



Carbon Portfolio Report

Portfolio Information		Carbon Risk Rating Coverage	
Name	Number of Constituents	By Portfolio Weight	By Number of Constituents
Portfolio CAC 40 ESG	40	100%	40
Benchmark CAC Large 60	60	100%	60

Overview

The Carbon Portfolio Report provides a deeper understanding of a portfolio's position with regards to the transition towards a low-carbon economy. It compares the portfolio with a benchmark across five carbon assessments: Carbon Risk Rating, Carbon Intensity, Fossil Fuel Involvement, Stranded Assets Exposure, and Carbon Solutions Involvement. The combination of these assessments provides a multi-dimensional view of the portfolio's performance versus the benchmark and provide useful insights about the portfolio holdings.

- Portfolio
- Benchmark

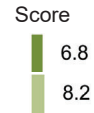


Carbon Risk Rating

Page 3-5

The Carbon Risk Rating quantifies the company's exposure and management of material carbon issues in its own operations as well as its products and services.

Overall, the portfolio falls into the Low carbon risk category, and has 17% lower carbon risk than the benchmark.



Category
Low
Low



Carbon Risk Rating

- Portfolio
- Benchmark

The Carbon Risk Rating quantifies the company’s exposure and management of material carbon issues in its own operations as well as its products and services. At each value chain stage, a company’s vulnerability to carbon risks is assessed. This is followed by an assessment of how much of this risk is manageable as opposed to systemic, with a final step of evaluating the degree to which management policies are already in place.

Overall, the portfolio falls into the **Low** carbon risk category, and has 17% lower carbon risk than the benchmark.

The portfolio has 76% less exposure to companies with High and Severe carbon risk than the benchmark.

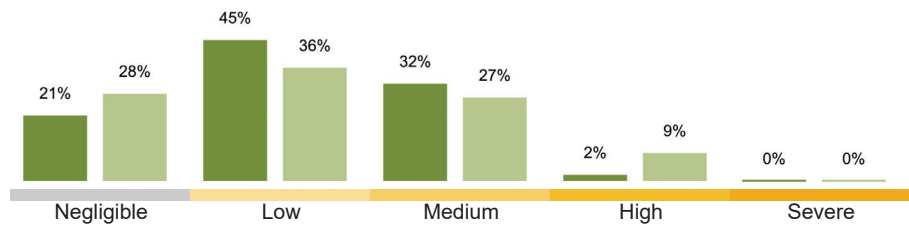
Overall Carbon Risk

Score	Category
■ 6.8	Low
■ 8.2	Low

Carbon Risk Categories

- Negligible: 0**
The portfolio has little to no material carbon risk
- Low: 0 - 10**
The portfolio has carbon risk that could have material impact
- Medium: 10 - 30**
The portfolio has carbon risk that is material
- High: 30 - 50**
The portfolio has carbon risk that is highly material
- Severe: > 50**
The portfolio has severe carbon risk

Carbon Risk category by aggregate portfolio weight



Carbon Exposure

Exposure considers a company’s sensitivity or vulnerability to carbon risks. Very low exposure suggests that an issue is not material to a company; higher exposure suggests that the issue is material.

Overall, the portfolio has 9% less exposure to carbon risk factors than the benchmark, and falls into the Low exposure category.

Overall Exposure

Score	Category
■ 18.5	Low
■ 20.4	Low

Carbon Management

Management considers a company’s commitments and actions to determine how a company approaches and handles carbon issue through policies, programmes, quantitative performance and involvement in controversies. Higher scores indicate stronger management.

Overall, the portfolio has 11% stronger management of carbon risk than the benchmark, and falls into the Strong management category.

Overall Management

Score	Category
■ 57.8	Strong
■ 52.1	Strong

Operations

■ Portfolio
■ Benchmark

Operations

Score	Category
3.7	Low
3.9	Low

Overall, the portfolio falls into the Low operations carbon risk category, and has 5% lower operations carbon risk than the benchmark.

Exposure

Score	Category
10.9	Low
11.3	Low

Overall, the portfolio has 3% less exposure to carbon risk factors in operations than the benchmark.

Management

Score	Category
49.9	Average
46.3	Average

Overall, the portfolio has 8% stronger management of carbon risk in operations than the benchmark.

Products & Services

Products & Services

Score	Category
2.1	Low
3.5	Low

Overall, the portfolio falls into the Low product and services carbon risk category, and has 41% lower products and services carbon risk than the benchmark.

Exposure

Score	Category
5.3	Low
7.3	Low

Overall, the portfolio has 27% less exposure to carbon risk factors in products and services than the benchmark.

Management

Score	Category
20.5	Weak
21.2	Weak

Overall, the portfolio has 3% weaker management of carbon risk in products and services than the benchmark.

Sector Contribution

Looks at the Carbon Risk Rating score across sectors. Lower scores equal lower risk.

Sector	Score	Contribution	
		Portfolio Weight	Carbon Risk Contribution
Consumer Discretionary	0.8	22.8%	11.7%
Consumer Staples	0.4	14.4%	5.3%
Financials	1.0	11.4%	14.2%
Healthcare	0.2	9.3%	2.7%
Industrials	2.4	23.9%	36.1%
Information Technology	0.1	4.6%	1.7%
Materials	1.4	7.3%	20.6%
Real Estate	0.0	1.0%	0.4%
Telecommunication Services	0.1	1.7%	1.5%
Utilities	0.4	3.6%	6.1%

Companies with the Highest Carbon Risk in the Portfolio

Identifies the 10 companies with the highest carbon risk score.

Company Name	Sector	Portfolio Weight	Carbon Risk				
			Score	Weighted Score	Category	Exposure	Mngmt
Stellantis NV	Consumer Discretionary	2.1%	30.5	0.7	High Risk	40.8	25.2
Solvay SA	Materials	0.5%	22.6	0.1	Medium Risk	35.2	44.9
Safran SA	Industrials	2.8%	20.0	0.6	Medium Risk	33.6	55.4
Air Liquide SA	Materials	6.3%	18.9	1.2	Medium Risk	48.6	76.3
Arkema SA	Materials	0.5%	16.7	0.1	Medium Risk	35.2	65.8
Bouygues SA	Industrials	0.6%	15.8	0.1	Medium Risk	24.0	42.6
Airbus SE	Industrials	5.0%	15.5	0.8	Medium Risk	45.6	93.7
Engie SA	Utilities	1.7%	14.6	0.2	Medium Risk	43.2	66.3
BNP Paribas SA	Financials	4.5%	12.6	0.6	Medium Risk	18.0	30.0
VINCI S.A.	Industrials	4.0%	12.1	0.5	Medium Risk	23.0	59.5

Companies with the Lowest Carbon Risk in the Portfolio

Identifies the 10 companies with the lowest carbon risk score.

Company Name	Sector	Portfolio Weight	Carbon Risk				
			Score	Weighted Score	Category	Exposure	Mngmt
LVMH Moët Hennessy Louis Vuitton SE	Consumer Discretionary	10.0%	0.0	0.0	Negligible Risk	0.0	0.0
Kering S.A.	Consumer Discretionary	3.1%	0.0	0.0	Negligible Risk	0.0	0.0
Hermès International SCA	Consumer Discretionary	3.0%	0.0	0.0	Negligible Risk	0.0	0.0
Capgemini SE	Information Technology	2.5%	0.0	0.0	Negligible Risk	0.0	0.0
Publicis Groupe S.A.	Consumer Discretionary	1.1%	0.0	0.0	Negligible Risk	0.0	0.0
Vivendi SE	Consumer Discretionary	0.7%	0.0	0.0	Negligible Risk	0.0	0.0
Bureau Veritas SA	Industrials	0.6%	0.0	0.0	Negligible Risk	0.0	0.0
Atos SE	Information Technology	0.2%	0.0	0.0	Negligible Risk	0.0	0.0
Unibail-Rodamco-Westfield SE	Real Estate	0.6%	0.1	0.0	Low Risk	14.4	99.4
L'Oréal SA	Consumer Staples	7.1%	0.2	0.0	Low Risk	6.8	96.9

Glossary of Terms

Absolute Carbon Emissions

In this report, absolute carbon emissions cover scope 1 and scope 2 emissions of the various types of greenhouse gases, expressed in tons of carbon dioxide equivalent. Reporting requirements are standardized under the GHG Protocol by the World Resources Institute and World Business Council for Sustainable Development. This lists the greenhouse gases that companies are expected to account for as: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆), and nitrogen trifluoride (NF₃).

Emissions are broken down into the following categories:

Scope 1 covers the direct emissions associated with the energy that a company produces for its own use.

Scope 2 covers the indirect emissions associated with the energy that a company purchases from third-party providers.

Scope 3 covers all other emission sources throughout the value chain (e.g., purchased goods, use of sold products, investments, business travel, etc.) but these are not quantified in this report.

Carbon Intensity

A relative metric suitable for comparing companies' performance. Sustainalytics divides absolute emissions by total revenues, which enables comparison of companies in different industries. Carbon intensity is expressed in tonnes of carbon dioxide equivalent per million USD of total revenue.

Carbon Risk

A risk related to a company's challenge to transition towards a low-carbon economy. A popular synonym is transition risk. This may cover a variety of risk sources including policy and legal, technology, market, and reputation. Climate change risk is a broader concept, comprising transition and physical climate-related risk.

Carbon Risk Exposure

One of the two dimensions of the Carbon Risk Rating, this reflects the extent to which a company is exposed to material carbon risks. Exposure can be considered as a sensitivity or vulnerability to carbon risks.

Carbon Risk Management

The second dimension of the Carbon Risk Rating, this measures a company's handling of material carbon issues through policies, programmes, quantitative performance and involvement in controversies.

Carbon Risk Rating Score (Unmanaged Risk Score)

The company's final score in the Carbon Risk Rating; it applies the concept of risk decomposition to derive the level of unmanaged risk for a company.

Stranded Assets

Stranded Assets are oil and gas assets that are unlikely to be commercially viable in a low carbon economy. They are high cost projects such as arctic exploration and oil sands development.

Unmanaged Risk

Material ESG risk that has not been managed by a company. This includes two types of risk. Firstly, unmanageable risks that stem from the intrinsic nature of the products or services of a company and/or the nature of a company's business. Secondly, risks that could be managed by a company through suitable initiatives, but which are yet unmanaged.

Weighted Scores

Sustainalytics normalizes the security weights of the matched security results within the selected portfolio and benchmark to equal 100% of the total portfolio weight, by evenly redistributing unmatched security weights and by combining the weights of securities matched to the same company. If there are no security weights available, Sustainalytics will assign equal weights to all securities. Weighted Scores are calculated by aggregating normalized security weighted scores.

About This Report

Sustainalytics' Carbon Risk Ratings are designed to help investors identify and understand financially material carbon risks at the security and portfolio level and how they might affect the long-term performance for equity and fixed income investments. The Carbon Risk Ratings combined with qualitative analyses, provide clients with a differentiated risk signal and deeper insights into the materiality of certain carbon issues for a company and what the company is or is not doing to manage them effectively.

Sustainalytics normalizes the security weights of the matched security results within the selected portfolio and benchmark to equal 100% of the total portfolio weight, by evenly redistributing unmatched security weights and by combining the weights of securities matched to the same company. If there are no security weights available, Sustainalytics will assign equal weights to all securities.

Notice and Disclaimer

Sustainalytics is not responsible for information supplied by you, regardless if derived from you or from a third party, provided for the purpose of this report and/or included herein and you bear all risks associated with the use and (re)distribution of such information. Moreover, Sustainalytics will not assume any responsibility for the reliability, completeness or accuracy of such information and makes no representation or warranty as to any of the information, including, without limitation, any representation or warranty that the information or any portion of it is accurate or complete. Sustainalytics shall have no liability hereunder for any use of the information provided by you. You agree and acknowledge that it is your responsibility to obtain all relevant licenses for use, reproduction, extraction and redistribution of any information made available to Sustainalytics.

Copyright © 2022 Sustainalytics. All rights reserved.

The information, methodologies, data and opinions contained or reflected herein are proprietary of Sustainalytics and/or its third parties suppliers (Third Party Data), intended for internal, non-commercial use, and may not be copied, distributed or used in any way, including via citation, unless otherwise explicitly agreed in writing. They are provided for informational purposes only and (1) do not constitute an endorsement of any product or project; (2) do not constitute investment advice; (3) cannot be interpreted as an offer or indication to buy or sell securities, to select a project or make any kind of business transactions; (4) do not represent an assessment of the issuer's economic performance, financial obligations nor of its creditworthiness.

These are based on information made available by third parties, subject to continuous change and therefore are not warranted as to their merchantability, completeness, accuracy or fitness for a particular purpose. The information and data are provided "as is" and reflect Sustainalytics' opinion at the date of their elaboration and publication. Sustainalytics nor any of its third-party suppliers accept any liability for damage arising from the use of the information, data or opinions contained herein, in any manner whatsoever, except where explicitly required by law. Any reference to third party names or Third Party Data is for appropriate acknowledgement of their ownership and does not constitute a sponsorship or endorsement by such owner. A list of our third-party data providers and their respective terms of use is available on our website. For more information, visit <http://www.sustainalytics.com/legal-disclaimers>.

About Sustainalytics

Sustainalytics is a leading independent ESG and corporate governance research, ratings and analytics firm that supports investors around the world with the development and implementation of responsible investment strategies. For over 25 years, the firm has been at the forefront of developing high-quality, innovative solutions to meet the evolving needs of global investors. Today, Sustainalytics works with hundreds of the world's leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. Sustainalytics also works with hundreds of companies and their financial intermediaries to help them consider sustainability in the policies, practices and capital projects. With 16 offices globally, Sustainalytics has more than 600 staff members, including over 200 analysts with varied multidisciplinary expertise across more than 40 industry groups. For more information, visit www.sustainalytics.com.