG team before any new investment or increase	Can be invested without any restrictions

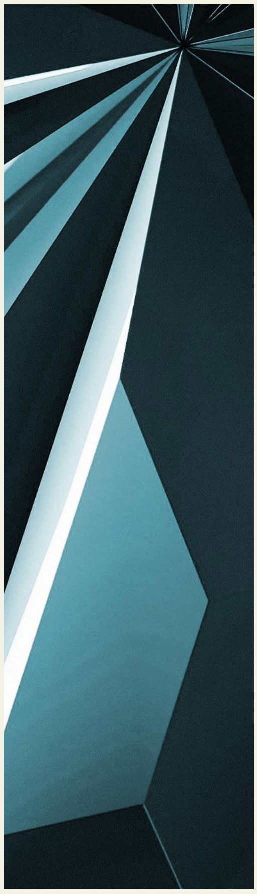
Apart from the very severe (Red List) controversies, the research team also maintains a focus watchlist (a subset of the Yellow List) on high exposure names with severe controversies and we follow any remediation actions taken on a regular basis. **A controversy that does not result in total divestment can also trigger an engagement. We discuss two cases from the year below for reference.**

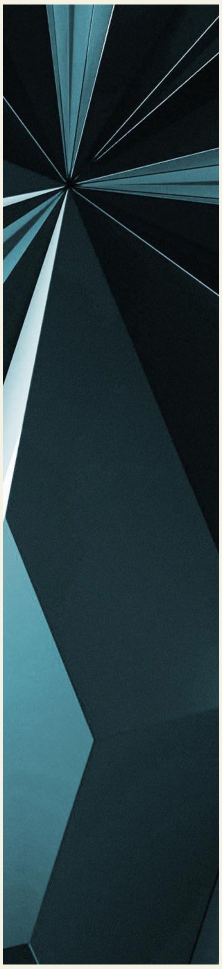
Alphabet

Parent company Alphabet Inc. and its subsidiary Google LLC have been subject to a red controversy (NBR score 10) at ISS since October 2024 due to anti-competitive practices in the U.S. Following a detailed analysis, the research team determined that while the controversy does not warrant exclusion from an ESG perspective, it signals a significant financial risk.

Google's dominant market position makes it inherently vulnerable to such controversies. The company has faced multiple antitrust lawsuits worldwide in recent years and has, thus far, had the financial capacity to absorb fines. However, the outcome of the ongoing trial remains uncertain, with an increasing risk of partial dismantling following the U.S. Department of Justice's proposed measures announced in November 2024. The next phase of the trial, focusing on potential corrective measures and penalties, began in September 2024 and is expected to conclude by August 2025, though the process could be prolonged and complex.

In December 2024, Google proposed a package of remedies as part of the final judgment, partially addressing concerns raised by the court in its August ruling. These measures aim to improve contract flexibility for key partners by reducing exclusivity terms and making contract termination easier. However, they do not resolve the broader monopoly issue. The key question remains whether the court will adopt Alphabet's relatively flexible proposals, the DOJ's stricter measures, or find a middle-ground solution—such as eliminating exclusivity contracts or imposing shorter remedy durations. The trial's outcome could set a precedent impacting other major tech firms (GAFAM) and influence regulatory decisions in other jurisdictions.





Boeing

The Boeing Company has been subject to a red controversy (NBR score 10) at ISS since October 2024 due to discriminatory practices against unionized workers in the U.S. Following a detailed analysis, the research team decided to add Boeing to the exclusion list from an ESG perspective and to refrain from investing in the company until there is greater visibility on the resolution of the identified issues.

Boeing's situation is particularly concerning due to the accumulation of several overlapping crises, including violations of union rights, recurring product quality and safety issues, and ongoing financial struggles. The company appears to be in a structurally fragile position, both reputationally and operationally.

Regarding the specific controversy, the Society of Professional Engineering Employees in Aerospace (SPEEA) union reports that following an unsuccessful decertification vote in April 2020, Boeing reversed its training plans involving seven unionized FTA instructor pilots. These pilots were replaced in late 2020 and early 2021 by non-unionized contractor pilots, who allegedly received "questionable, less-than-gold-standard Boeing training." This decision raises serious concerns around retaliation and union discrimination.

Freedom of association and the right to unionize are fundamental rights under international labor standards. To date, Boeing has not credibly demonstrated that it has addressed the union's concerns or aligned its internal policies with international benchmarks. The severity and multiplicity of the controversies, combined with the lack of meaningful remediation, justify the decision to exclude Boeing on ESG grounds.

Sectoral Exclusion Policy

LA FRANÇAISE
Crédit Mutuel Alliance Fédérale

Crédit Mutuel
Asset Management

Sectoral Exclusion Policy

During 2024, we finalized our Group Sectoral Exclusion Policy for the merged entity, aligning it with the mutualist values of Crédit Mutuel Alliance Fédérale. Crédit Mutuel Asset Management's sectoral policies combine the exclusion of companies that fail to meet our minimum requirements with an ongoing dialogue aimed at fostering a just transition strategy. Our exclusion policy is applied at a group level, with specific elements, applicable to only parts of the group.

Our policy restricts investments in high emitting businesses like coal and unconventional hydrocarbons, while on social side, we have restrictions on tobacco and controversial weapons. During 2025, we have added two new items on the list – tobacco production and deforestation-related controversies, expanding the exclusion policy reach to our Natural Capital thematic as well.

OIL & GAS	Criteria for Exclusion	Strict Approach	Alternative Approach
	Share of hydrocarbon production from unconventional sources (% of production)	> 20%	> 30%
	Development of new hydrocarbon projects (mmboe)		Not applicable
	Share of investments dedicated to low-carbon energy (% CAPEX)	Not applicable	Min. 20% CAPEX
	Share of investments dedicated to new hydrocarbon projects (% CAPEX)	Not applicable	Max. <=>% CAPEX
	Analysis of a credible transition plan and enhanced shareholder engagement	Not applicable	Analysis

DEFENSE & SECURITY	Criteria for Exclusion	Applicable Exclusion Threshold
	Involvement in the following activities:	
	Anti-personnel mines	
	Cluster munitions	
	Biological & chemical weapons	0 tolerance

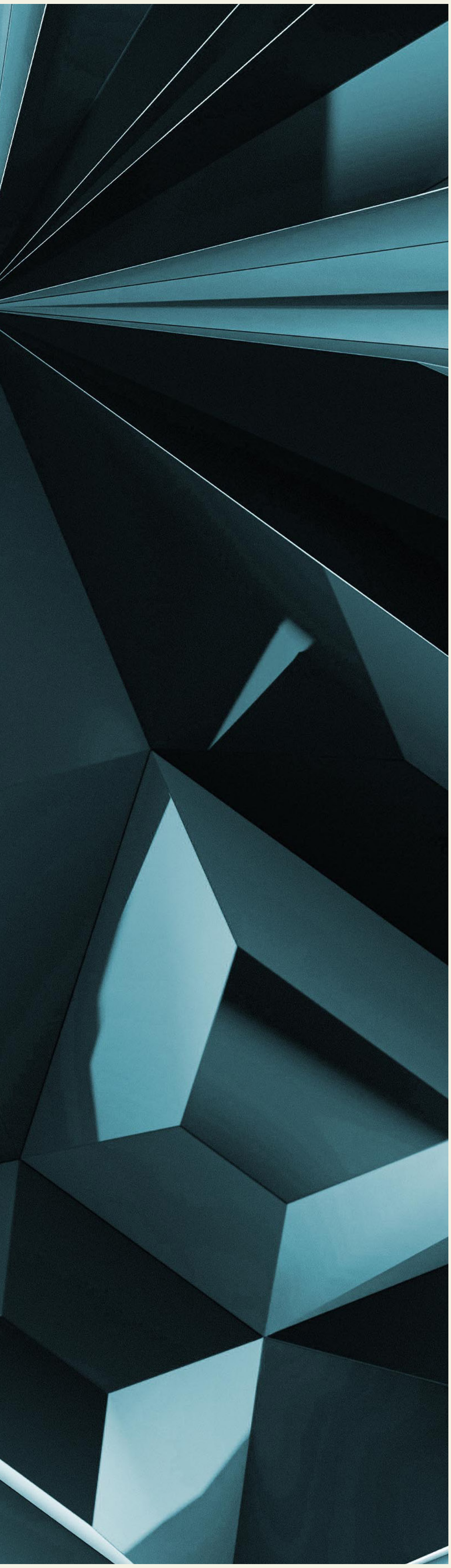
COAL	Criteria for Exclusion	Applicable Exclusion Threshold
	Annual production of coal	10 M tonnes
	Electricity generation capacities based on coal	> 5 GW
	Share of coal in revenue mix	> 10%
	Share of coal in the energy production mix	>10%
	No development of new capacities	0

TOBACCO	Criteria for Exclusion	Applicable Exclusion Threshold
	Share of revenue from traditional tobacco production	0%
	Share of revenue from Distribution of traditional tobacco (new criteria)	> 15%

DEFORESTATION	Criteria for Exclusion	Applicable Exclusion Threshold
	Subject to one or more significant controversies related to deforestation	Not applicable

These exclusions are based on an in-depth analysis of the social and environmental impacts of a company's activities, ensuring that our policies reflect clear, sector-specific minimum standards. We rely on data from selected service providers while applying a precautionary principle, incorporating a qualitative review by the Research team, when needed. This review is then submitted for approval by the ESG risk and compliance teams and ultimately subjected to a vote by the Stewardship Committee. The complete process can be found on our exclusion policy document online <link>.

We highlight the case of NextEra Energy below which demonstrated the impact of our stewardship process in the implementation of the sectoral exclusion policy.

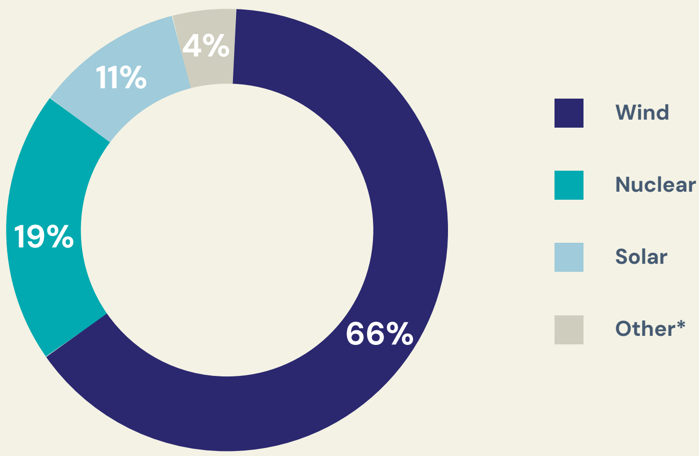


NextEra Energy

In 2024, NextEra Energy Inc was reported for the first time by Urgewald as being exposed to unconventional gas production through its subsidiary USG Properties Haynesville. The absolute amount is low (2.3mmboe) but according to Urgewald's methodology, as the subsidiary is 100% exposed to fracking, this figure is applied to the parent company (even though the latter's production is not actually 100% exposed to fracking).

NextEra Energy Inc is made up of two main entities: Florida Power & Light (FPL) and NextEra Energy Resources (NEER). We reached out to the company, who confirmed that USG Properties Haynesville is linked to NEER. The latter's generation mix is 96% carbon-free:

2023 NET GENERATION BY FUEL TYPE (MWh)



*Primarily natural gas

This means that NEER's share of the mix linked to unconventional gas is a maximum of 4%. At Group level, it is 1.2% (given that NEER accounts for 30% of Group-level EBITDA).
The decision was made by the voting members of our Stewardship Committee not to exclude the company, in light of the following considerations:

- NEER operates the largest portfolio of private renewable assets in North America;
- It has a carbon-free generation mix close to 100%; and
- The company recently started selling gas-fired power plants.

Looking ahead

Looking *ahead*

As we reflect on the progress made in the past year, we remain deeply committed to advancing responsible investment and stewardship as integral pillars of our fiduciary duty. We also recognize that the responsible investment landscape is increasingly shaped by the convergence of geopolitical upheaval, systemic risk, and regulatory transformation. The ongoing war in Ukraine, rising tensions in the Middle East, and strategic rivalries in the Asia-Pacific region continue to disrupt energy security, supply chains, and investor confidence. These developments not only increase volatility—they elevate the importance of responsible ownership, long-term thinking, and global collaboration.

At the same time, economic nationalism is resurgent. The reimposition of tariffs and trade barriers across key jurisdictions threatens to fragment markets and inflate transition costs—especially in sectors central to decarbonization, such as clean energy, semiconductors, and critical minerals. As stewards of long-term capital, our dialogues and engagements with companies will focus on how they manage exposure to these macro-level risks, including sourcing resilience, policy engagement, and scenario planning.

Europe's omnibus proposal, introduced by the European Commission to enhance the coherence and usability of the SFDR, CSRD, and Taxonomy frameworks, marks a new phase of regulatory maturity, albeit not without relevant criticism. We view these reforms as essential for restoring clarity to ESG disclosures and creating a level playing field. Yet they also create additional scrutiny on us: as asset managers, we will need to refine methodologies, upgrade data governance, and ensure that stewardship is not only well-meaning but demonstrably effective. Against this backdrop, Credit Mutuel Asset Management will continue to deepen our stewardship efforts—targeting engagements that bridge ESG risks with financial materiality, intensifying proxy voting discipline, and supporting systemic initiatives on climate, biodiversity, and human rights, as discussed in our policy documents.

This report comes at a time of mounting complexity and global interdependence. In this volatile environment, the role of responsible investors has never been more critical. We view stewardship not merely as a set of practices, but as a strategic imperative—essential to navigating systemic risks, safeguarding long-term capital, and supporting a just and orderly transition. Looking ahead, we will deepen our commitment to meaningful, data-driven engagement—prioritizing issues where we believe our voice can drive both financial and real-world outcomes. We will also be vigilant and aim to strengthen our alignment with evolving regulatory frameworks.

We remain guided by the PRI principles and our fiduciary duty to clients: to be active owners, trusted partners, and responsible participants in shaping a more sustainable global economy.

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JUNE 2025

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Crédit Mutuel
Asset Management

PEFC FSC