



IMPACT REPORT
2023

—
JUNE 2024

Forward



FABRICE DUMONTEIL

PRESIDENT

"What value should values have?" we asked ourselves this year, as we discussed the role of ESG in business and how investors take it into account. A broad subject, which we have never finished exploring, and which, beyond the formula, suggests a demand for honesty and rigor that we place at the heart of our ESG thinking and action.

In 2023, we worked to cultivate this requirement even further by seeking, beyond the figures, but always in a scientific manner, to appreciate as closely as possible the scope of our actions over time.

This concern for precision and accuracy becomes all the more important as the Eiffel Group pursues a strong growth trajectory, leading it to operate in a wide variety of situations across an increasingly broad geographical spectrum. While we have continued to record rapid asset inflows, surpassing the 6 billion mark in assets under management at the end of December, we need to succeed in this rapid expansion while remaining true to our vocation as an impact investor.

In light of this apparent difficulty, we are applying even greater scientific rigor to transform the mass of information and indicators we collect on a daily basis into a formidable asset. In fact, the whole purpose of this report is to convey, in an intelligible way, the sum of our actions and reflections.

To give just a few figures to measure our impact, we invested nearly 2 billion euros this year, representing a third of our assets under management at the end of 2023. This corresponds to almost 100 new investments, reflecting a remarkable dynamism, mainly driven by our private impact debt and energy transition financing activities.

Private debt activity this year crossed the threshold of putting 200 Impact Covenants into place, illustrating the fact that our deployment capacity does not come at the expense of our extra-financial requirements. On the contrary, it nourishes it since, thanks to the sum of information collected, we were able, by analyzing more than 1,300 data points, to establish, for the first time, in a truly scientific manner, the positive impact of the implementation of these extra-financial covenants on the financial performance of the companies financed. In fact, the study, which we have made available through our Sustainability & Impact Innovation Center observatory, shows that for the companies surveyed, 83% of the ESG targets set by Eiffel have had a net positive impact on their financial situation.

In the area of energy transition financing, we have financed more than 3,800 green infrastructure

projects, representing a production capacity of 9 GW, or the equivalent of 5 nuclear reactors. These projects are now being implemented in 25 countries, prefiguring what the Eiffel Group is starting to become: an international group capable of offering its customers exposure to a wide variety of energy transition assets around the world. For, despite the necessary disparities, it is clear that the energy transition knows no borders, and that the underlying trend of decarbonization, in which the Eiffel Group has been a pioneer and is now an undisputed leader, should greatly encourage our international development.

As we often say, the energy transition is still in its early stages, and we're still a long way from fully grasping its implications. Far from thwarting it, the geopolitical instability that characterizes the period we are living in tends to favor solutions that meet the challenge of energy sovereignty, in a world that is becoming increasingly fragmented. Yesterday's neglected issues of energy independence, reindustrialization, regional development and biodiversity preservation are now the focus of attention. They have long been at the heart of our concerns and strategies, and we take every opportunity to treat them with rigor and equip ourselves with the methodological tools we need to measure and monitor them.

This report, like its predecessors, humbly embodies the ambition that drives us. For we know, to repeat our initial question, that impact is value beyond value.

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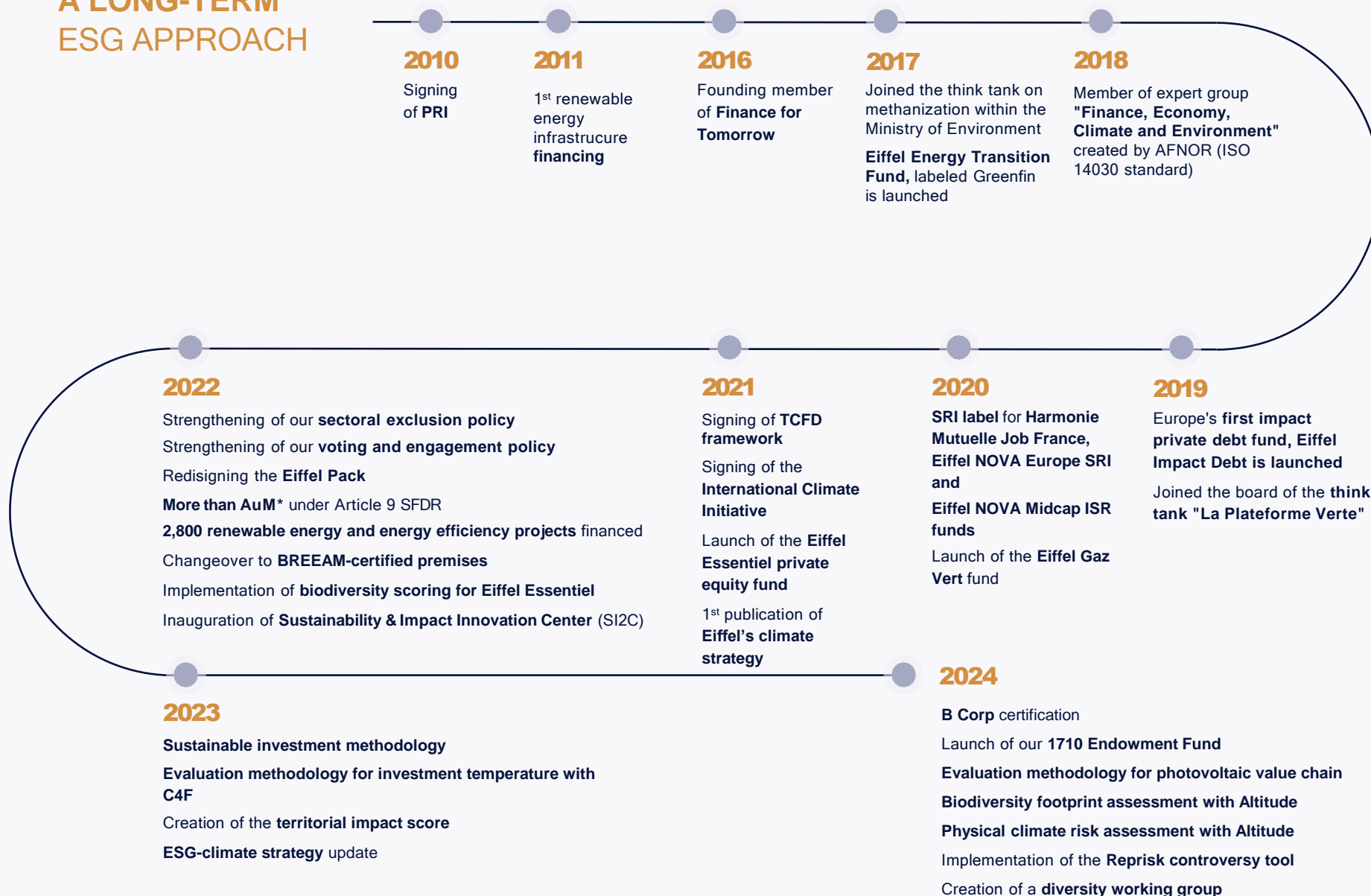
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1 Eiffel in 2023

A LONG-TERM ESG APPROACH



* Parmi les fonds éligibles (hors FCT), engagements non appelés inclus.



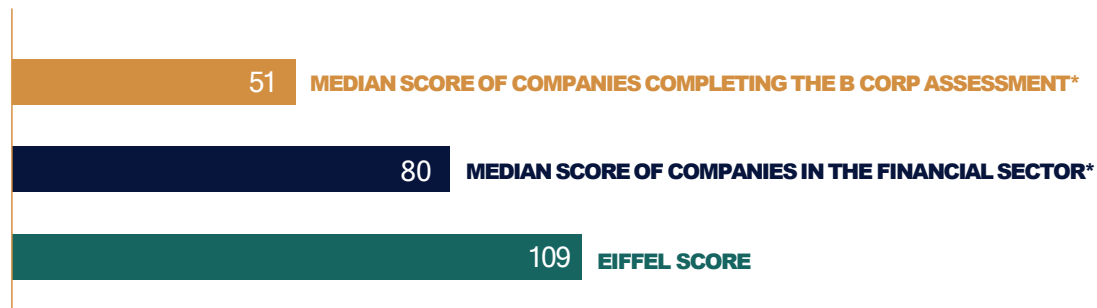
AN APPROACH REWARDED BY THE B CORP LABEL

This demanding label not only certifies our positive impact on society and the environment. **It also commits us to maintaining high standards of responsibility and transparency**, both for our employees and for our customers and partners. Thanks to our concrete actions for the climate, our commitment to local communities, our customer support, and our ethical and transparent practices, we rank amongst the leaders in our sector.

MISSION

«**To achieve its purpose, the company strives to act as a socially responsible investor. Its mission is to invest for a sustainable world. In particular, it seeks to develop investment strategies that generate positive impacts on the environment and society.**»

EIFFEL AMONGST THE LEADERS OF THE FINANCIAL SECTOR



* As of 24/06/2024

THE 5 EVALUATED DIMENSIONS

Gouvernance

Ethical practices, transparency, mission

Staff

Financial, physical, social well-being

Community

Positive social and economic impact on surrounding communities

Environnement

Positive impact of products and services sold, GHG footprint, air quality, responsible purchasing policy

Clients

Client management, business model, impact incentives, data security, reporting

CONTINUOUS IMPROVEMENT

The label is reassessed every three years and requires us to maintain high standards in all areas.

Our recent initiatives, such as the creation of the endowment fund, and the commitment of our teams to generate extra-financial value, reinforce our approach to continuous improvement.

PRI RATING 2023



Median PRI rating

Eiffel rating

INITIATIVES AND COMMITMENTS



OUR FUND LABELS



OUR ESG AMBITION

EIFFEL INVESTMENT GROUNDS ITS
COMMITMENTS AROUND 3 PILLARS



01

Full integration of the extra-financial
in our business and investment
practices

02

Dynamic and proactive support of
financed companies as they undergo
transition

03

Development of **high-impact
investment strategies** on issues
linked to environmental and
social transition

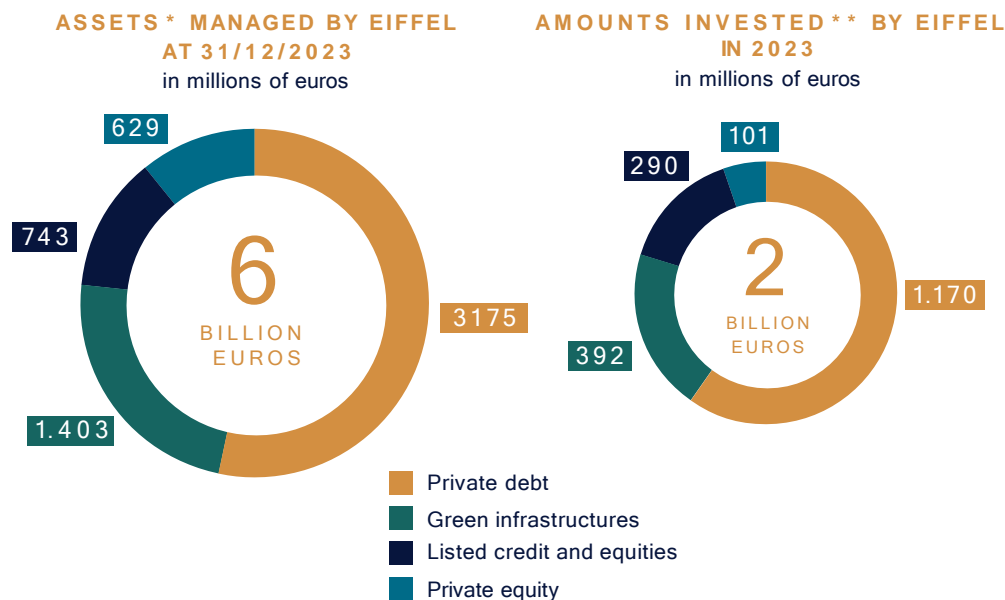
**Financing and supporting
major environmental and
social transition to
accelerate a fair and
sustainable transformation
of the real economy »**

ACTIVITY OVERVIEW

In 2023, the Eiffel Group actively pursued its development. With **€6 billion in assets under management at the end of the year**. Eiffel Investment Group saw strong organic growth in its commitments, supported by inflows of over €1 billion from major institutional investors and retail investors.

This **confidence of investors**, with whom we are committed to maintaining a constant dialogue, rewards our innovations and our ability to meet our commitments, as well as our ability to invest the amounts entrusted to us: **nearly €2 billion were invested over the year**.

This is the first prerequisite for the positive economic and social externalities we aim to generate.



* Including uncalled amounts

** Excluding repayments and resales

[END OF 2023]

Our portfolios hold

MORE THAN **580** INVESTMENTS

NEARLY **3,800** RENEWABLE ENERGY PROJECTS

IN **25** COUNTRIES

have been financed via our green infrastructure funds, generating

9 GW OF CARBON-FREE ENERGY

equivalent to more than 5 nuclear reactors.

Through all our investments, we are helping create or sustain

13,000 JOBS

[IN 2023 ALONE]

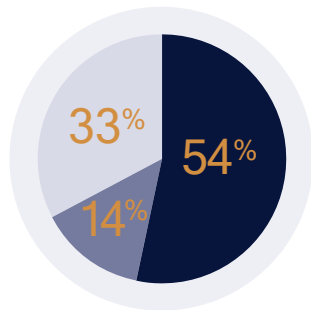
24 NEW OPERATIONS of green infrastructure have been realized

AND **173** NEW COMPANIES were financed, including 56 in private debt, 102 in listed credit and equities and 15 in private equity.

INVESTING IN A SUSTAINABLE ECONOMY

[SFDR CLASSIFICATION OF EIFFEL'S ASSETS UNDER MANAGEMENT *]

2023



ARTICLE 9

ARTICLE 8

ARTICLE 6

Only funds eligible for the SFDR classification
(excluding securitisation funds in particular)

2023

FOSSIL-FUEL
SHARE



BROWN
SHARE



We estimate the fossil fuel share (share of revenues related to all activities in the oil and gas value chain, any primary activity related to coal, sale of equipment for the fossil fuel industry and production and transport of fossil resources) and the brown share (only coal) of our investments using Carbon4 Finance.

PERCENTAGE OF LABELLED ASSETS UNDER MANAGEMENT



2023

[THE LABELS]



ESG



CLIMATE FINANCE



ENVIRONMENT



*Including uncalled commitments

ELIGIBILITY AND ALIGNMENT WITH THE EUROPEAN TAXONOMY

The European Union has set itself the ambition of classifying all economic activities to 6 environmental pillars, in order to distinguish green activities and encourage investments in companies that contribute to them.

Eiffel assesses eligibility across the six pillars: **climate change mitigation, adaptation to climate change, sustainable use and protection of aquatic and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems.**

We do this through Carbon4 Finance for the listed market, and through an internal evaluation methodology reviewed by I-Care, for our green infrastructure strategy.

ELIGIBILITY AND ALIGNMENT WITH SIX PILLARS OF EUROPEAN TAXONOMY



TOTAL AMOUNTS IN THE COMPANY

ELIGIBLE SHARE



COMPLIANT SHARE



FOCUS ON ENVIRONMENTAL STRATEGIES

GREEN INFRASTRUCTURE STRATEGY

(in % of CAPEX)

ELIGIBLE SHARE



COMPLIANT SHARE



EIFFEL ESSENTIEL

(in % of CA)

ELIGIBLE SHARE



COMPLIANT SHARE



Calculations as of 31/12/2023,
by Eiffel, based on data collected from
companies and projects financed

SUSTAINABLE CONTRIBUTIONS OF OUR ARTICLE 9 FUNDS

Investments realized by our Article 9 funds have positively contributed to at least one Sustainable Development Goal (SDG), in accordance with our [sustainable investment methodology](#). These contributions are supported by the monitoring of an indicator linked to the relevant SDG(s).

This amounts to more than €2 billion that contributes to 13 different SDGs in several ways:

Investment in so-called "solution" companies or projects,

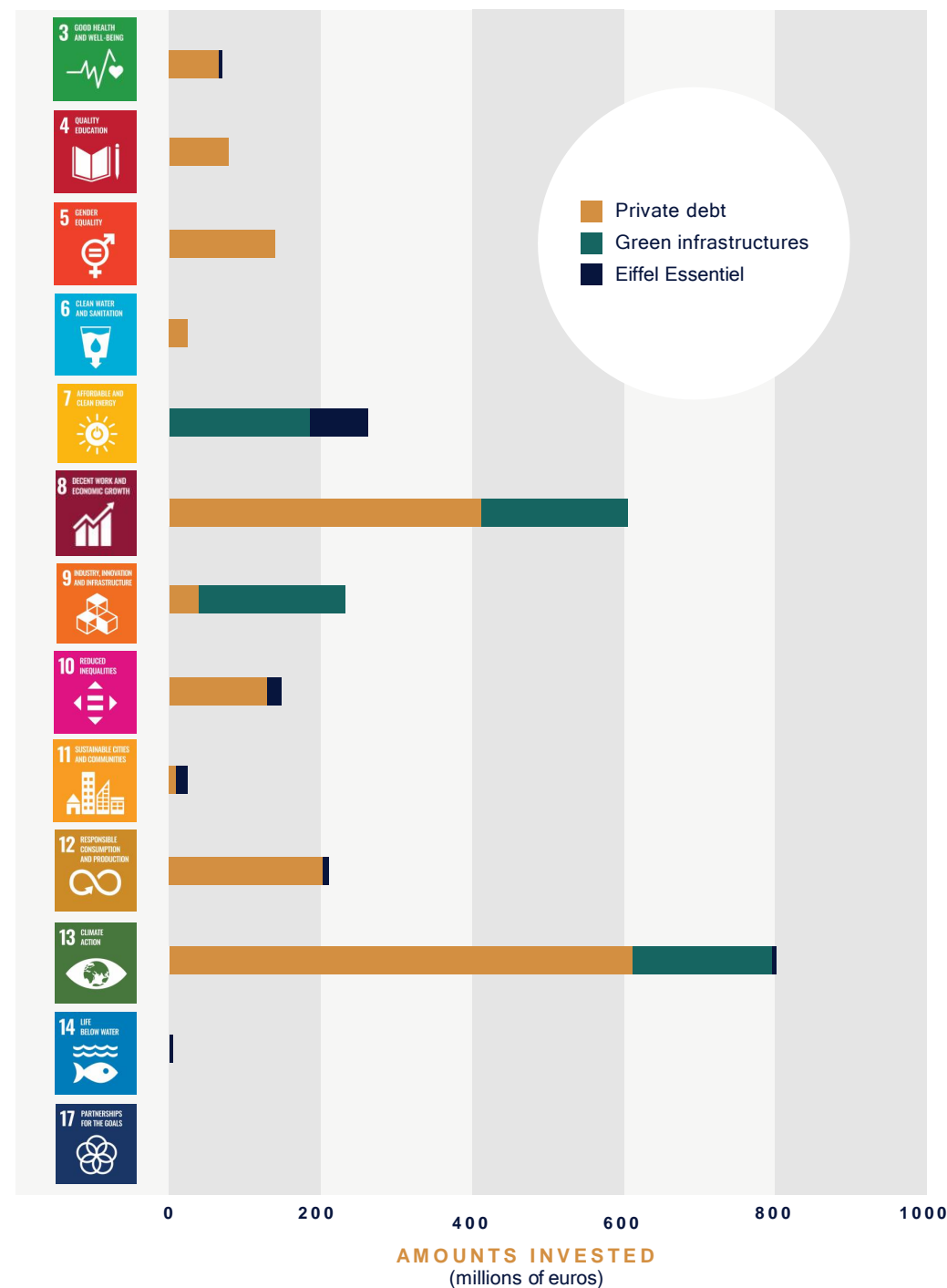
such as renewable energy infrastructure;

Investment in companies in transition,

that have made a clear, quantifiable and measurable commitment to an environmental or social objective that is part of an improvement plan and a specific commitment.

Each contribution is substantiated by a tracking KPI, measured every year.

* the contribution to the SDGs is calculated by dividing each amount invested among the SDGs to which the investment contributes, so that the sum corresponds to the total amount.



STRENGTHENING OF OUR TEAMS

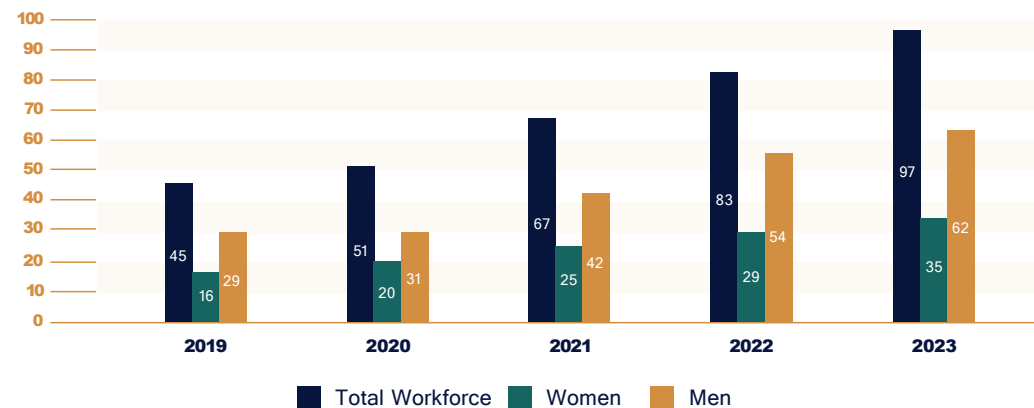
Eiffel's workforce was particularly strengthened in 2023 with **the recruitment of 14 new employees**, within the various teams, to increase our investment capacity and support for the companies financed.

As of 2023, **36% of Eiffel's workforce is female**. In the investment teams, the share of women is 26%. As a signatory of the France Invest charter for gender parity, the company has set itself a target of at least 40% of each gender within the investment teams by 2030.

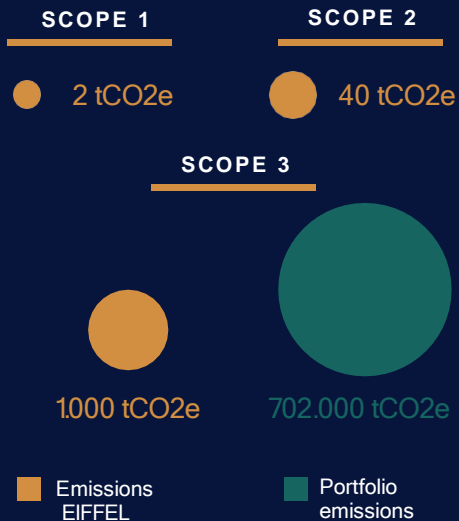
In order to devote time to supporting companies in their transition and achieving a concrete and measurable impact, the time devoted to ESG by teams has also increased: 5 FTEs were devoted to this subject in 2021, 8 in 2022 and 12 FTEs in 2023.

In 2023, **Yun Tong was appointed as an ESG Analyst. She dedicates 100% of her time to ESG**, strengthening our analysis, research and data processing capacities.

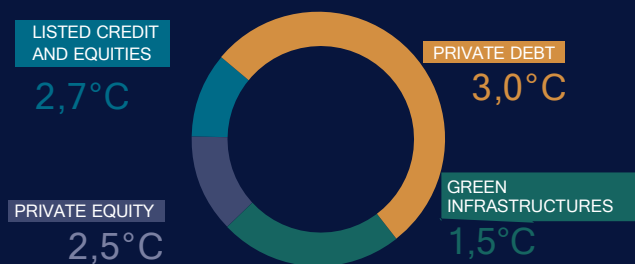
EVOLUTION OF WORKFORCE AND PARITY AT EIFFEL



EIFFEL GREENHOUSE GAS ASSESSMENT



PORTFOLIO TEMPERATURES

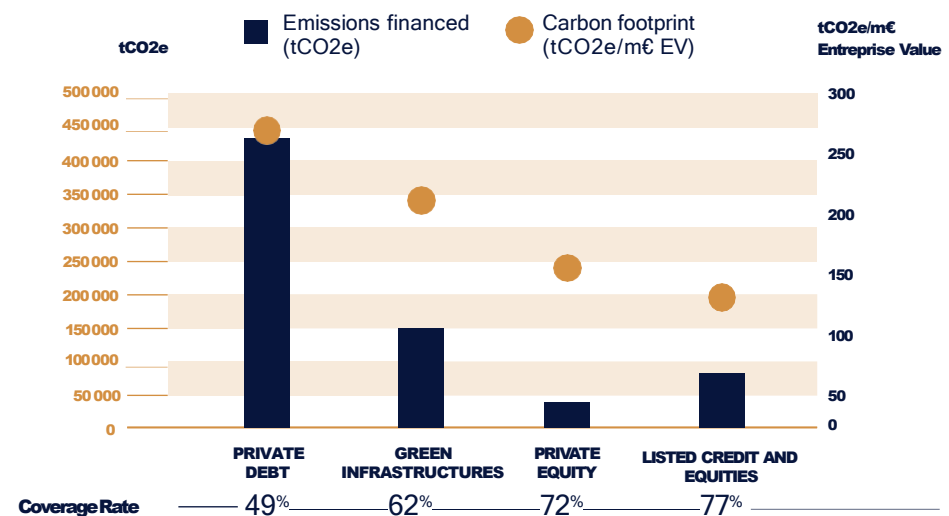


Breakdown of Eiffel's AUM

CARBON FOOTPRINT

FOCUS SCOPE 3 - PORTFOLIO

Through all of its investments, **Eiffel emits 702 ktCO₂e***. Each million euros generates an average of 201 tCO₂e emissions.



*Financed emissions are calculated from the GHG data provided by the companies according to the formula below:

$$\text{financed emissions} = \sum_{\text{companies}} \frac{\text{value of investment in the company} \times \text{GHG emissions of the company}}{\text{company's enterprise value}}$$

WORKPLACE HEALTH AND WELL-BEING

Keen to create quality jobs for a sustainable economy, Eiffel strives to focus its investments on a **just transition**. This is why Eiffel supports companies in improving the health and well-being of employees, as well as stable employment (permanent contracts, etc.).

In our private debt strategy, for example, we have put in place a total of 52 Impact Covenants® for companies affected by these issues:

10 IMPACT COVENANTS®



Examples :

- Localized access to care
- Employee healthcare coverage

42 IMPACT COVENANTS®



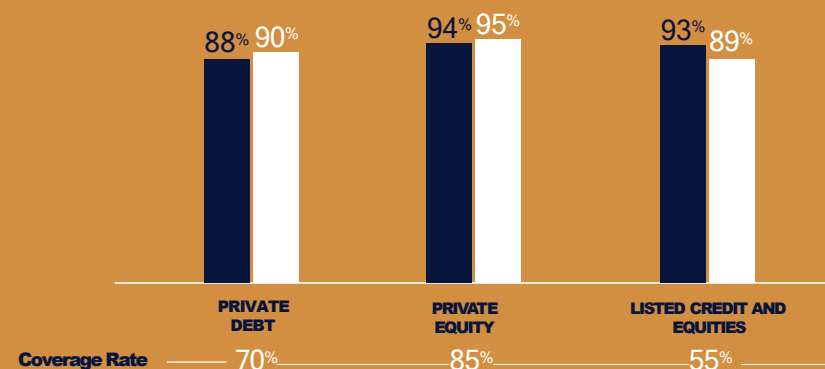
Examples :

- Creation of new net jobs
- Minimum proportion of permanent contracts in workforce
- Reduction in the rate of accidents at work

Source of the graphs: Gaia Ethifinance database and ESG questionnaire

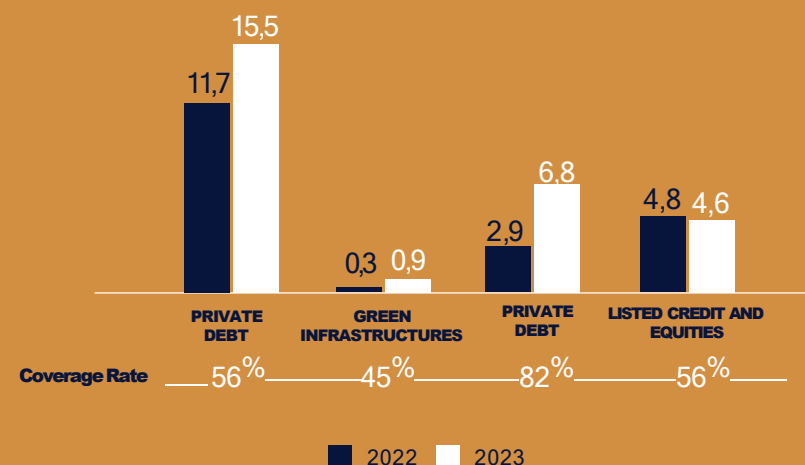
[SHARE OF PERMANENT WORKFORCE]

Permanent workforce refers to all the employees of a company who have a stable employment contract of indefinite duration.



[FREQUENCY OF WORKPLACE INCIDENTS]

(Number of accidents with stoppage X 1 000 000 / hours worked)



CONTINUED EFFORTS ON PARITY AND PAY GAPS

The challenges of gender parity and the gender pay gap are an integral part of our strategies, as they are of our company.

This is why we have decided to proactively support companies in this area:

16 Impact Covenants®

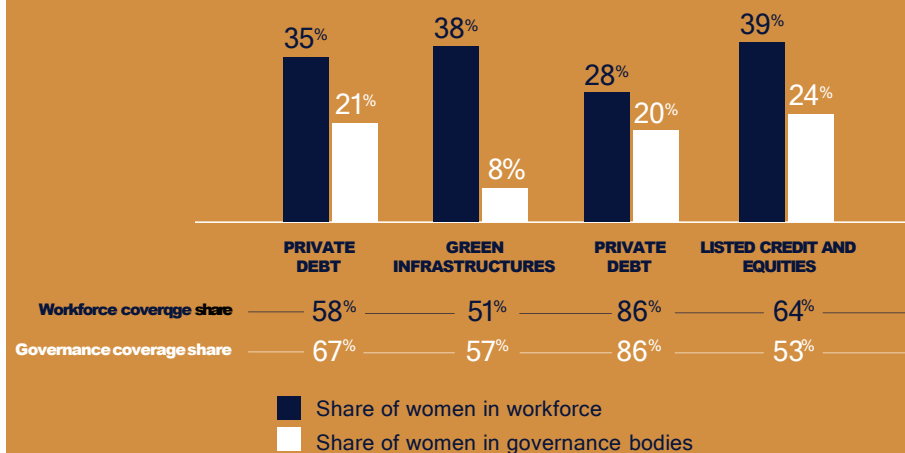
on gender equality have been implemented in our private debt strategy (e.g. improving the % of women executives in the workforce),

2 best practice sheets

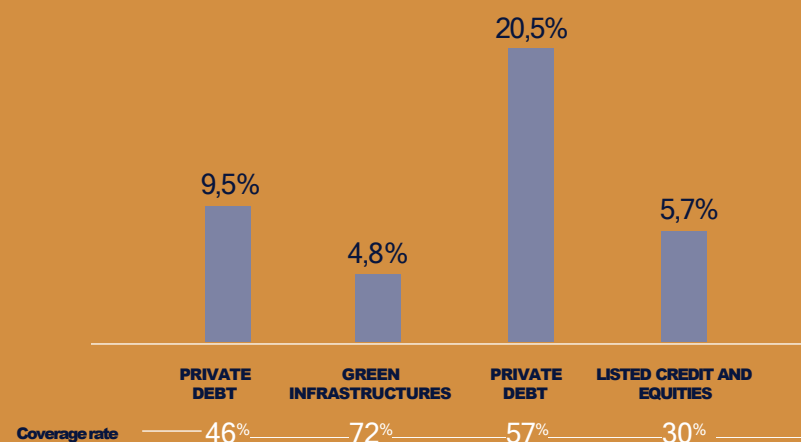
were made available to respondents of our ESG questionnaire on the Tennaxia fundraising platform, including possible actions to be implemented within the workplace or during the recruitment phase, with a list of indicators to be monitored, and examples of companies that have managed to implement concrete actions.

Source of the graphs: Gaia Ethifinance database and ESG questionnaire

REPRESENTATION OF WOMEN IN FINANCED COMPANIES (2023)



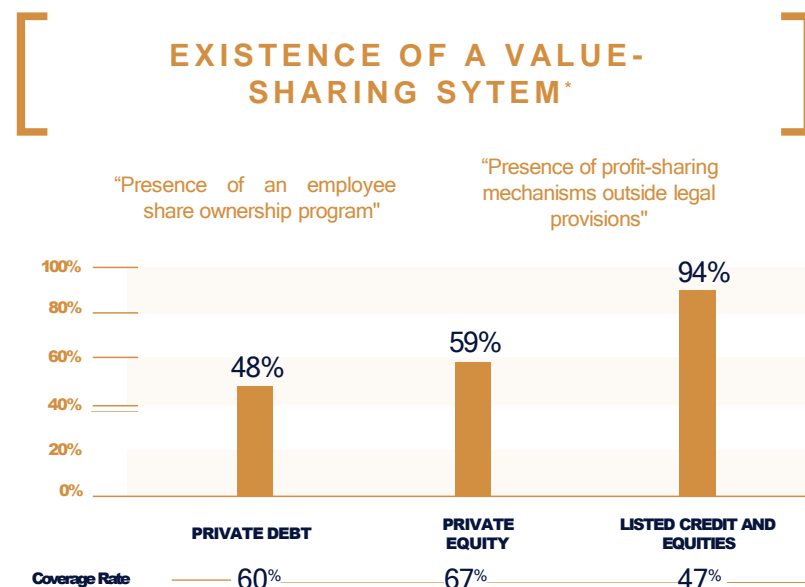
GENDER PAY DISPARITY (2023)



GOOD GOVERNANCE PRACTICES

Eiffel is a signatory to France Invest's **value-sharing commitment charter**. This charter encourages the promotion and implementation of profit-sharing schemes, value-sharing bonuses, and employee shareholding within 12 months of each new company being supported within private equity and private debt strategies.

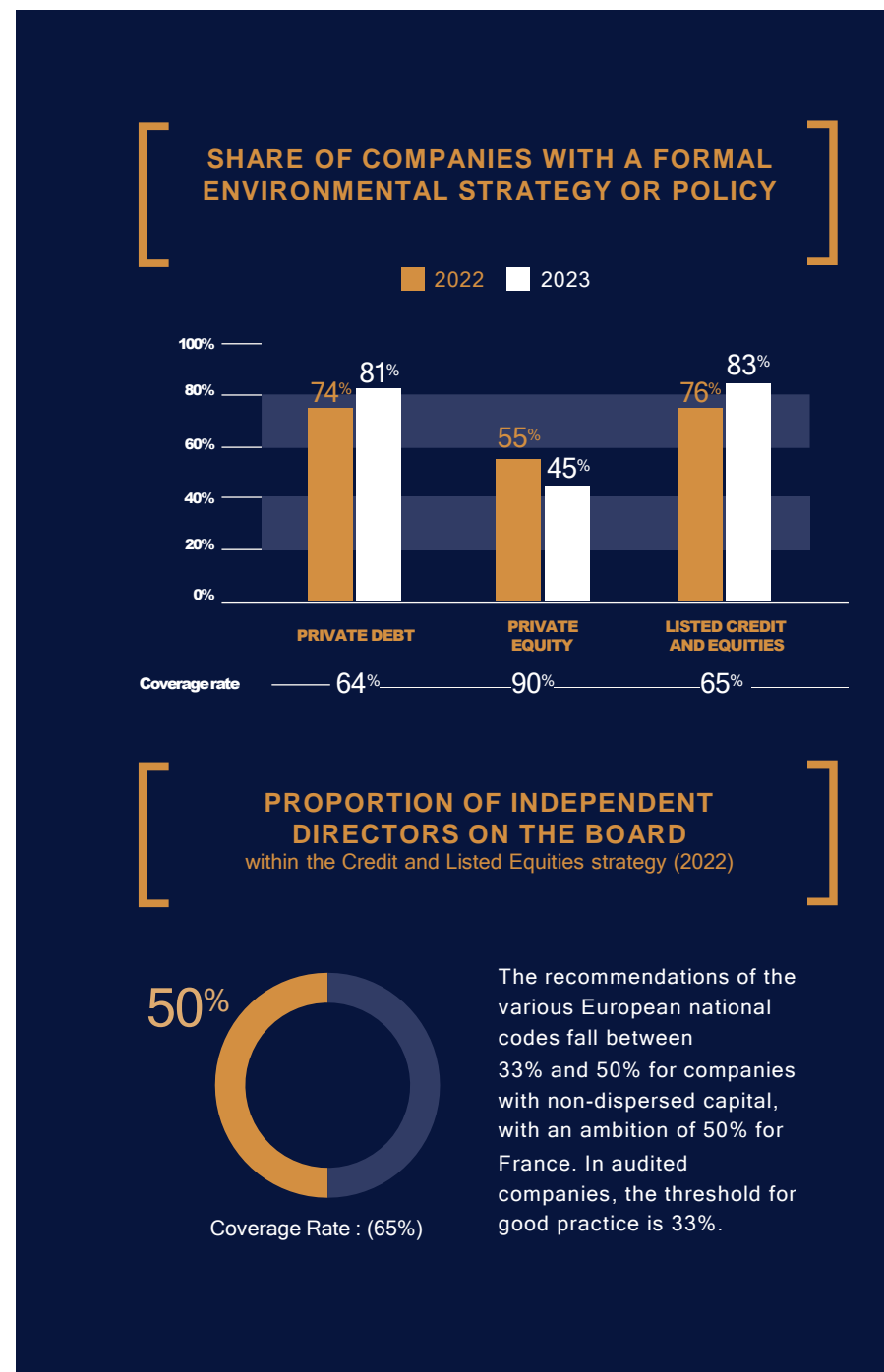
In addition, Eiffel is committed to monitoring the progress made by the companies financed in its annual ESG questionnaire.



Source of the graphs: Gaïa Ethifinance database and ESG questionnaire.

Green infrastructure funds are not included in the indicators presented.

*Data not relevant for the green infrastructure strategy, which finances a lot of projects through SPVs





2 Integrating ESG and climate considerations into our business and investment practices

OUR ESG GOVERNANCE

Eiffel Investment Group has adopted an original governance structure, by setting up an ESG Committee, chaired by Fabrice Dumonteil, President of Eiffel, and coordinated by Pierre-Philippe Crépin, Head of Sustainability & Impact at Eiffel, in which all teams are represented.

Eiffel Investment Group has also integrated the consideration of **extra-financial criteria** in its remuneration policy by including the achievement of extra-financial fund objectives and the personal investment of employees in the deployment of the Group's ESG strategies.

ESG COMMITTEE ROADMAP

The ESG Committee ensures **cross-functional coordination** between teams and meets once a month to discuss all topics that contribute to the group's ESG and climate ambitions.

It **may be called upon at any time** by the management teams to answer any questions relating to the eligibility of an investment (sector exclusion, controversy, etc.), controversy, etc.).

Thematic working groups, with 3 to 6 members of the ESG committee, make it possible to develop a strategy on the following topics:

- SFDR regulations / Taxonomy workshop
- Biodiversity workshop
- Climate risk workshop
- Climate Data Workshop
- "Pack Eiffel" Workshop
- Training Workshop
- CSRD Workshop

MEMBERS OF ESG COMMITTEE



FABRICE DUMONTEIL
PRÉSIDENT



PIERRE-PHILIPPE CRÉPIN
HEAD OF
SUSTAINABILITY & IMPACT



YUN TONG
ESG



CÉLINE ANDRÉ
INVESTMENT -
CAPITAL-INVESTMENT



EMILIE DA SILVA
INVESTMENT -
LISTED EQUITIES



FRANÇOIS-XAVIER
DURAND-MILLE
INVESTMENT -
CAPITAL-INVESTMENT



JULIEN FAULT
INVESTMENT -
PRIVATE DEPT



THIBAUT LEGUERINEL
RISKS
AND OPERATIONS



FLORA GUERRY
INVESTMENT - PRIVATE
DEBT



YANNICK HENRION
INVESTMENT -
ENERGY
TRANSITION
INFRASTRUCTURE



CASSANDRE MÉMET
COMPLIANCE



JEAN NOUAILHAC
INVESTMENT -
DIRECT LENDING



PIERRICK PAINDAVOINE
INVESTMENT -
ENERGY TRANSITION
INFRASTRUCTURE



ALEXIS ROSTAND
MIDDLE EAST



EMMANUELLE
SERHROUCHNI
BUSINESS
DEVELOPMENT



GUILLAUME TRUTTMANN
INVESTMENT -
LISTED CREDIT



PROJECT MILESTONES

2023 has been rich in accomplishments. Involvement of the ESG committee, in the various working groups, has led to a number of advances on many key themes.

Among the most significant advances:

Creation and automation of our territorial impact assessment methodology

allowing us to take into account the geographical dimension of our investments, and the added value of companies in our territories;

Extending the methodology for assessing corporate temperature

to all our private asset investment portfolios, taking into account companies' climate commitments and the means implemented to achieve them;

Creation of a methodology for assessing avoided health costs

making it possible to evaluate the economic benefits of preventive measures for health;

Altitude physical risk assessment tool (Axa Climate)

to assess the exposure of company sites to 16 climatic hazards over the next 30 years, and to initiate a dialogue with companies to discuss possible adaptation measures;

Altitude biodiversity footprint assessment tool (Axa Climate)

making it possible to assess the main pressures on biodiversity, MSA/km², dependencies on ecosystem services, proximity to protected areas and threatened species;

Scoring tool for the photovoltaic value chain

ensuring that PV module suppliers comply with labour laws and are not involved in forced labour;

Launch of the Internal Diversity Working Group

to raise employee awareness on the subject and to implement best practices in our recruitment processes and daily activities at Eiffel;

Updating our sectoral exclusion policy;

Creation of the Endowment Fund 1710.

SUPPORT FOR OUR TEAMS

In this changing regulatory environment, and with the arrival of a large number of new employees, we felt it essential to make training a key factor in our teams' understanding of and commitment to ESG issues. In addition to numerous internal and external training courses, we have integrated our ESG-Climate strategy plan into our onboarding package and made it compulsory for all our employees to obtain the AMF sustainable finance certificate.

We have also strengthened our ESG team with the full-time appointment of Yun Tong, enabling us to reinforce support for the investment teams, as well as ESG research and innovation.



TRAINING OUR STAFF IN ESG ISSUES

- **Formations for Eiffel employees** on the following themes:

- Climate risks
- Biodiversity
- Biofuels
- GHG assessment
- CSRD

- **Fresque du climat** workshops to give employees the opportunity to learn about climate issues



- **Fresque de la diversité** workshops allow employees to learn about diversity issues



AMF SUSTAINABLE FINANCE

- All employees must receive **AMF Sustainable Finance** certification



CONSISTENCY AND COHERENCE OF ESG PRACTICES BETWEEN TEAMS

- Our **Sustainability & Impact** manager leads and guides the company's ESG strategy and ensures the alignment of our practices

Integration of the **ESG-Climate strategic plan** in all onboarding packages

GENDER PARITY AND EQUALITY

Ega Pro Index

Efforts on parity and gender equality continue. The Ega Pro Index for 2023 data remains high at 91/100, with a significant increase in the headcount between 2022 and 2023.

WORKPLACE EQUALITY- INDEX 2024 on 2023 data

91/100

PAY DISPARITY

36/40

Pay gaps according to socio-professional categories and age groups

PAY RAISE DISPARITY

35/35

Differences in individual raises - whether or not they were increased during the reference period

INDIVIDUAL MATERNITY PAY INCREASES

15/15

Percentage of employees receiving a raise on return from maternity leave

TEN HIGHEST COMPENSATIONS

5/10

Number of employees of the under-represented sex among the 10 highest earners

Parenting support policy

- Financing of stays in daycare facilities
- Financial support for other childcare solutions
- Maternity and paternity leave without a reduction in salary or seniority condition

Recruitment

Recruitment in 2023 was strictly gender-balanced, with a recruitment policy that requires at least one woman to participate in the recruitment process on behalf on the company.

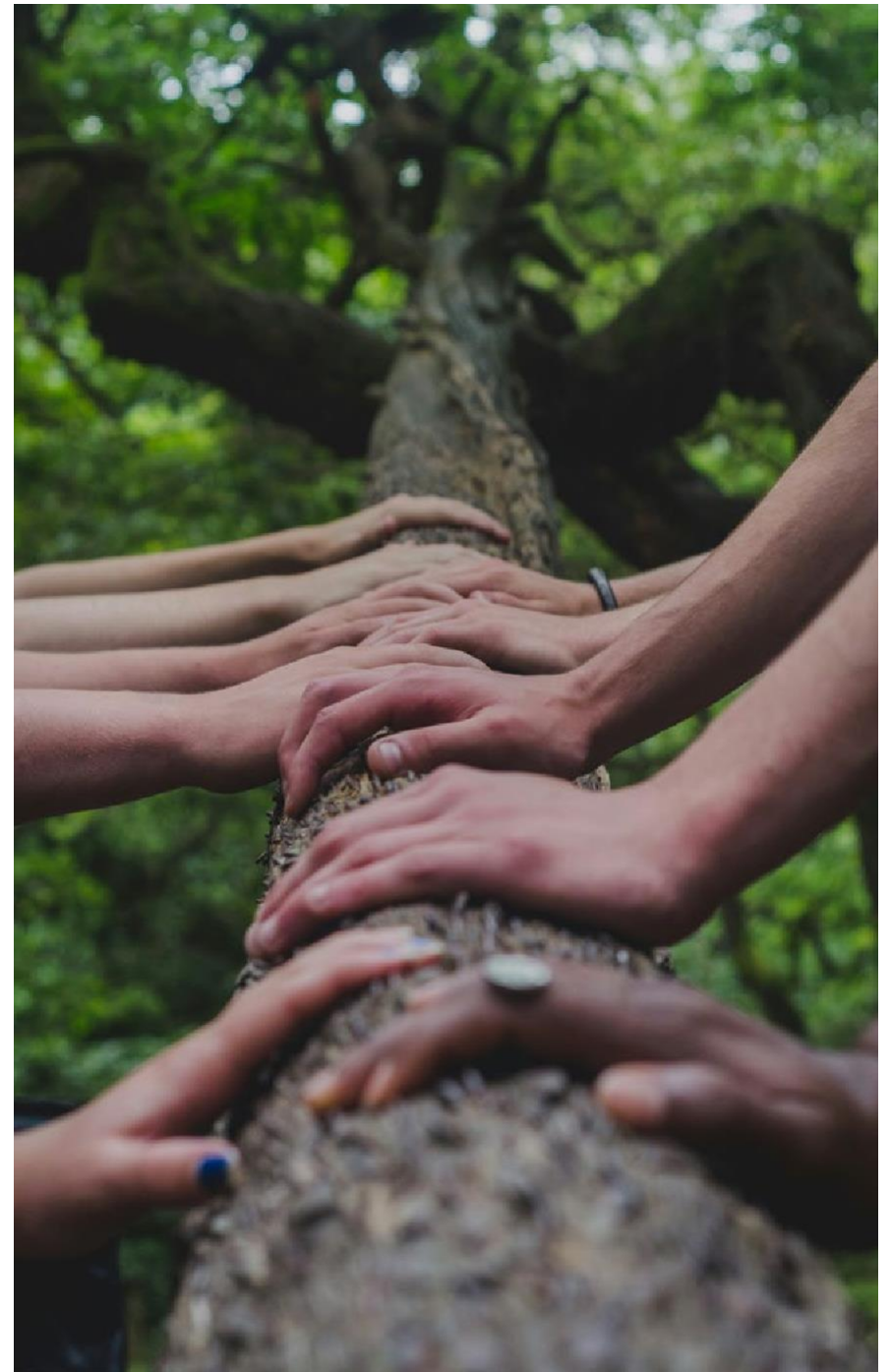
DIVERSITY

In 2023, Eiffel created a working group on diversity and inclusion topics, whose first actions are:

- Launch of a partnership with the **Florence Foundation** to recruit scholarship students for internships



- Launch of the **fresque de la diversité** (collective intelligence and awareness workshop) for all Eiffel employees.



EIFFEL'S GREENHOUSE GAS ASSESSMENT

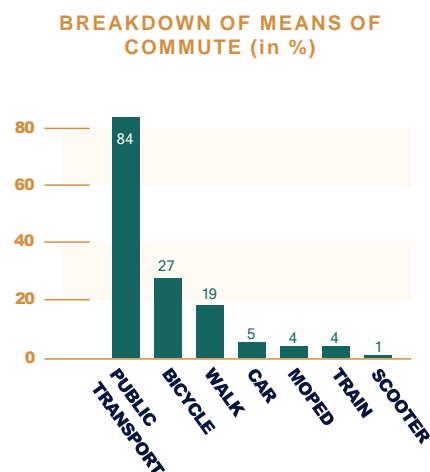
Key findings

Emissions per employee decreased by 21% between the 2022 and 2023 financial years. There are several reasons for this decline:

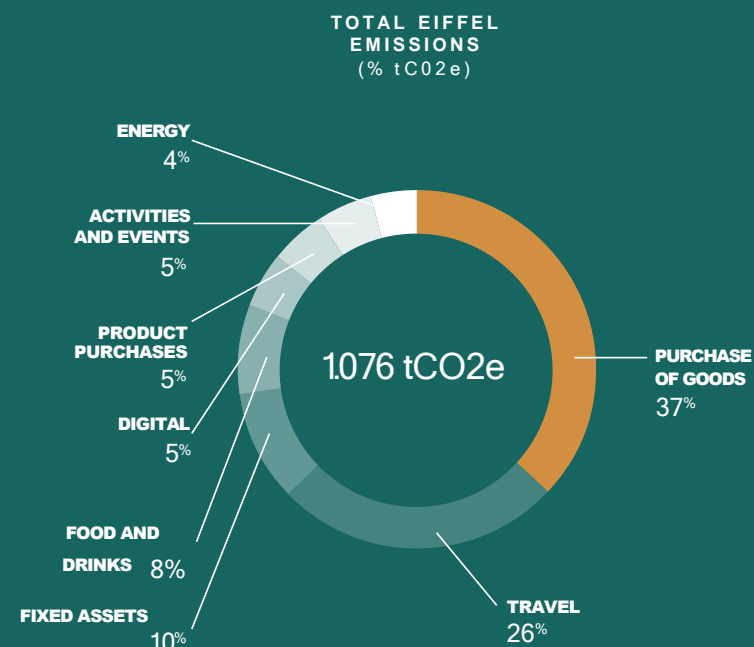
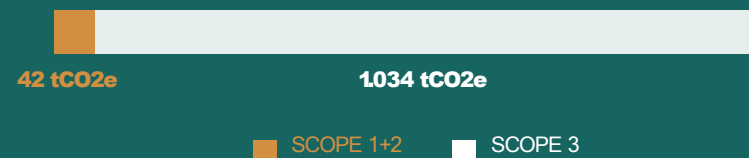
- **Reductions pursued in our scope 1** (-40% of tCO₂e per employee), a direct result of our move into a High Environmental Quality building, with a first full year in the new premises in 2023.
- A reduction in **emissions related to purchases** in our scope 3.
- The **change in methodology**, particularly in travel, **going from a monetary approach to a physical one**, obtaining more accurate results.
- **Emissions in absolute terms have risen by just 4%, despite a 20% increase in travel-related emissions** (+48% for emissions linked to air travel). The opening of new offices abroad (New York, Abu Dhabi, Milan) explains the rise in these emissions. Growth in the number of employees (+32% by 2022) will absorb this slight increase in emissions.

Transportation Focus

Following the implementation of the **sustainable mobility package**, we have identified that **27% of employees use the bicycle** as a mode of commuting.



GHG EMISSIONS FROM EIFFEL'S OWN OPERATIONS (EXCLUDING INVESTMENTS) IN 2023: 1076 tCO₂e



EIFFEL'S ENVIRONMENTAL COMMITMENT

In 2022, the group relocated to a High Environmental Quality (HQE) building certified by BREEAM International



ENERGY EFFICIENCY

Employing specific lighting solutions (low voltage outside), heat supplied through connection to Paris's city grid, radiant drop ceilings (maximizing thermal transfers), and installing new window and door frames for better insulation.



WATER CONSERVATION

Utilizing dedicated plumbing installations and irrigating with harvested rainwater.



NOISE CONTROL

Implementing sound-absorbent drop ceilings and new exterior carpentry.

CONCRETE ACTIONSTO REDUCE IN-HOUSE EMISSIONS



CARBON FOOTPRINT EVALUATION

(Teaming up with Greenly, Eiffel's carbon emissions (excluding investments) measured 1,076 metric tons of CO2e in 2023.



WASTE MANAGEMENT

Kick-starting a selective waste sorting system in the building.



SUSTAINABILITY MOBILITY

Offering a \$451.20 incentive to staff as part of a sustainable mobility package, pushing employees to bike, use public transit, or carpool.



INCREASING AWARENESS

A significant number of team members are becoming increasingly aware of environmental issues in their work and personal lives.

EIFFEL 1710 ENDOWMENT FUND

At the end of 2023, Eiffel launched its Endowment Fund, to support, financially and through the voluntary commitment of employees who wish to do so, a number of philanthropic causes and complement the impact approach deployed in its activities. The purpose of the endowment fund is to support any work of general interest, aimed at promoting:

- The transmission of knowledge through the development of an **educational offering** aimed at the most vulnerable populations ;
- A **regenerative economy** that values local ecosystems, especially in peripheral areas
- Access to low-carbon energy and the safeguarding of biodiversity through the **preservation of the environment**;
- The care of the most vulnerable, in particular through the development of an **innovative care offer**.

Two associations were funded in 2023:

*Ma Chance
moi aussi!*

Ma Chance Moi Aussi, whose mission is to provide daily support to children, aged 5 to 16, who attend school in disadvantaged areas in the form of, and in agreement with parents and the Ministry of Education, homework support; early-learning or sports activities and psycho-educational support.



Sunrider Foundation whose mission is to protect **oceans** from littering.



COMMITMENT TO STUDENTS



- **Antoine Maspétiol**, managing director at Eiffel, teaches a course in corporate finance in the M2 of the Magistère de Sciences de Gestion at the **University of Paris Dauphine**.
- **Alexis Rostand**, managing director at Eiffel, teaches a class at **l'Université Paris-Sorbonne Abu Dhabi** on philosophies of investment. He is also a founding member of **The Institute for Sustainable Finance in Abu Dhabi**.
- **Pierre-Philippe Crépin**, Head of Sustainability & Impact at Eiffel, lectures at the **Ecole Polytechnique** master's program "Economics for Smart Cities and Climate Policy" on the subjects of future scenarios and climate risks.
- **Marc-Etienne Mercadier**, manager of the Eiffel Gaz Vert fund, regularly lectures on renewable energy financing at **Paris Dauphine University** and **INST**.
- **Emilie da Silva**, Director of Equity Management at Eiffel, teaches students in the Master 2 program in Asset Management, Risk Control and Compliance at **IAE Caen**. Her presentations help to make our professions more attractive to a diverse population and illustrate how women are represented in the profession.
- **Pierre-Philippe Crépin et Yun Tong** (ESG & risk analyst at Eiffel), supervise ESG-related student projects as part of the ESSEC partnership "Shaping the future of finance."
- **Louis David-Bellouard**, from Eiffel Gas Vert investment team, is an instructor at **Fresque du Climat**.



ESTABLISHMENT OF THE INSTITUTE FOR SUSTAINABLE FINANCE IN ABU DHABI

Eiffel Investment Group announced at the COP28 held in November in Dubai the opening of its new **office in Abu Dhabi**, a key step in its international ambition, and the creation of **the Institute for Sustainable Finance in partnership with the University of Paris-Sorbonne Abu Dhabi**. This institute will bring together students, experts, academics, and practitioners to conduct research and analysis, providing insights that can shape the future of global finance.

The partnership with the University of Paris-Sorbonne Abu Dhabi reflects Eiffel Investment Group's commitment to intellectual exploration. The institution will explore innovative financial strategies, economic trends and emerging market opportunities to strengthen and enlighten leaders in finance and investment.



ALEXIS ROSTAND
MANAGING DIRECTOR



L'économie, science barbare

Alexis Rostand published in 2023
L'économie, science barbare ?
Une philosophie de l'investissement.
The author presents economics; and
investment in particular; through the
lense of philosophy and history

SHAPING THE FUTURE OF FINANCE



Eiffel plays an active role in training and raising awareness of ESG issues among around 40 students each year. This is part of the *"Shaping the future of finance"* partnership at ESSEC business school.

Courses and student projects

In addition to courses focusing on sustainable finance, Eiffel supervises students in the realization of 2 scientific projects.

- One project to measure the relationship between a company's financial and social performance.
- One project on health prevention in the workplace: costs avoided, links with financial performance, etc.

Business Case

Eiffel also co-authored a Business Case on the financing of renewable infrastructure projects for ESSEC students.

The students had to analyze two projects, inspired by real cases, and make investment proposals.

This case is part of the "Shaping the Future of Finance" curriculum of Professors Sofia Ramos and Francis Declerck.

Pierre-Antoine Machelon (Head of the Energy Transition Team), Emmanuel Weyd (Credit CIO) and Pierrick Paindavoine (Investment Director Energy Transition) have had the opportunity to facilitate the student presentations.



RESEARCH AND PUBLICATIONS

In our most scientific approach to ESG, we strive to forge close links with the academic world, to develop innovative and robust methodologies, and to question researchers on prospective subjects.

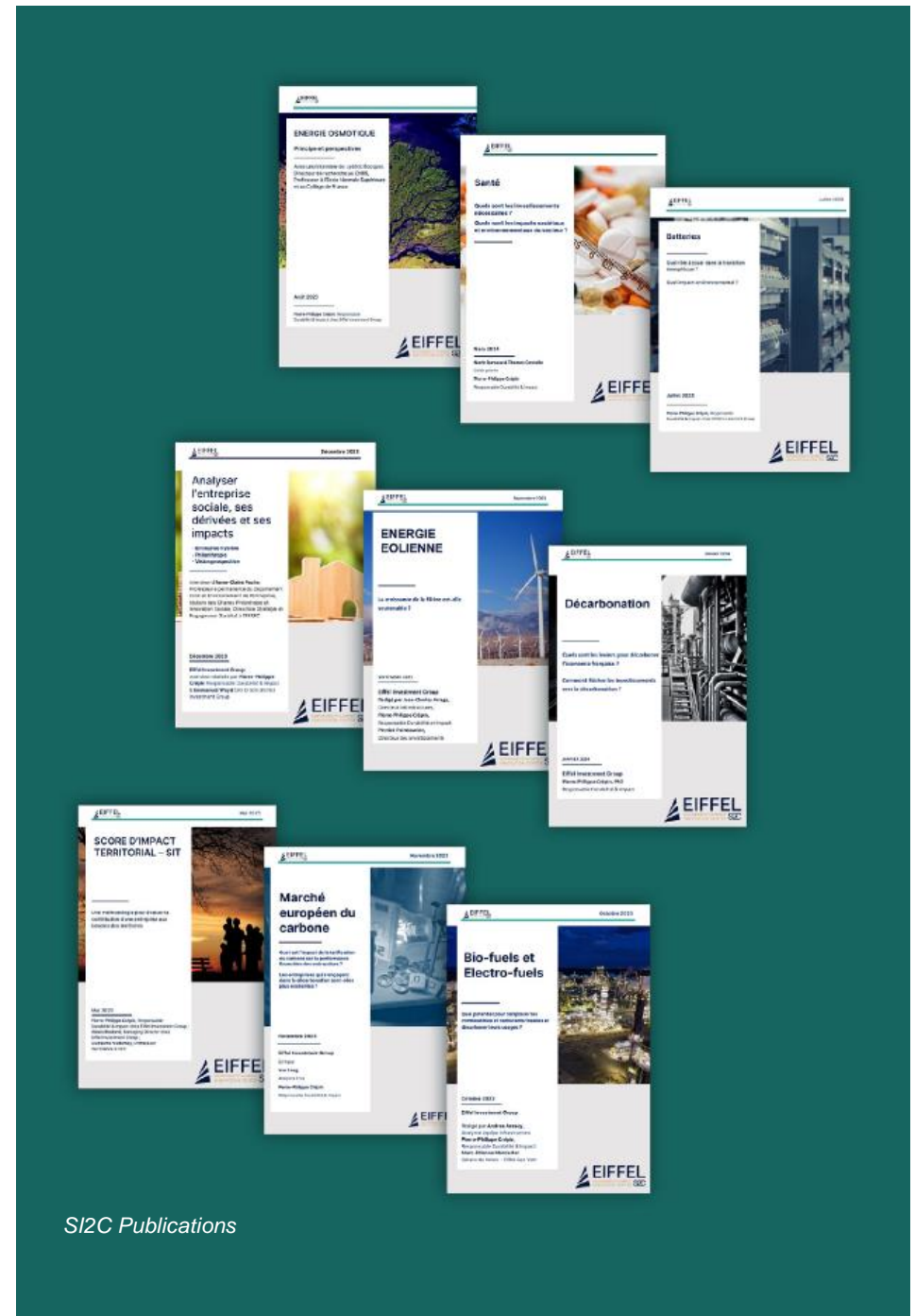
In order to pass on this knowledge and our innovations to our investors, in 2022 we created the *Sustainability and Impact Innovation Center (SI2C)* research laboratory, in which we regularly publish on various ESG topics. Sixteen publications are currently available.

Sustainability and Impact Innovation Center (SI2C)

The creation of this **innovative center** is in line with our desire to have a concrete and measurable impact, and our anticipation of tomorrow's high-impact financing needs.

The SI2C thus has a dual objective:

- **Sharing our vision on the challenges of the future:** prospective analyses, scientific studies in partnership with the academic world;
- **Give context to our own innovations and initiatives in impact and sustainable development:** new impact methodologies, new investment strategies.



SI2C Publications

FOCUS

ESG CREATES VALUE

Our ESG approach, embodied in our Impact Covenants® among other things, initiates a virtuous circle between extra-financial and financial performance.

We have, for the first time, succeeded in scientifically demonstrating this thesis on our private assets by conducting a large study among our counterparties; enabling us to analyze over 1300 collection points.

The aggregate results of our study clearly show **the positive impact of implementing ESG improvement KPIs on companies' financial performance**. According to the management of the companies surveyed, **83% of the ESG objectives implemented had a net positive impact** (more financial indicators were positively impacted than negatively)!

These results confirm the legitimacy of Eiffel's impact thesis which, in 2019, informed the launch of the first private debt fund systematizing Impact Covenants®: **extra-financial performance, when carried out with care, makes companies both more robust and more profitable, and enables them to grow further.**

BREAKDOWN OF ESG KPI EFFECTS ON FINANCIAL KPIs



[LINK TO SI2C PUBLICATION](#)

FOCUS

ESG CREATES VALUE

The benefits of ESG implementation manifest themselves through various financial indicators, tailored to each company's targeted theme(s).

Beyond the expected financial impact, numerous companies have reported tangible achievements:

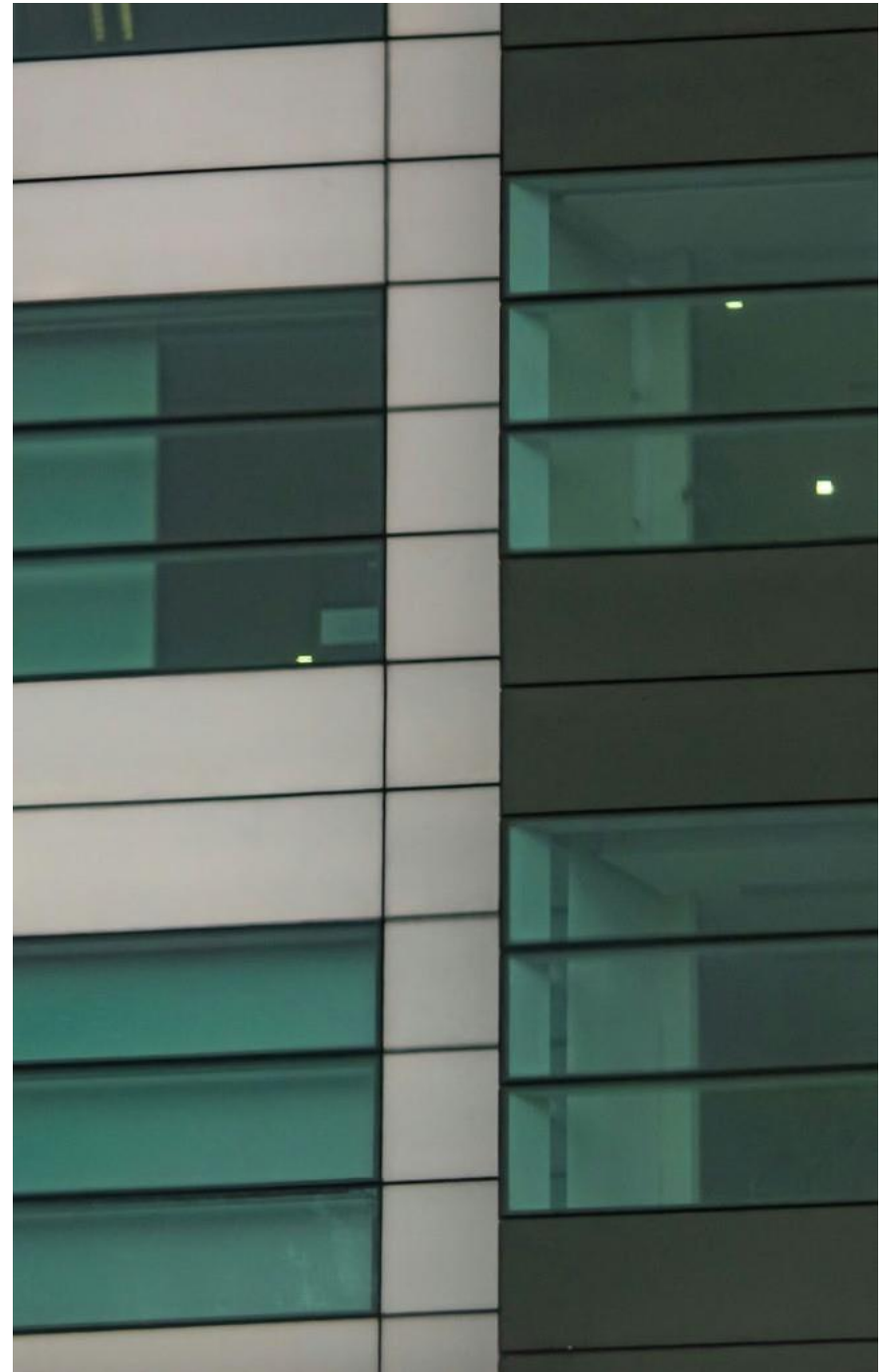
"Our entire permanent workforce has an average turnover of 52% whereas our disabled employees only have a turnover of 35% on average."

"Measuring CO2 emissions allows us to set targets that have, for example, led to a reduction in the size of the electronic boards used."

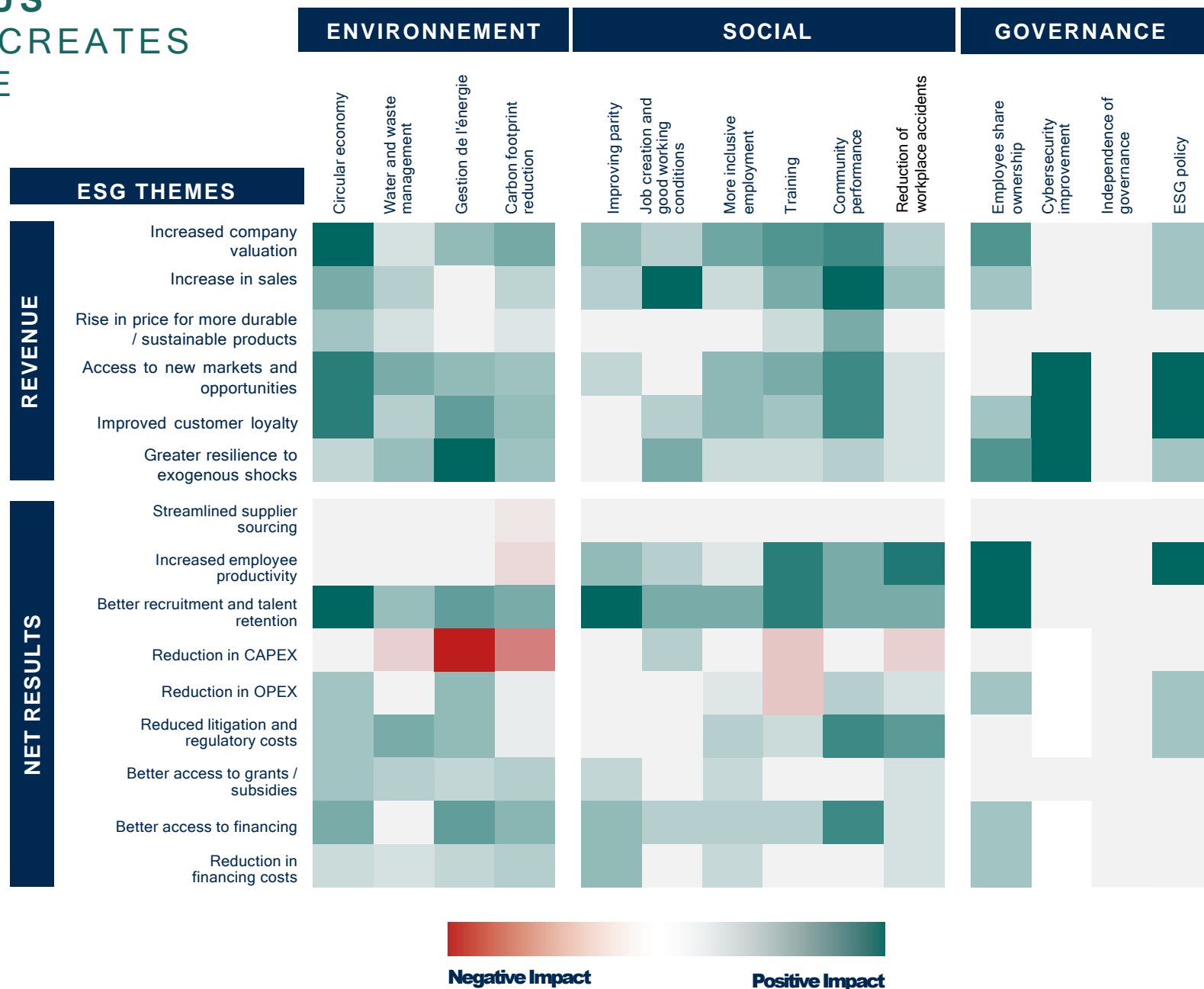
"The KPIs on our water consumption have enabled us to avoid the impacts of drought decrees. Without this progress we would have been identified as a water consuming company, particularly in the Oise region."

"The ESG indicator for 100% QSE site certification encouraged the group to obtain QSE certification, even though it was not a customer requirement at the time. As it turns out, this new certification has certainly contributed to the conquest of new markets in Germany."

"The implementation of an employee share ownership structure has increased employee retention and facilitated recruitment. The greater sense of belonging to the company and to the project has also helped reduce turnover and retain talent, leading to optimized performance."



FOCUS ESG CREATES VALUE



EXPERT CONTRIBUTIONS

Eiffel has organized impactful workshops led by experts to collaborate on continuously improving our impact approach. These workshops are designed for our clients, partners, and funded companies to foster positive synergy around a range of ESG topics.

#1 SOCIAL

Expanding the social impact of Eiffel Impact Debt

Which covenants should we select?

How can we surpass challenges related to parity, diversity, and inclusion?



SPEAKER

GEOFFROY DE VIENNE

SPECIALIST IN EMPLOYEE RELATIONS: NURTURING PRODUCTIVE COLLABORATIONS

#2 GOVERNANCE

Enhancing how topics are integrated

Which covenants are most relevant for value creation?

How can we make the debt tool more influential in addressing corporate governance issues?



SPEAKER

DONALD BRYDEN

AN EXPERT IN CORPORATE GOVERNANCE

#3 BIODIVERSITY

Putting spotlight on how to integrate biodiversity protection

How can we raise awareness among SMEs and their stakeholders?

What Impact Covenants® should we consider?



SPEAKER

H  LO  SE BERKOWITZ

CNRS RESEARCHER ON CLIMATE TRANSITION AND BIODIVERSITY MATTERS

#4 HANDICAP

Improving practices to include individuals with disabilities?

How can we raise awareness among SMEs and their stakeholders?

What are the best practices to implement?



SPEAKERS

YANN BUCAILLE

FOUNDER OF CAF   JOYEUX

SOPHIE CLUZEL
SECRETARY OF STATE FOR DISABILITY AFFAIRS

#5 SHARING OF VALUE

Improving value-sharing among shareholders and employees

How to set up profit-sharing and participation agreements?

How to raise awareness among employees?



SPEAKER

FRAN  OIS PERRET

GOVERNMENT AMBASSADOR OF VALUE SHARING

2023 CONFERENCES



MICHAL KURTYKA

PR  SIDENT OF COP 24

Getting through the winter: Challenges, Difficulties, and Strategies to Secure European Energy Supply in the Coming Months



DANIEL SUCHET

PHOTOVOLTAIQUE INSTITUTE OF ILE- DE- FRANCE

Solar energy: current status and outlook



ANN BOUISSET

DALL ENERGY

Renewable heat: what are the prospects for a decarbonized Europe?



RESEARCH LABORATORY VISITS

Eiffel organizes visits to funded companies or research laboratories. In 2023, a visit to the Photovoltaic Institute was organized for our clients to better understand the cutting-edge research and upcoming innovations in the field of solar photovoltaics.



DEDICATION TO STRATEGIC THINKING AND SHAPING INDUSTRY NORMS

The success of impact initiatives and, more broadly, of efforts aimed at combating climate change and preserving biodiversity, hinges on the ability of financial players to mobilize themselves in defining a common trajectory.

This particularly involves refining tools and benchmarks, which are intended to translate ambitious objectives into concrete actions.

For several years now, Eiffel has been involved in a number of local initiatives aimed at taking greater account of environmental and social transition issues. The Group intends to pursue its commitment in this area in a very concrete way, by contributing to the work of industry associations, publishing position papers on these subjects and collaborating on research projects.

Eiffel pledges to continue the collective endeavors it is involved in and to seek the best possible partnerships (marketplace actors, academic world) to stay at the forefront of innovation and the highest ESG standards.

PARTICIPATION IN MARKET INITIATIVES

as of January 1st, 2024

France Biométhane

Think Tank Member

La Plateforme
Verte

Think Tank Board of
Directors

WiR Women in
Restructuring

Think Tank Member

ESG
AM
PERE

ESG Reporting Work
Group

iC20

Infrastructures Work
Group

CFA Society
France

ESG Investing
Commission

FRANCE
INVEST

Sustainability Commission
Sustainable
Finance/Regulation Working
Group
SRI Private Equity Label
Working Group
Value Chain Sustainability
Working Group
Club CSO Working
ESG Cooperation & Private
Asset Funds Group

Board of Directors
Under 35 Board of Directors
Talent & Diversity Commission
Women's Private Equity Club
Growth / Venture Commission
Operating Partners' Club
Private Debt Commission



3 Supporting our investments through transitions



STRENGTHENING OUR ENGAGEMENT POLICY

Backing our investments is a big part of our job as investors. That's why it's got to be woven into the fabric of everything we do, while being tailored to fit the unique needs of each asset class and fund.

To make that happen, Eiffel's amped up its existing commitment and voting policy. This covers all of our operations and brings all available tools into play, including:

Priority engagement topics

tailored to each fund's mission,

Our voting policy

Tools at managers' disposal

considering the nature of asset classes and their ESG maturity (like one-on-one meetings, letters of intent, and the like),

Keeping tabs on engagement

and annual reporting on practices.

Every year, we put together a comprehensive report on our commitment practices.

STRONG SHAREHOLDER ENGAGEMENT

In 2023, Eiffel's teams continued to support several dozen companies, across all asset classes, while remaining faithful to their philosophy of engagement, which is based, first and foremost, on close proximity to company management.

In particular, this proximity helps build **a relationship of trust** in which managers can encourage companies to collect their ESG data and improve their performance from year to year, thanks in particular to the long-term investment horizon.

Eiffel attaches great importance to the **extra-financial data of its financed companies**. Its approach is based on the conviction that companies that integrate sustainable development issues into their strategy offer better long-term prospects. Indeed, the quality of social and environmental responsibility as well as good corporate governance practice directly promote development.

In this way, **shareholder engagement and dialogue** are at the heart of our funds' ESG strategies, helping to raise counterparty awareness of extra-financial risks and to improve the way these risks are taken into account.

Eiffel's objectives, through its commitment approach, are:

- **Promote transparency** by encouraging counterparties to publicly report on their ESG strategy.
- **Raise awareness among counterparties** to improve their practices.



DIALOGUE

is the primary tool in our approach to shareholder engagement for our funds primarily invested in equities, and our Socially Responsible Investment (SRI) certified funds.

It can take on various forms, including face-to-face meetings with businesses, conference calls, email exchanges, etc., all aimed at establishing productive dialogue with the counterparty.

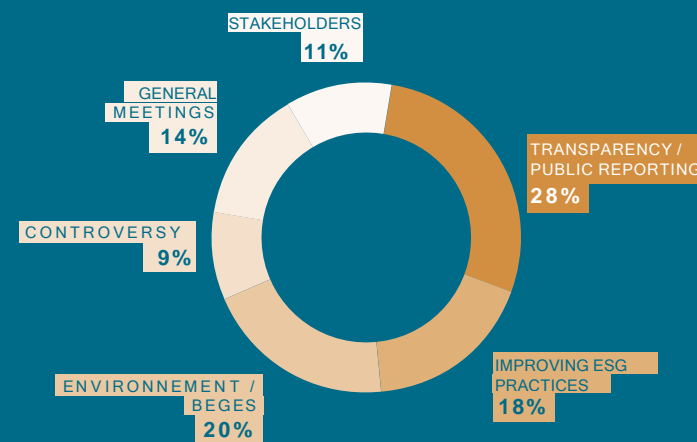
This engagement can also occur during annual shareholder meetings, prior to an investment or following up after an investment, or when a controversy arises.

These interactions allow us to delve deeper into individual cases and influence corporate practices. These actions allow Eiffel to participate in driving progress, a guiding principle for Eiffel-managed funds.

The wide range of dialogues across different themes illustrates the variety of topics tackled, which can be multi-faceted throughout a dialogue.

Scope: Funds managed by Eiffel (UCITS or AIFs) predominantly invested in equities (public or private), along with SRI-certified funds.

DIALOGUES BY THEME WITHIN OUR LISTED STRATEGIES



94

DIALOGUES
REALISED IN 2023
(OPPOSED TO 78 IN 2022)

55

COUNTERPARTIES
CONCERNED IN 2023
(OPPOSED TO 37 IN 2022)

EXERCISING VOTING RIGHTS WITHIN LISTED STRATEGIES

From January 1st, 2023, to December 31st, 2022, Eiffel was approached by **142 clients** to partake in **177 annual general meetings**. Among these, **148 annual meetings fell in line with Eiffel's voting policy**. Eiffel exercised the voting rights associated with shares held in its funds, achieving a **participation rate of 94%** for the stated period.

As a European investor, our votes were cast across 10 countries.

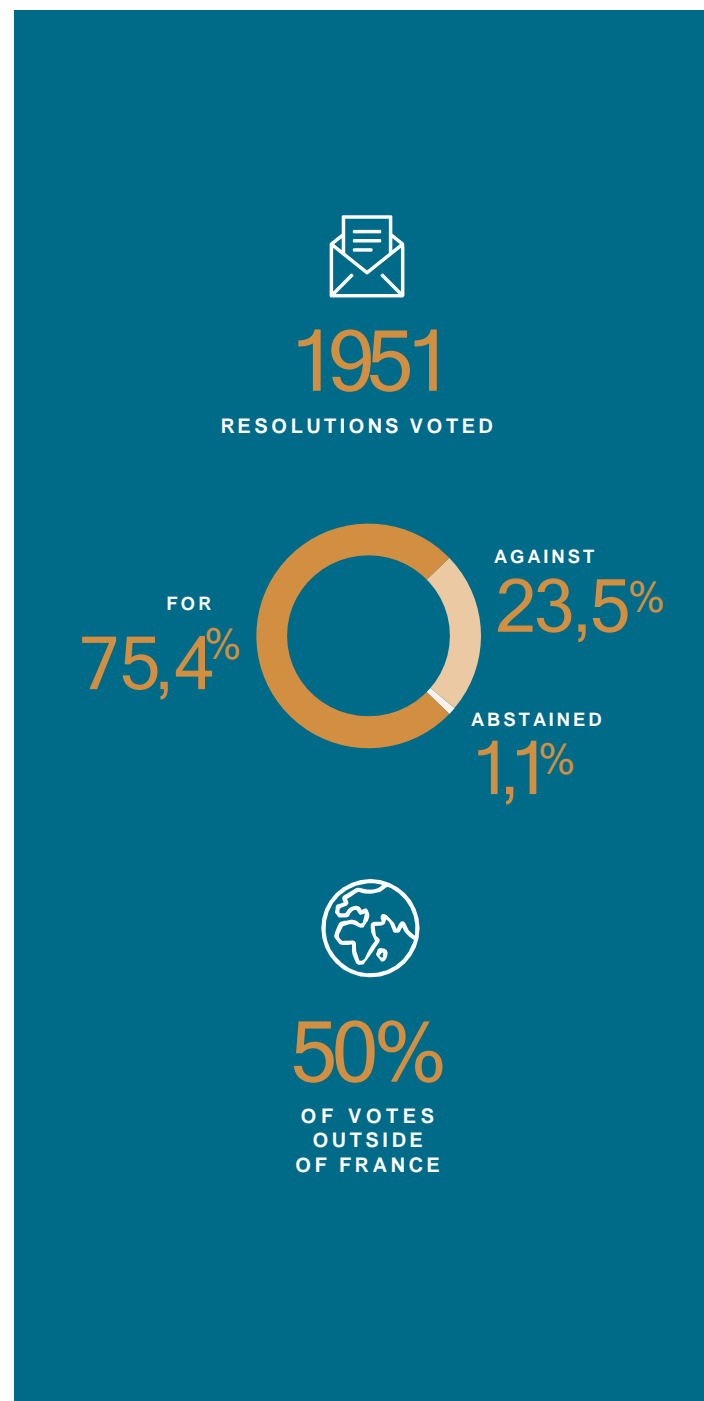
Of the 147 annual general meetings in which Eiffel Investment Group participated, we exercised our voting rights on **1951 resolutions**, in alignment with the group's voting policy

Regarding these annual general meetings, Eiffel Investment Group voted by correspondence at 146 annual meetings and by physical presence of one of its representatives in the last case.

Eiffel Investment Group **cast 1472 resolutions votes for approval**, accounting for **nearly 75% of the resolutions**. The majority of approval votes were cast for the endorsement of financial accounts and other matters (38% of approval votes), board composition, appointments, and compensation (25% of approval votes), and the compensation of executives and employees (approximately 13% of approval votes).

Eiffel Investment Group cast **votes of opposition for nearly 458 resolutions**. A substantial portion of our opposition votes were targeted at financial transactions/mergers (close to 44% of opposition votes), executive compensation (for 22.5% of opposition votes) and to a lesser extent, relating to the composition of boards (around 15.5% of opposition votes) in order to promote diversity and independence.

*147 general meetings voted, including 8 AGMs that were not part of the group's voting policy but for which Eiffel decided to exercise its voting rights.



EXAMPLE OF ENGAGEMENT AND DIALOGUE WITH EKinOPS



Ekinops is a French company that provides network connectivity solutions to telecom service providers.

The company generated revenue of €129.1 million in the 2023 financial year, 68% of which was generated internationally. Ekinops now has more than 500 employees.

AWARENESS THEME: DIALOGUE ON GOVERNANCE

We were asked by the company ahead of its general meeting to address governance issues.

We then went through and explained in detail the reasons that had led us to vote against certain past resolutions and began a constructive dialogue to identify concrete areas for improvement in preparation for the upcoming general meeting.

The areas of progress concerned, among other things:

- Transparency on the Chairman and CEO's compensation criteria, performance conditions and the results obtained (achieved or not) over the past year with quantifiable and measurable data;
- The integration of quantifiable and measurable financial and non-financial criteria in the remuneration policy to assess the evolution of the manager's remuneration;
- The size of the transactions without preferential subscription rights;
- The independence of the board of directors

ANSWERS PROVIDED AND RESULTS OBTAINED

In an effort to improve its practices, the company subsequently sent us its draft resolutions and its report on corporate governance for our comment.

We were able to see that the company had taken on board our comments and recommendations, particularly with regard to the transparency of executive remuneration by providing precise details and figures, as well as with regard to capital operations.

Ekinops' approach has been strongly encouraged by Eiffel demonstrating its support for continued progress.



A YEAR MARKED

BY A 94 % VOTE TURNOUT FOR
THE 202 FINANCIAL YEAR



148

SOLICITATIONS
(falling with the voting
policy)



23%

OF
OPPOSING
VOTES



118

ISSUERS



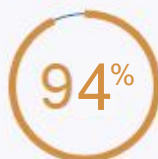
139

PARTICIPATIONS
IN GENERAL
ASSEMBLIES



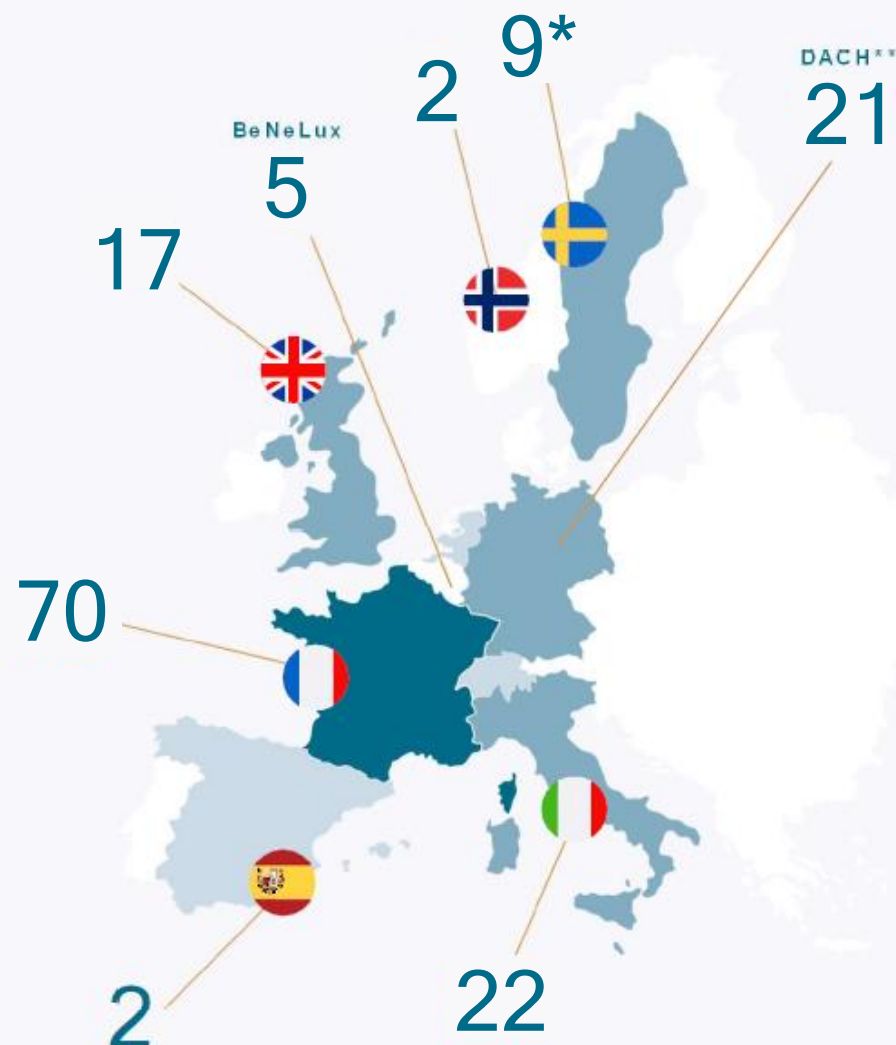
102

NUMBER OF GA WITH AT
LEAST ONE OPPOSING
VOTE



PARTICIPATION
RATE (falling with the
voting policy)

BREAKDOWN OF THE 148 GA SOLICITATIONS
(INCLUDING IN THE VOTING POLICY)



*Voting in our Swedish holdings is technically difficult and not taken into account by the issuers. The teams are working to improve this process as much as possible so that the votes cast by the teams are taken into account in the future. The participation rate would have been 100% if our votes cast in Sweden had been taken into account.

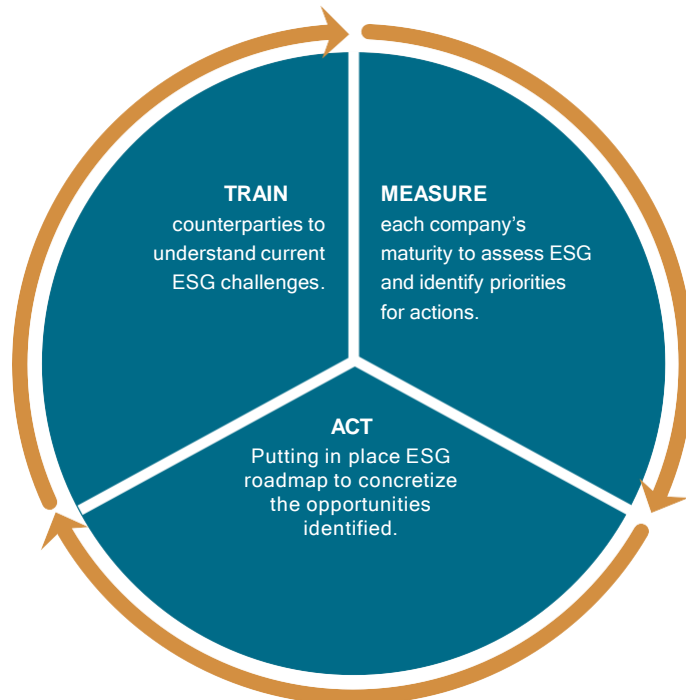
** The DACH region covers Germany, Switzerland and Austria.

AN « EIFFEL PACK » FOR EACH NEW INVESTMENT

OBJECTIVES OF THE EIFFEL PACK

Eiffel assists counterparties in raising awareness on ESG issues and opportunities among all stakeholders of the companies funded and in implementing concrete CSR action plans and ongoing improvements.

OUR SUPPORT IS AVAILABLE IN 3 AREAS



THE EIFFEL PACK IS INSTALLED
SYSTEMMATICALLY IN OUR
INVESTMENTS, AND SINCE ITS
CREATION HAS HELPED TO
ACHEIVE:

Funding

42

Greenhouse Gas (GHG) assessments

Evaluating biodiversity and
climate risks at

659

Company or project sites

Disseminating

4

briefs about European regulations (CSRD, SFDR) and
their effects on businesses, specifically small to medium
enterprises (SMEs) and mid-cap companies

13

best practice guides with our business partners on
central ESG topics, supplemented with KPI tracking and
instances of implemented actions (including areas like
water, waste, diversity, recruitment, data security, etc.)

Realizing

4

Territorial impact
scores

ASSISTING PRIVATE ASSETS IN EVALUATING THEIR RISK

In our pursuit of the most thorough and dependable approach, we've joined forces with Carbon4 Finance to develop **a methodology that assesses transition risks and gauges the temperature of private assets**. This methodology is rooted in specific quantitative and qualitative indicators tailored for unlisted small and midsize businesses.

This strategy was introduced at our headquarters on May 30th, 2023, **by Jean-Marc Jancovici**.

We conducted a pilot in one of our portfolio companies, wherein the institution of an Impact Covenant® aimed at reducing emissions substantially lowered its temperature relative to the sector benchmark we had been using.

We have adapted this methodology to other our sectors to account for all the decarbonization measures that we promote to our counterparties, and to identify targeted and concrete measures to be implemented to align all our portfolios with the Paris Agreement.

Jean-Marc Jancovici delivered a presentation at Eiffel on May 30, 2023, introducing the transition risk assessment methodology designed for private assets.



TEMPERATURE SCORING METHODOLOGY FOR PRIVATE ASSETS

The transition risk assessment approach for private assets borrows elements from Carbon4 Finance's CIA (Carbon Impact Analytics) methodology. This evaluation method rates a business based on its historical, current, and projected performances, assigning a score between 1 to 15. The score is derived from data collected by Eiffel directly from the respective company.

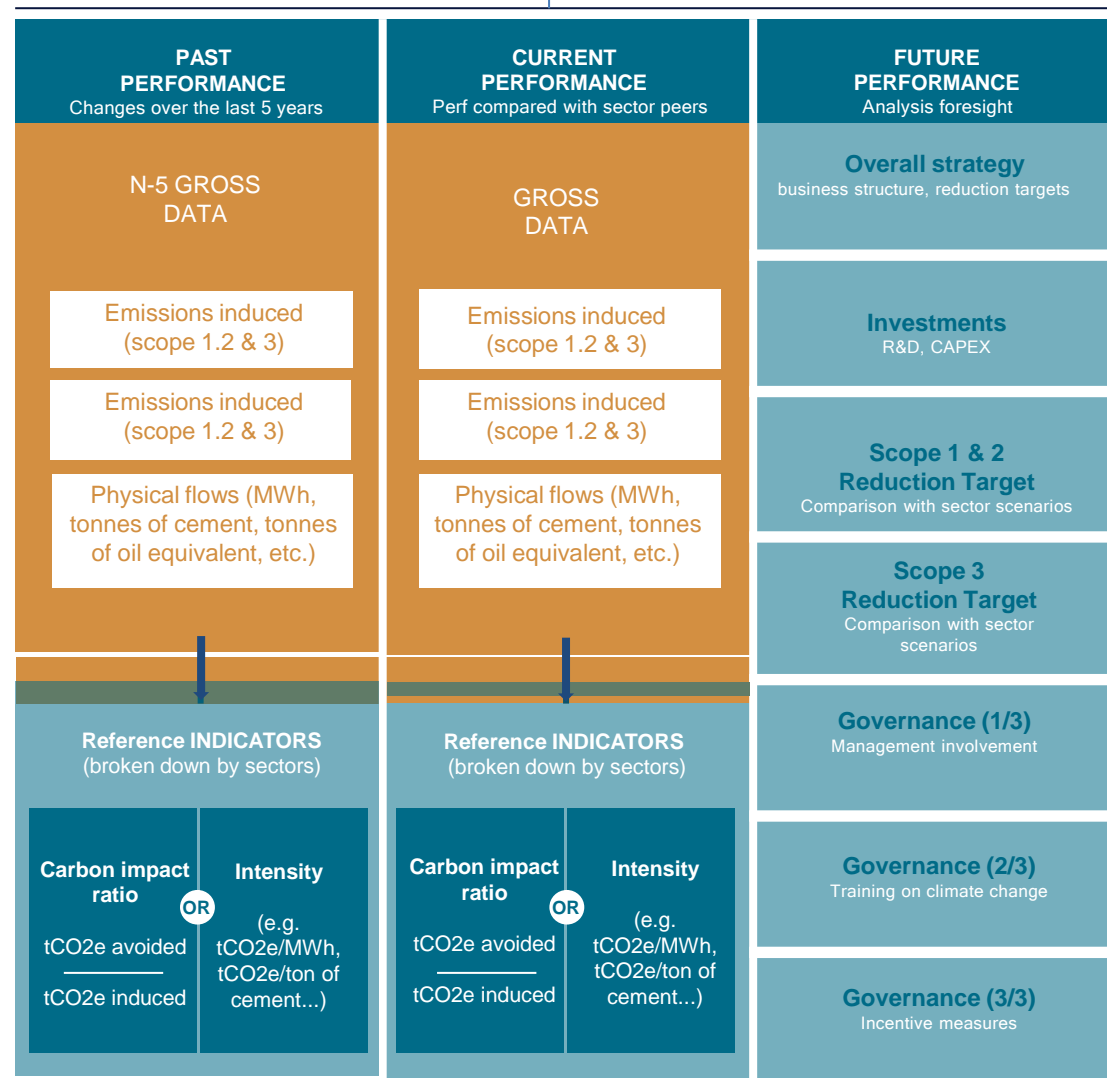
The aggregate CIA score serves as a powerful tool to gauge a **business's exposure to transition risks**, that is, the financial risks tied to the shift towards a low-carbon economy. **Translated into a temperature** on a portfolio-wide scale, this score aids in approximating the portfolio's adherence to the Paris Accords.

Beyond the score, this methodology allows us to **concretely visualize a company's strong points and areas that need improvement** in their transition to a low-carbon model.

*Methodology
CIA of Carbon4
Finance*



1 (BEST) TO 15 (LESS GOOD)



ALIGNEMENT OF OUR STRATEGIES WITH THE PARIS ACCORDS

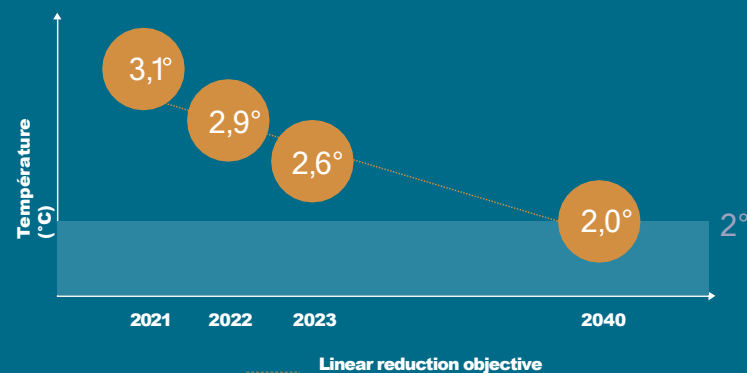
Eiffel is committed to following, for each strategy, a **temperature trajectory compatible with the Paris Agreements**. The objective for all strategies is to be aligned with a 2°C trajectory by 2040. Our green infrastructure strategy, by nature **already aligned with 1.5°C**, aims to **maintain its temperature into 2030 and 2040**.

Based on the existing CIA (Carbon Impact Analytics) methodology for listed players and the methodology co-developed with Carbon4 Finance for unlisted players (detailed below), we have assessed the temperature of the different strategies and proposed a linear reduction trajectory to 2040, based on the 2021 measure, with **intermediate targets in 2030 for each strategy**.

PORTFOLIO TEMPERATURE

TEMPERATURE OF PORTFOLIOS	T°C 2021	T°C 2022	T°C 2023	OBJECTIVE T°C 2030	OBJECTIVE T°C 2040
PRIVATE DEBT	3,7	3,2	3,0	2,9	2,0
GREEN INFRASTRUCTURES	1,5	1,5	1,5	1,5	1,5
PRIVATE EQUITY	3,5	3,5	2,5	2,8	2,0
LISTED CREDIT AND EQUITIES	3,1	3,1	2,7	2,6	2,0

TEMPERATURE TRAJECTORY

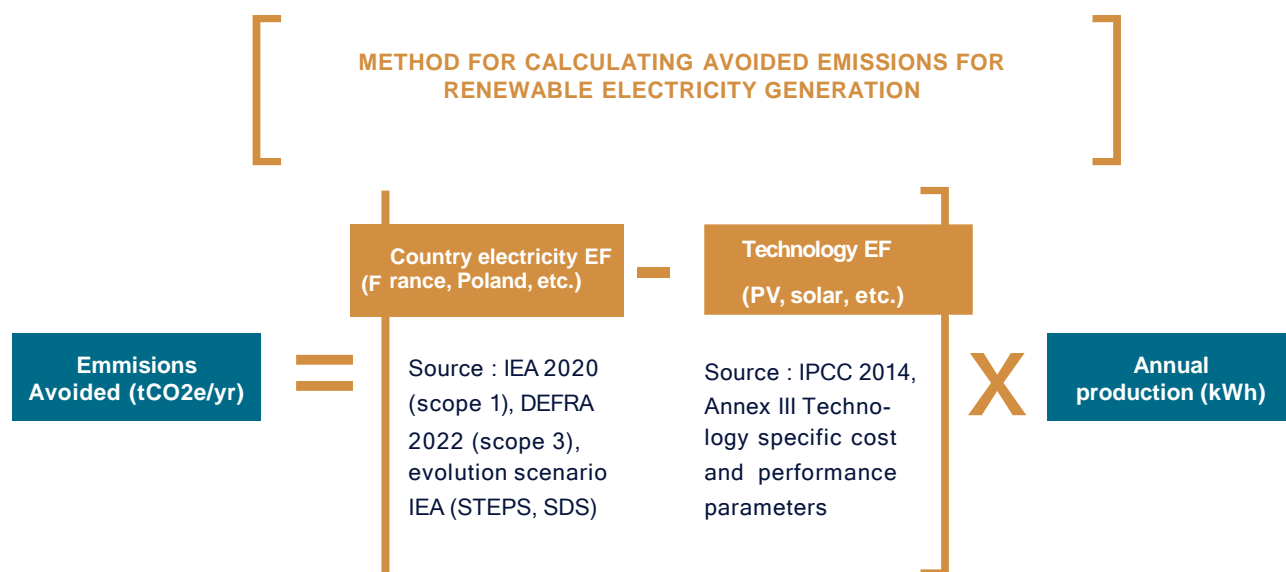


Eiffel Investment Group's temperature reduction trajectory

FINANCING DECARBONIZATION

Through our massive investments in companies and "solution" projects, we contribute to the avoidance of more than 6.5 million tons of CO₂e annually, almost 10 times the emissions we finance directly. Therefore, our strategies offer powerful leverage for the decarbonization of our energy mix and economy.

We have developed an **internal methodology for calculating avoided emissions**, based on the emission factors of the financed technologies, their annual production and the mix of the countries in which they are installed. We also consider a scenario for the evolution of the electricity mixes of the countries in question, based on the Stated Policies Scenario (STEPS) of the International Energy Agency.



Emission factors are reviewed annually and the methodology has been certified by the consulting firm I Care by Bearing Point



ESG DATA: THE TECHNOLOGICAL REVOLUTION AT THE SERVICE OF PERFORMANCE



YUN TONG
ESG ANALYST

"Effective ESG data management relies on cutting-edge technologies such as Big Data and Artificial Intelligence. These technologies enable massive volumes of data to be processed and analyzed, making it easier to quickly identify emerging trends and risks. For example, RepRisk uses artificial intelligence to detect ESG controversies in real-time, allowing investors to react quickly and make informed decisions.

Data accuracy is paramount to ensuring the reliability of our ESG analyses. This accuracy must be reinforced by the right data verification tools and processes. The advanced technologies deployed by Tennaxia, a platform for collecting and processing data from the companies invested, make it possible to automate and simplify these processes, thus ensuring a rigorous assessment of risks and opportunities.

To improve our analysis of climate and biodiversity risks, this year we have integrated Altitude, a tool developed by AXA Climate. Altitude uses scientific approaches to identify these risks and provide practical advice to mitigate them. This guidance makes the dialogues with our participants much more pragmatic and solution-oriented."

EVALUATION OF EXTRA-FINANCIAL PERFORMANCE



CLIMATE, BIODIVERSITY AND TEMPERATURE RISK ANALYSIS



ESG DATA COLLECTION AND PROCESSING





PRECISE ASSESSMENT OF PHYSICAL CLIMATE RISKS

Eiffel is committed to following the **TCFD's recommendations** for analyzing climate risks. This closes the impact loop and complies with the principle of **double materiality**.

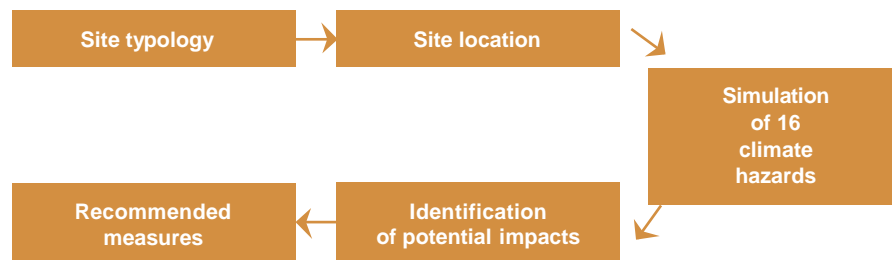
At the end of 2023, we equipped ourselves with the Altitude platform developed by Axa Climate, which allows us to simulate:

- 16 climate hazards,
- according to 3 IPCC scenarios,
- with projections in 2030 and 2050.

Thus, we are able to assess the climate hazard exposure of sites in our private investments:

The platform makes it possible to assess potential impacts according to the nature of the sites and recommends measures to be implemented.

All of these elements make it possible to initiate a dialogue with companies concerned by identified climate risks, and to prioritize an approach.

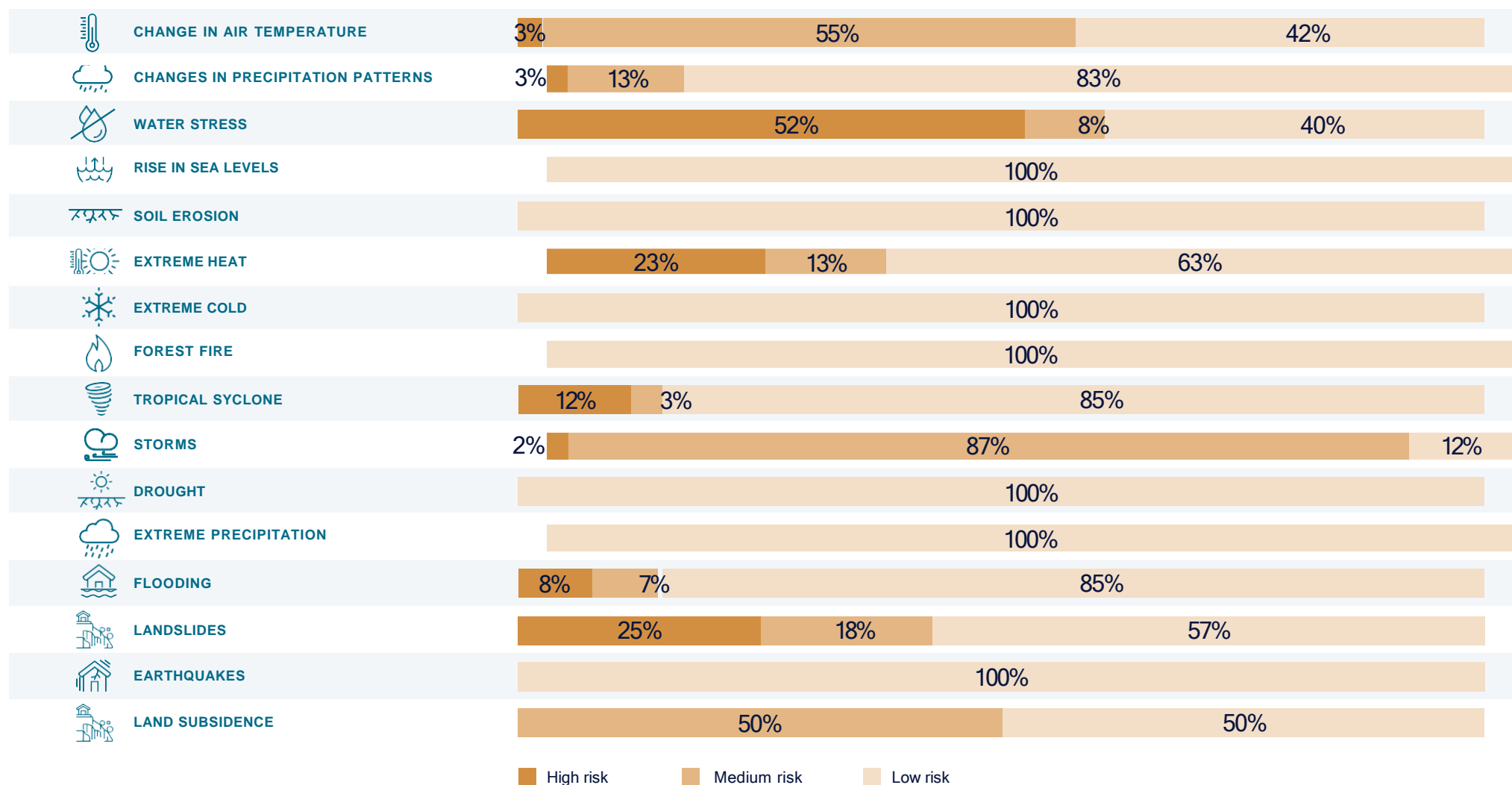


CLIMATE HAZARD	POSSIBLE IMPACT
Change in average temperature	Growing air-conditioning needs
Extreme heat	Interruption of outdoor work
Extreme cold	Crop Freeze
Forest fires	Equipment damage
Cyclones	Equipment damage
Storms	Equipment damage
Changes in precipitation	Decrease in agricultural production
Water stress	Interruption of electrolytic hydrogen production
Rise in sea levels	Flooding
Drought	Business interruption due to drought decrees
Extreme precipitation	Flooding
Flooding	Equipment damage
Soil erosion	Building deterioration
Landslides	Building deterioration
Earthquakes	Out-of-service buildings
Land subsidence	Building deterioration

PRECISE MEASUREMENT OF EXPOSURE TO PHYSICAL CLIMATE HAZARDS

Level of exposure to the various climatic hazards of the 659 company sites / projects assessed:

Of the 659 businesses or project sites analysed according to the 16 climatic hazards, 8% are located in areas with high exposure to physical risks and 16% in medium-risk areas. Depending on the relevance of the hazard to the company's activity, a dialogue was established with the counterparties to discuss adaptation solutions.



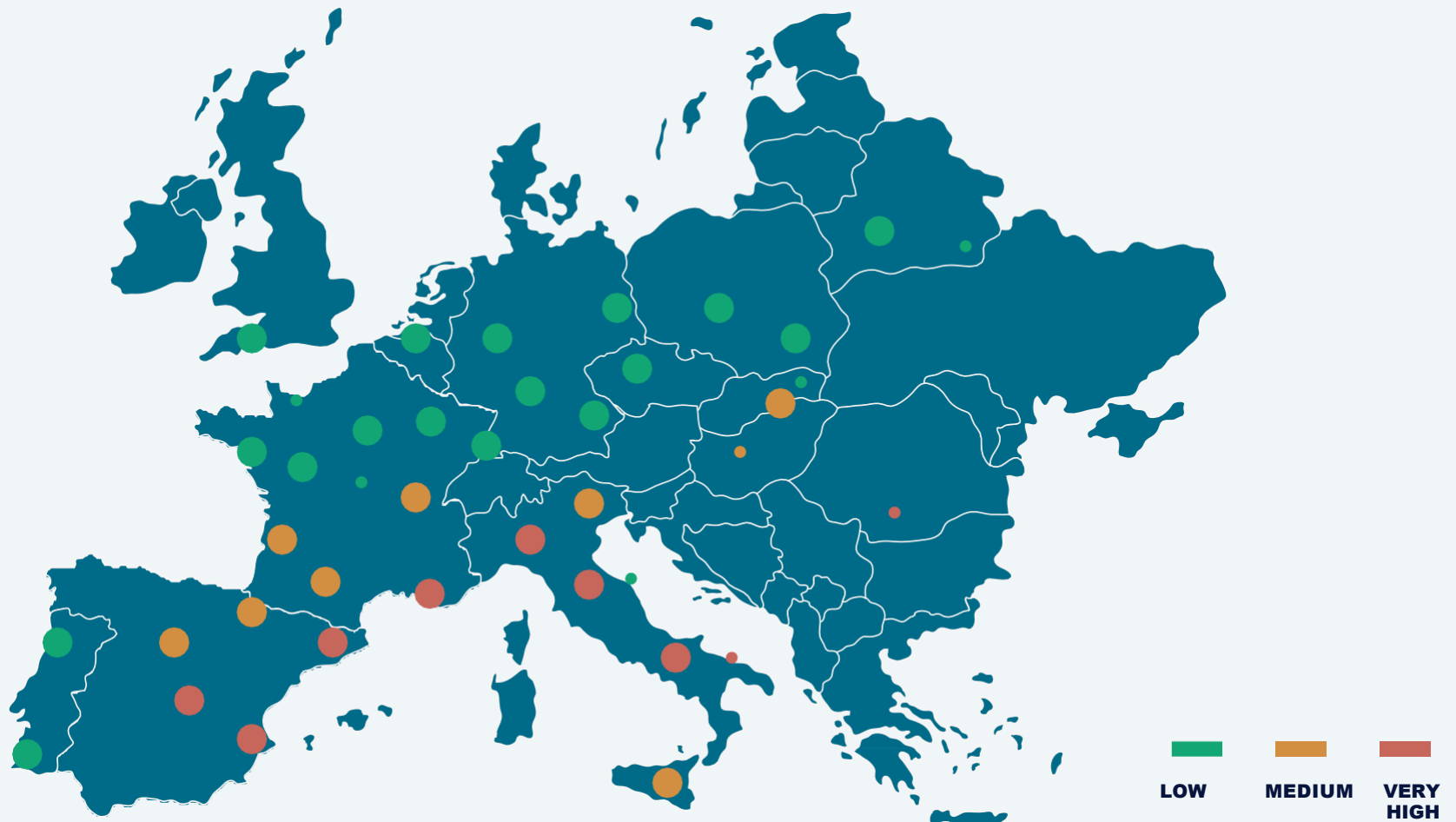
MEASURING TO EXPOSURE TO THE INCREASE IN MEAN TEMPERATURES

Global warming affects all regions of the world, and the increase in average temperature affects all businesses. Higher temperatures can lead to higher air conditioning consumption or work stoppages in some regions. To anticipate these challenges, we have begun discussions with our most vulnerable companies and projects to assess adaptation strategies. Here is an exposure map to the increase in the average temperature of our assessed sites.



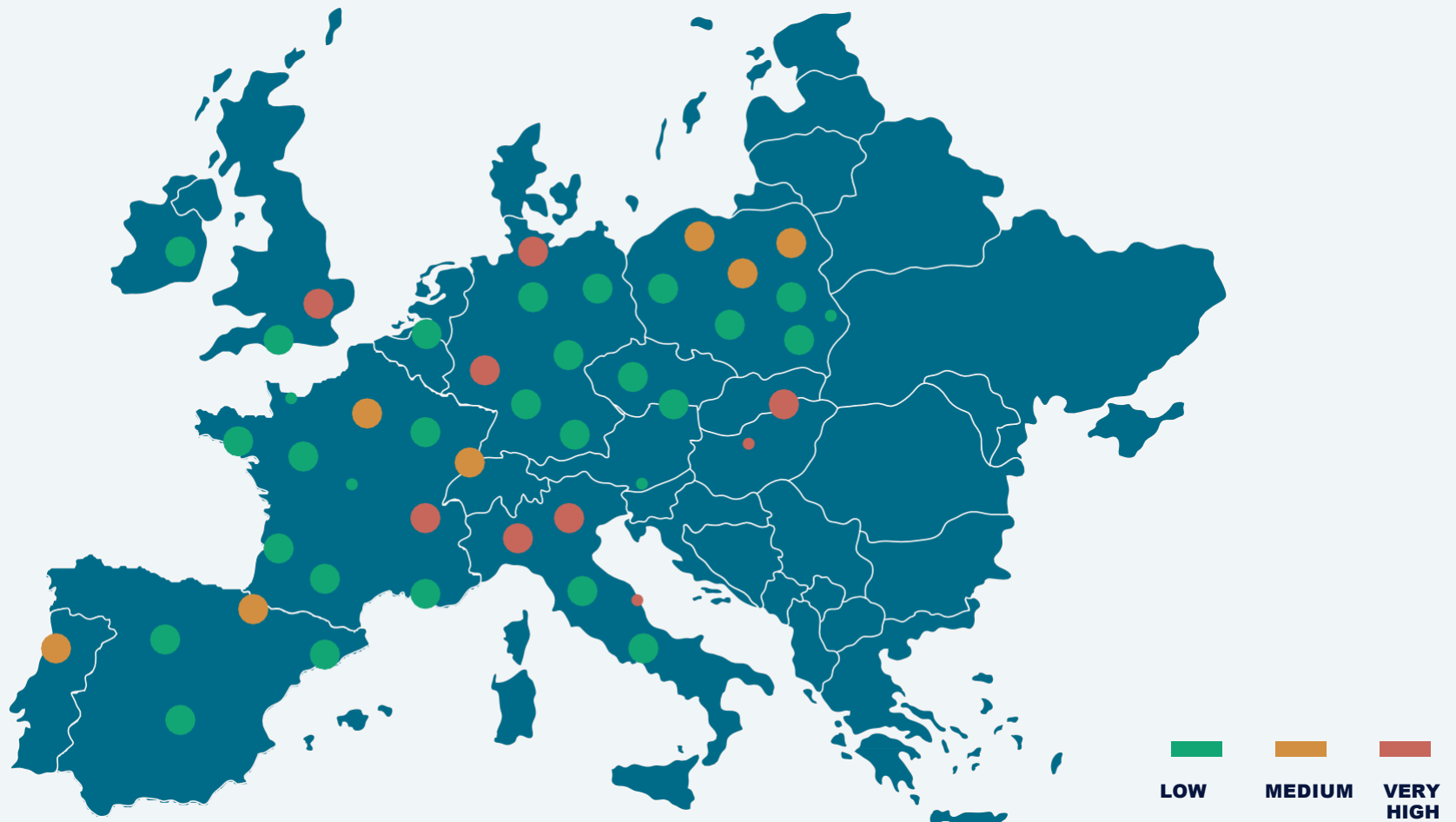
MEASURING EXPOSURE TO EXTREME HEAT

Extreme heat poses an increasing risk to companies, especially those whose industrial processes are sensitive to temperature changes. Heat waves can not only affect productivity by making working conditions difficult but can also lead to equipment failures and production interruptions. To anticipate these challenges, we have begun discussions with the companies and projects concerned to evaluate potential adaptation strategies. Here is an extreme heat exposure map of our assessed sites, illustrating the most vulnerable areas in Europe.



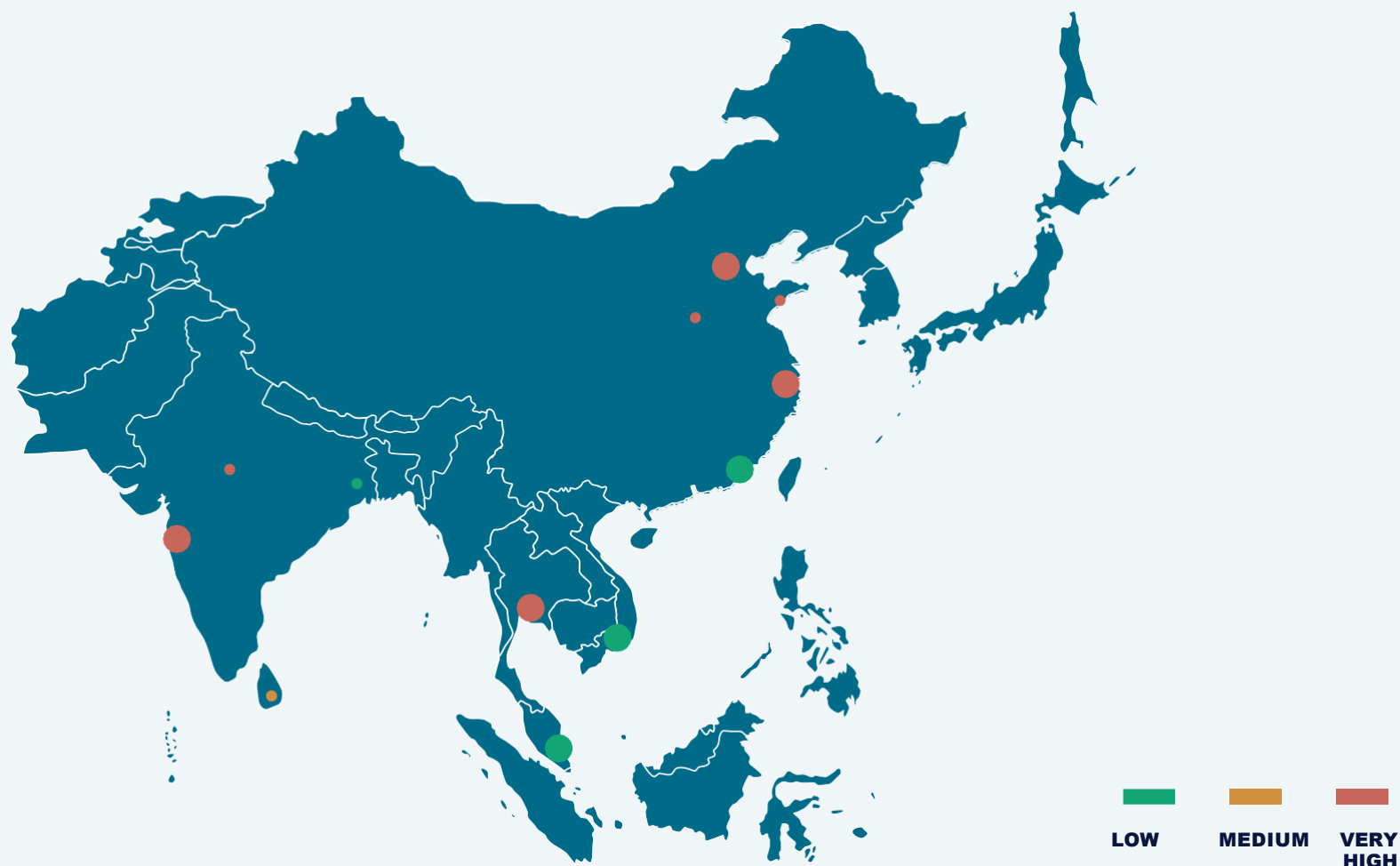
MEASURING EXPOSURE TO FLOODING

Flooding poses a significant risk to industrial infrastructure, especially those located in low-lying areas or near waterways. Flooding can cause significant material damage, disrupt production and require significant costs for the rehabilitation of facilities. To better understand this risk, we have initiated a dialogue with the companies and projects concerned to assess their adaptation and flood resilience measures. Here is a flood exposure map of our assessed sites, highlighting areas at risk in Europe.



MEASURING EXPOSURE TO WATER STRESS

Water stress is an important risk factor for water-intensive industrial processes and can lead to production interruptions. We assessed this risk across the entire value chain of some counterparties, and even with some suppliers. A dialogue has been initiated with the companies or projects concerned to assess their adaptation measures. Here is a water stress exposure map of our assessed sites in Asia.





DEMPONSTRATION - PHYSICAL RISK EVALUATION FOR THERMADOR

Founded in 1968, Thermador Groupe specializes in the distribution of accessories for heating, plumbing equipment, taps, ventilation, plastic piping, swimming pool accessories, air compressors, generators and welding machines.

Given Thermador's large network of warehouses and suppliers, environmental risks appear to be a major threat to business continuity.

In light of this, we made EcoAct's ECLR tool available to this long-standing Eiffel stakeholder, enabling them to map their physical risks. Specifically, we analyzed the Thermador group's exposure to physical climatic risks at **104 sites**, divided into :

- 14 sites owned by the group,
- 90 key supplier sites.

With a complete view of the potential risks, the Thermador Group is focusing on this subject through dialogue with site managers and key suppliers concerned to assess:

- the vulnerability of the sites
- existing adaptation plans
- the actions to be implemented

ITS SALES AMOUNTED TO

554 M€

and the group employs **770** employees primarily in France.

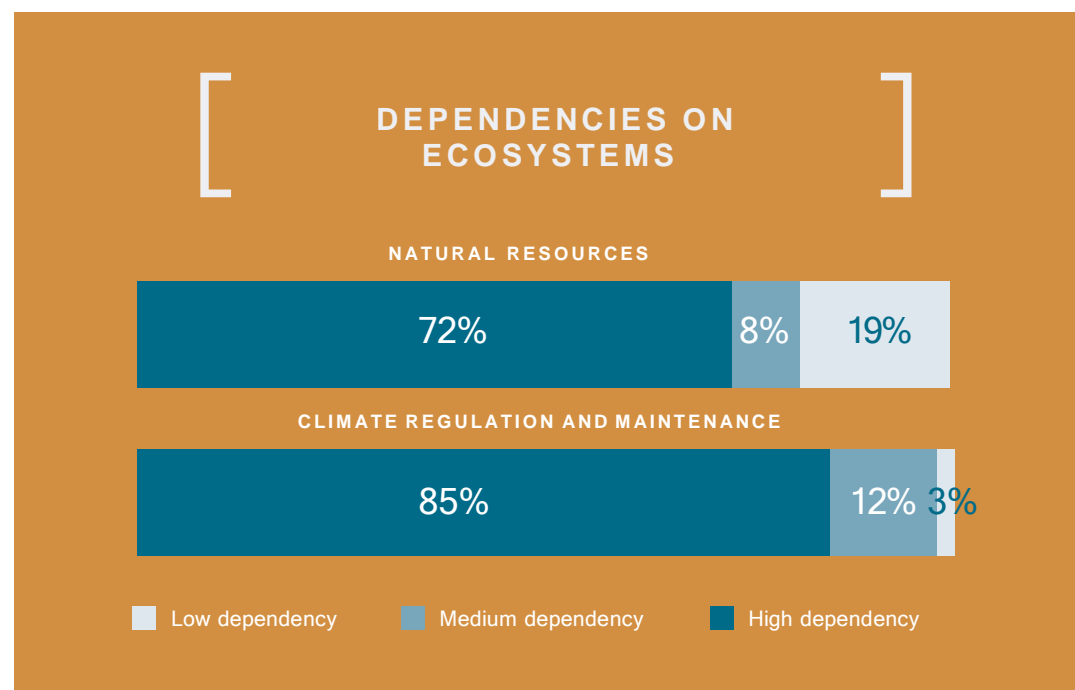
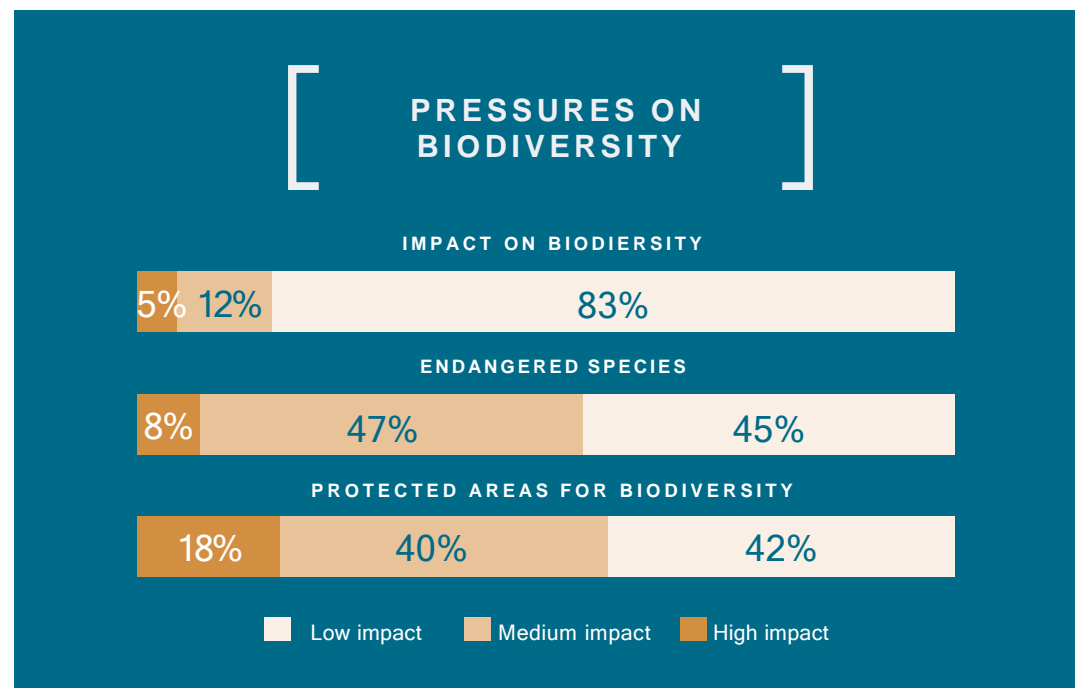


Water Stress Risk, RCP 8.5, 2021-2040 - EcoAct ECLR Tool

ASSESSMENT OF PRESSURES AND DEPENDENCIES ON BIODIVERSITY

Economic activities are putting pressure on biodiversity. We measure this pressure using the MSA.km² indicator as well as the proximity of the sites to protected areas and endangered species. In the event that the pressures exerted may lead to a risk, a dialogue is initiated with the counterparty.

Businesses are also dependent on the ecosystems that enable their activities to continue, such as access to natural resources and a climate favorable to the development of their business.



PRESSURE ON BIODIVERSITY

BIODIVERSITY FOOTPRINT

BIODIVERSITY FOOTPRINT (MSA.KM²)		
STATIC	LAND	17.606
	AQUATIC	1 088
DYNAMIC	LAND	132
	AQUATIC	6

Each year, the static impact is equivalent to the destruction of :

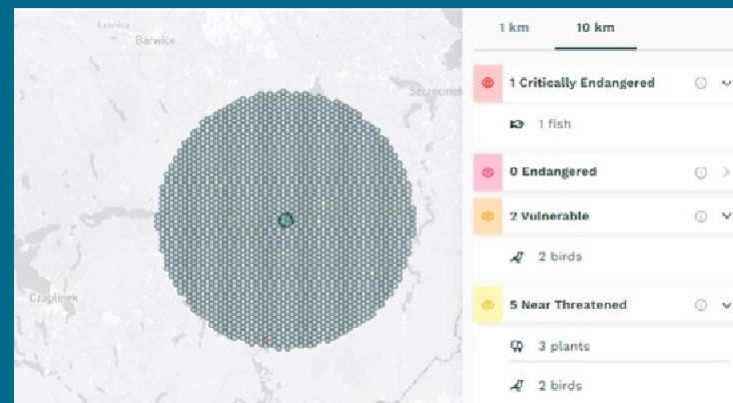
- **873.520** olympic pools of aquatic zones
- **2.515.506** rugby fields of land

Each year, the dynamic impact is equivalent to the destruction of :

- **5.015** olympic pools of aquatic zones
- **18.858** rugby fields of land

SITE ANALYSIS FOCUS

ENDANGERED SPECIES



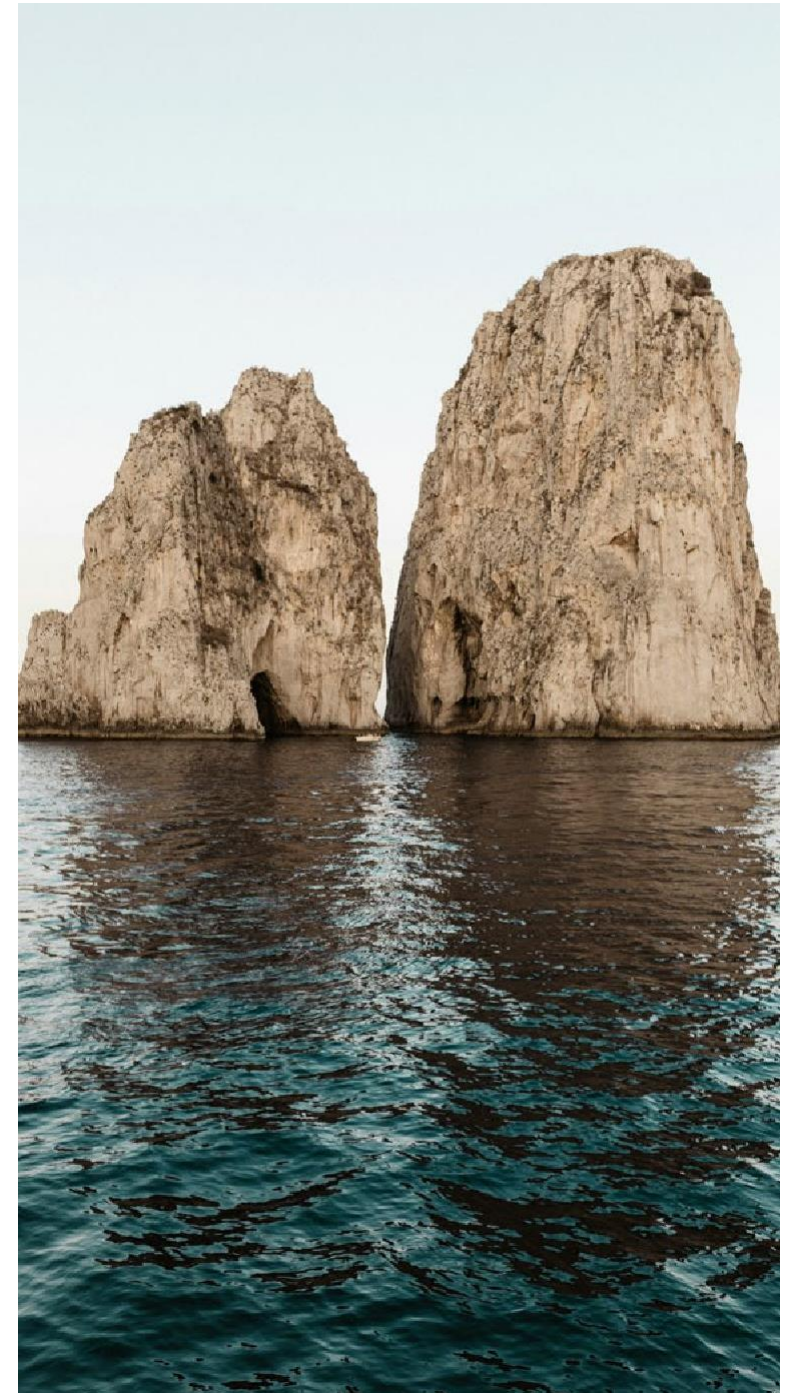
AREAS OF INTEREST FOR BIODIVERSITY



BIODIVERSITY DEPENDENCE

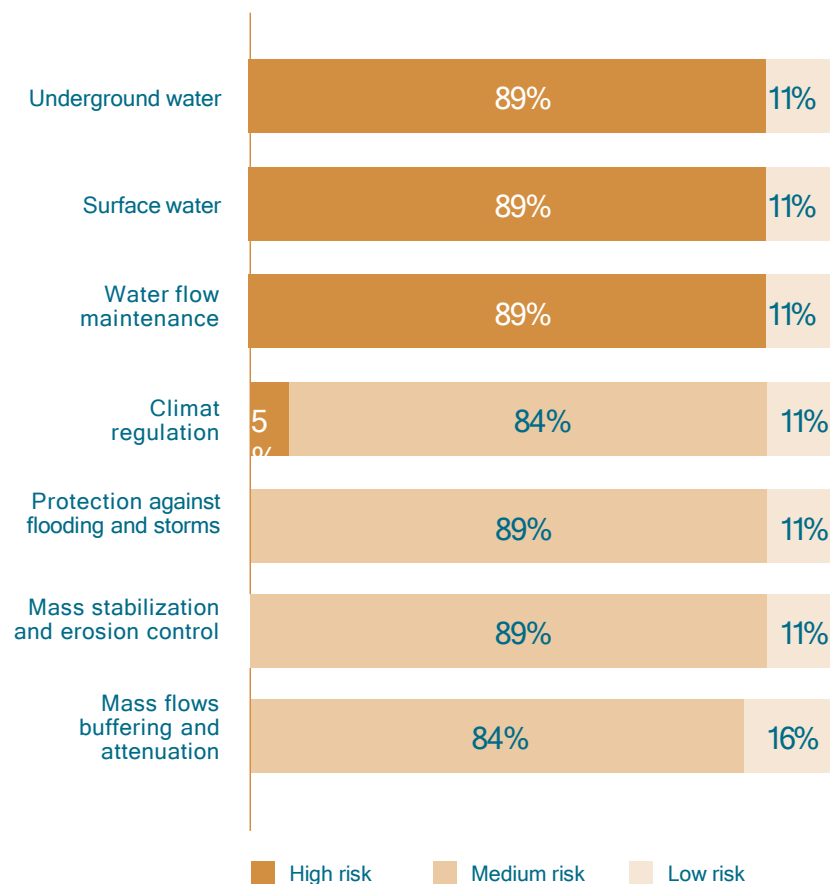
Economic activities rely heavily on ecosystems. The infrastructures required for the energy transition, such as solar panels and wind turbines, are particularly dependent on water. They also require climate regulation, flood and storm protection, soil stabilization, erosion control, and mass flows moderation and buffering mechanisms.

For businesses, these dependencies vary according to region and sector. For example, companies in the food production and pharmaceutical industries have a crucial need for water and genetic materials. As for hotels and restaurants, they depend not only on water, but also on climate regulation, flood and storm protection, as well as fibers and other natural materials.

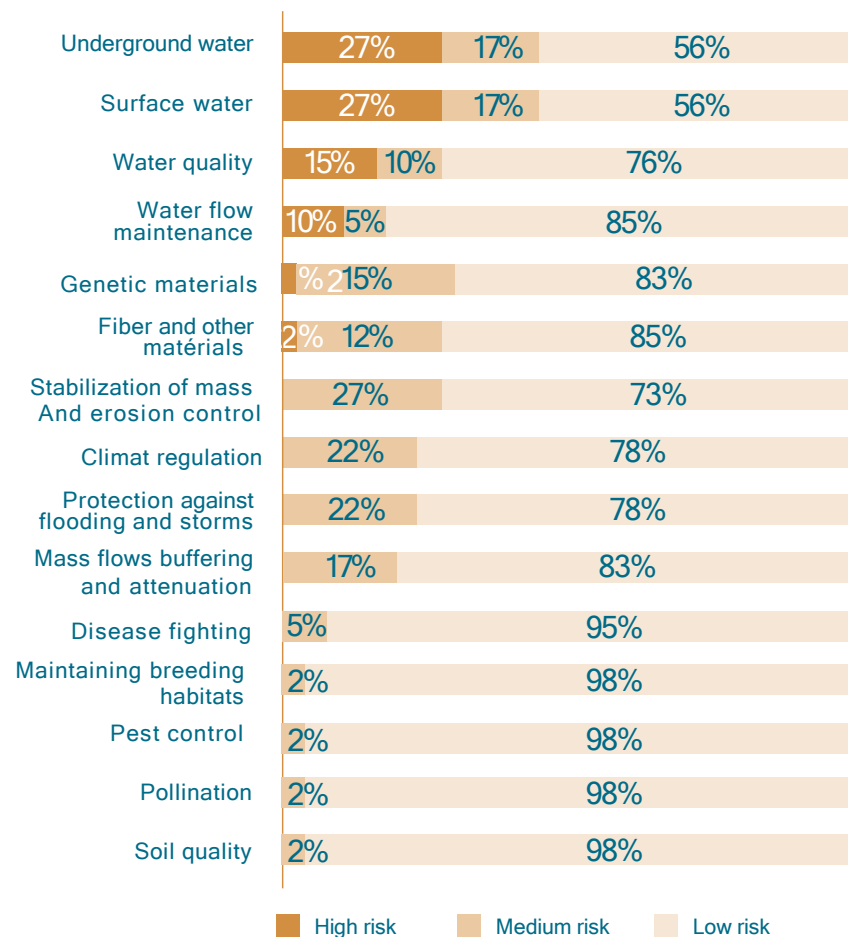


BIODIVERSITY DEPENDENCE

DEPENDENCES OF ENERGY TRANSITION INFRASTRUCTURES



FUNDED COMPANIES' DEPENDENCES



CLIMATE-BIODIVERSITY CONVERGENCE : AGRIVOLTAICS EXAMPLE

In Sicily, regulators encourage maximizing land use by combining agriculture and panel installation.

The funded project's developer proposed an initial combination of solar panels and olive trees.

The choice of the most appropriate crop, the one best able to grow with limited direct sunlight exposure, is currently being reassessed as part of a specific research program carried out in partnership with the University of Palermo.

The progress of this research program and the selected crops associated have been part of the reports requested by our infrastructure fund.



STRENGTHENING THE ESG CONTROVERSEY MANAGEMENT POLICY

In 2023, Eiffel strengthened its controversy management policy by integrating RepRisk, a tool for researching and analyzing business-related risks.

RepRisk leverages a combination of artificial intelligence and machine learning with human intelligence to systematically analyze public information and identify material risks. This tool allows new information to be analyzed within 48 hours of its appearance. All listed and unlisted companies, infrastructures and certain suppliers are closely monitored.

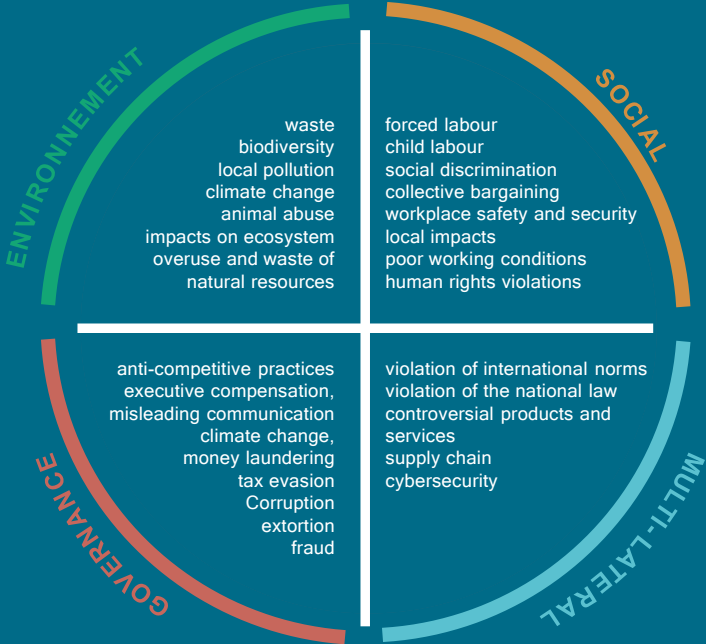
The criteria used to qualify an eligible security is the RepRisk Rating (RRR) score. Should the RRR score deteriorate beyond a predefined risk threshold, various measures must be taken.

PRE-INVESTMENT							
HOLDING PERIOD							
RepRisk Rating	Associated risk	Eligibility	Recourse to ESG committee	Phase of Monitoring and dialogue with the company	Ban on increasing exposure to the company	Recourse to ESG committee	Ban on increasing exposure to the company
AAA, AA, A	Low risk	Eligible	✗	✗	✗	✗	✗
BBB, BB, B	Medium risk	Eligible	○	○	✗	○	○
CCC, CC, C	High risk	Eligible under condition	✓	✓	✗	✓	✓
D	Critical risk	Not eligible except rare cases	✓	✓	✓	✓	✓

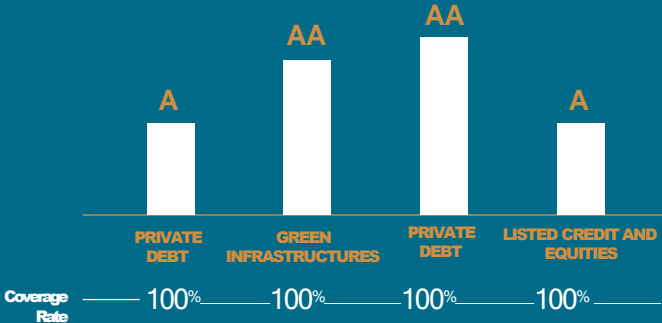
✗ Not required
○ Discretionary
✓ Mandatory

DEFINITION OF ESG CONTROVERSEY

An ESG controversy is an event that exposes a company to allegations of negative environmental, social, or governance behavior.



REPRISK CONTROVERSEY RATING (RRR)



IMPROVING OUR METHODOLOGY FOR MEASURING THE TERRITORIAL IMPACT OF COMPANIES

A blind spot in the social evaluation of companies and an unthought-of aspect of economic models, the territory is nonetheless the basic framework on which human interactions and activities take place. In a world marked by a long process of deterritorialization, we felt it was necessary to reintegrate this geographical dimension into our analysis of a company's impact.

So, we teamed up with Guillaume Vuilleme - an economist and finance professor at HEC - to develop a methodology and a Territorial Impact Score (or SIT).

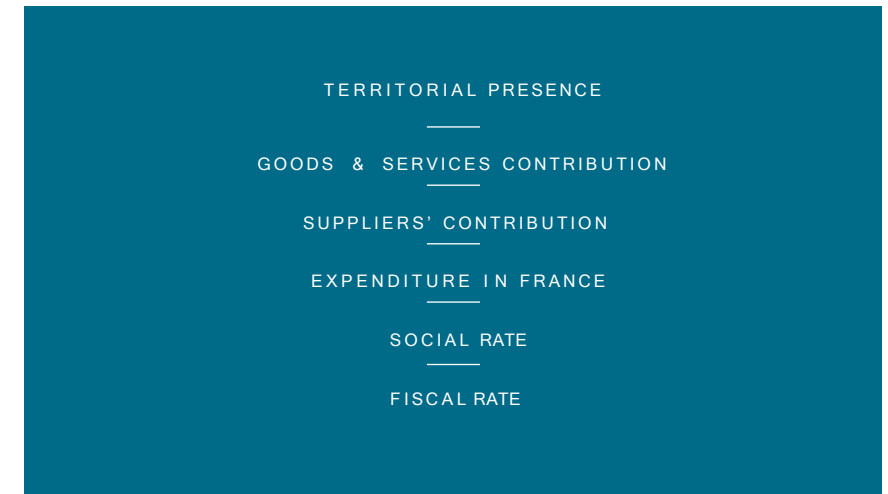
We extended and automated the SIT by working with In France, a specialist in territorial impact measurement and ESG data.

IN FRANCE

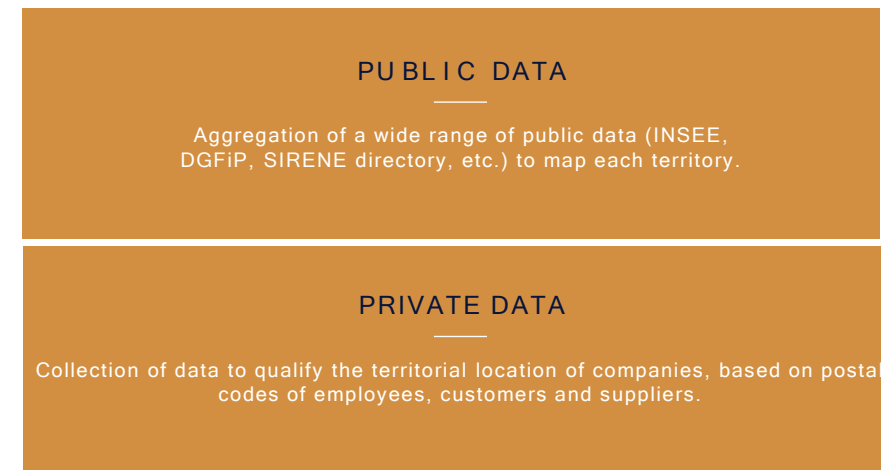
Guiding principle

A company has a greater territorial impact if it serves users and creates jobs in more disadvantaged areas. For example, a healthcare company will have a greater impact if it is more established in medical deserts.

THE SIT CALCULATION IS BASED ON 6 PILLARS



DATA FROM PRIVATE AND PUBLIC SOURCES



FOR EACH ASSESSED COMPANY, A TERRITORIAL IMPACT SCORE IS
PRODUCED, ON A SCALE FROM 0 TO 100

MESURING TERRITORIAL IMPACT

EXAMPLE OF A RETAIL COMPANY

Territorial impact Score **B**

A VERY STRONG

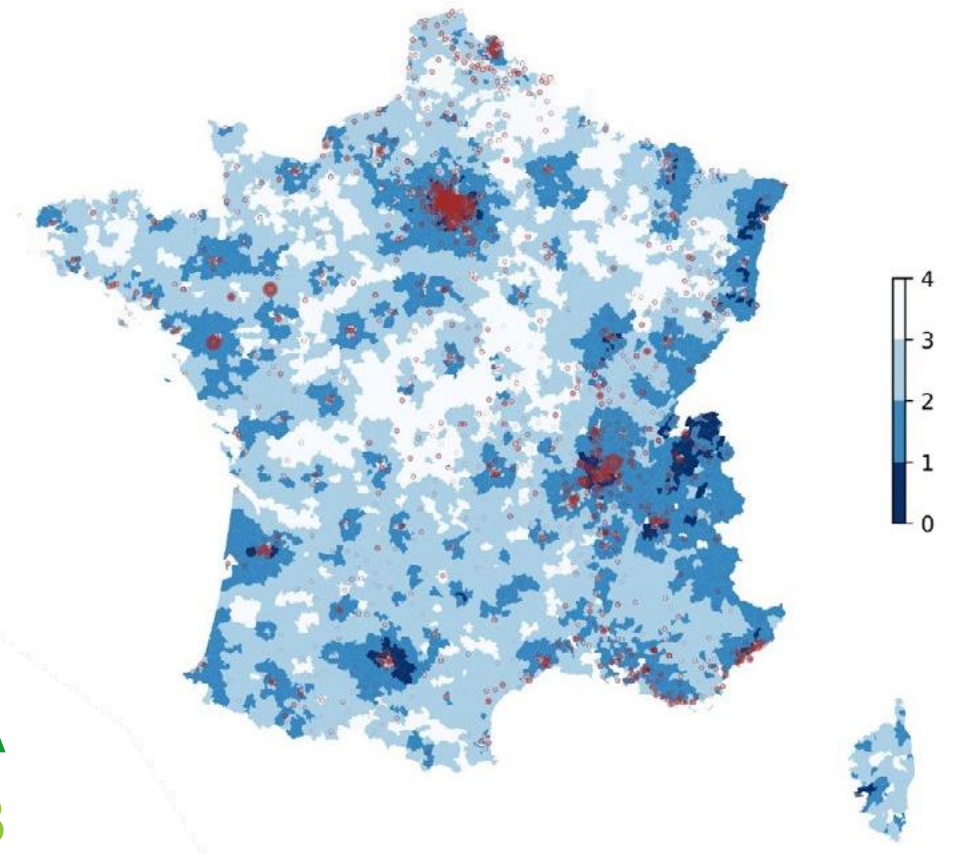
B STRONG

C MEDIUM

D LOW

E VERY LOW

Territorial Implantation	C	Spending in France	A
Provision of Goods and Services	D	Social Contribution	B
Contribution of Suppliers	B	Fiscal Contribution	B



Distribution of the company's outlets (red disk size) in most favoured territories (black blue) and disadvantaged (white)

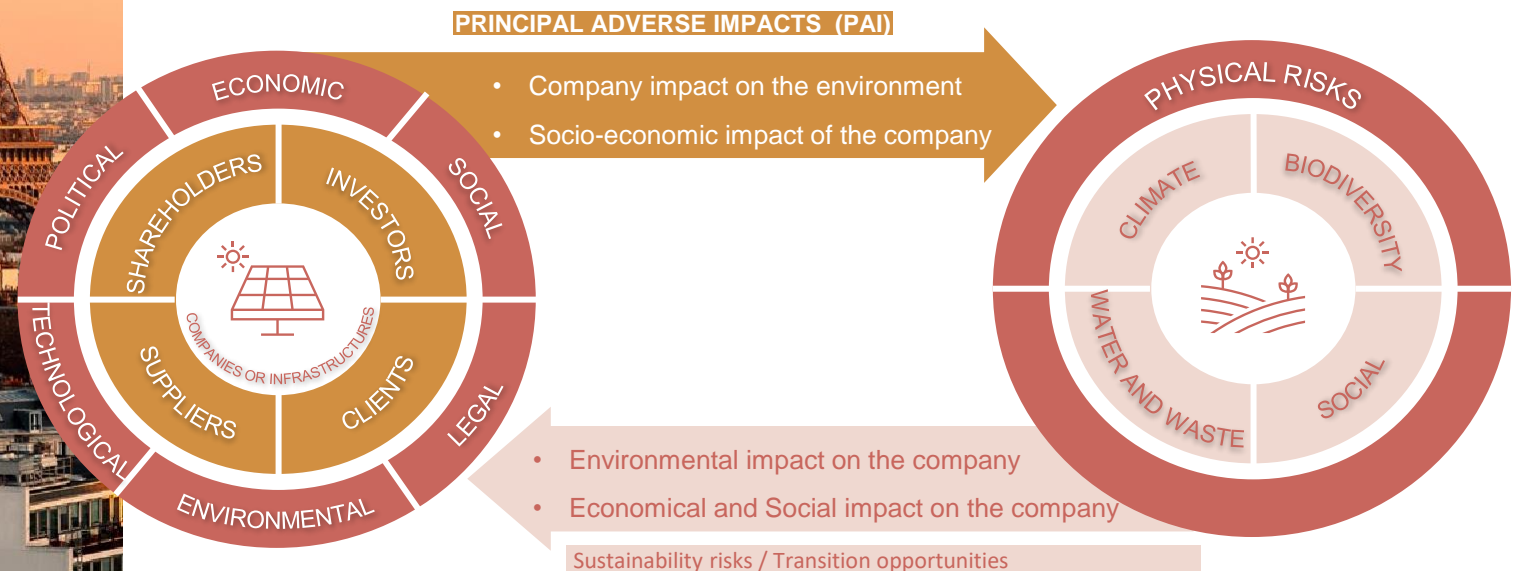


4 Developing innovative impact strategies

INITIATING A VIRTUOUS CYCLE THROUGH STRATEGIC INVESTMENT

Companies are impacted by their environment and the socio-economic context in which they operate, but they also act on it; this is the principle of double materiality.

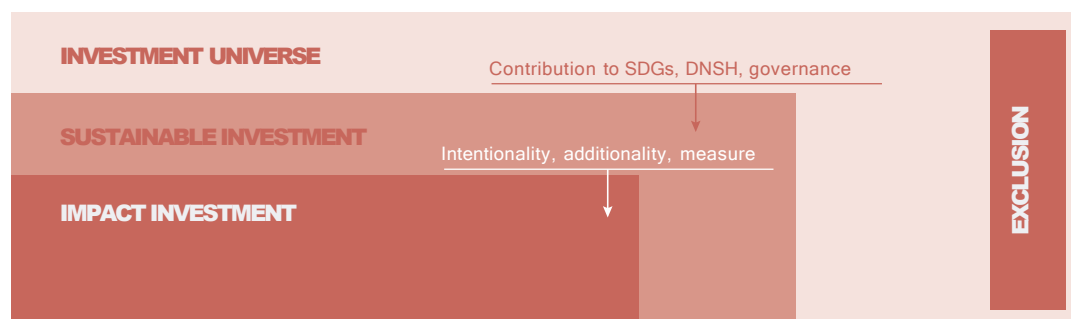
Having a voluntary policy and practice on ESG allows these companies to protect themselves from future risks, but also to **better anticipate opportunities for growth**. market, becoming a leader in the coming environmental and social transformations.



FROM SUSTAINABILITY TO IMPACT

Eiffel is committed to increasing the volume of its sustainable investments, both environmentally and socially.

Thus, a significant part of the newly launched funds are classified as Article 9 in the European SFDR regulation. At the end of 2022, Eiffel implemented a methodology that defines sustainable investments and commits to deferring PAIs at the asset management level.



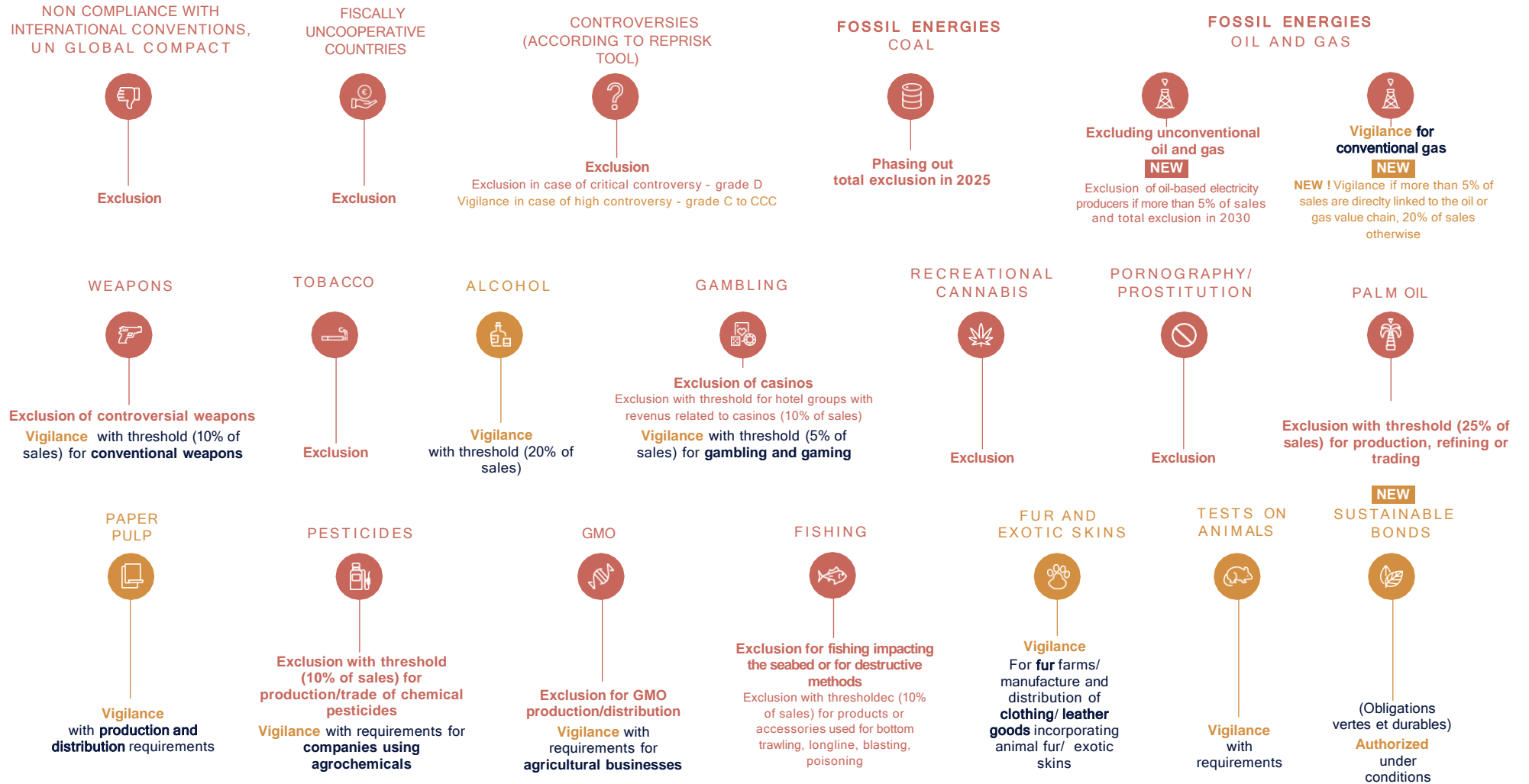
Aiming to make a concrete contribution to environmental and social issues, Eiffel is taking an even more ambitious stance: **an impact approach**.

Impact investment strategies are thus designed to mobilize the widest possible range of methodological innovations to strengthen the integration of impact, such as "Impact Covenants®" (debt funds), the development of impact business plans or the conditioning of remuneration with impact objectives.

<div> <div>PAIs</div> <div>MEASUREMENT</div> </div>	
<p>Eiffel Investment Group is committed to reporting PAIs (Principal Adverse Impacts) at the asset management company level.</p> <p>List of the 14 mandatory PAIs + 2 optionals chosen by Eiffel</p>	
INDICATOR CATEGORY	INDICATORS RELATIVE TO PRINCIPAL ADVERSE IMPACTS
CLIMATE AND BIODIVERSITY	<ul style="list-style-type: none"> - Greenhouse gas emissions (scope 1, scope 2 et scope 3) - Carbon footprint - Greenhouse gas emissions intensity - Activités à impact négatif sur les zones sensibles en matière de biodiversité - Exposure to fossil fuel companies - Share of non-renewable energy consumption and production - Energy consumption intensity by high climate-impact sector - Activities with a negative impact on biodiversity sensitive areas - Emissions into water - Management of hazardous waste - Companies producing chemicals
SOCIAL AND HUMAN RIGHTS	<ul style="list-style-type: none"> - Violations of the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises - Lack of compliance processes and mechanisms to monitor compliance with the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises - Unadjusted gender pay gap - Gender diversity on the Board of Directors - Exposure to controversial weapons (MAP, ASM, chemical weapons and biological weapons) - Accident rate

SECTORAL EXCLUSION POLICY

Eiffel has a **sectoral exclusion policy based on the convictions of the management company's team as a whole and on good investment practices**, as well as on the **conventions, standards and protocols** to which Eiffel is a signatory. These exclusions apply de facto to investments in all the company's asset classes, including dedicated funds and mandates, unless otherwise instructed by the client. This policy is reviewed annually.



OUR DEFINITION OF SUSTAINABLE INVESTING

In January 2023, Eiffel formalized its definition of sustainable investment within the scope of SFDR regulations. This methodology will be applied to all our investments in Article 8 funds (with sustainable investment components) and Article 9 funds.

1 | Contribution to an environmental or social objective

For an investment to be considered sustainable it must contribute to at least one of the 17 Sustainable Development Goals (or "SDGs") set by the UN.

- **Solution** : Investment in a company where at least 20% of sales or capex contribute to an environmental or social objective.
- **Contribution** : Investment in a company that conducts its business in an environmentally or socially sustainable manner, particularly in comparison with its peers.
- **Transition** : Investment in a company that has made a clear, quantified and measurable commitment to an environmental or social objective, as part of an improvement plan and a specific commitment on the part of the company.

2 | No harm to an environmental or social objective

An investment can be considered sustainable provided that it does not cause significant harm to any environmental or social objectives ("DNSH SFDR").

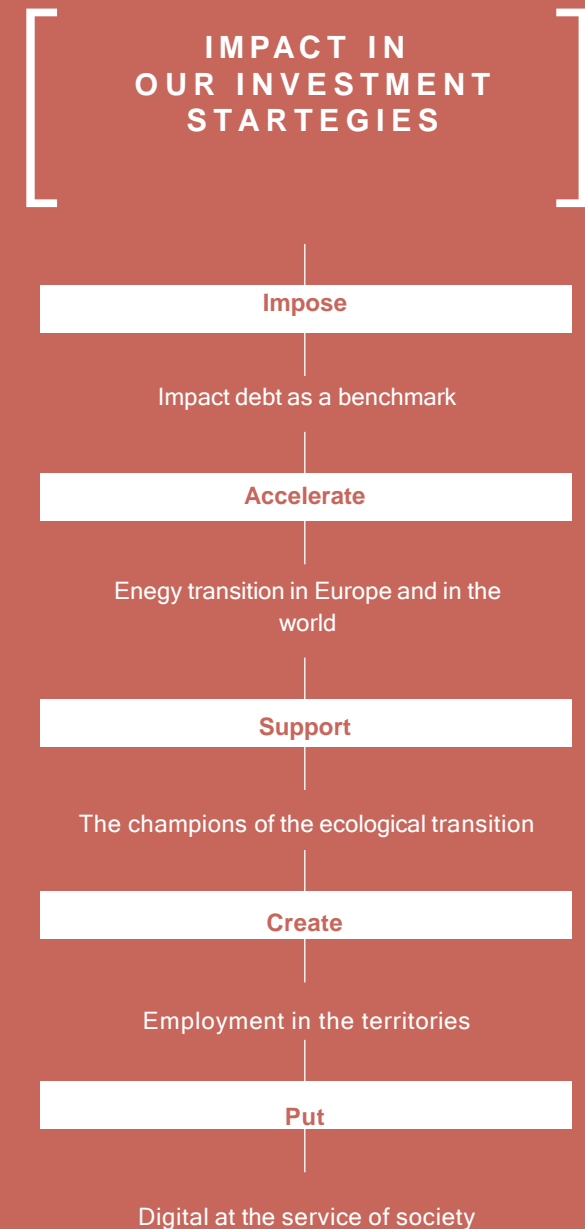
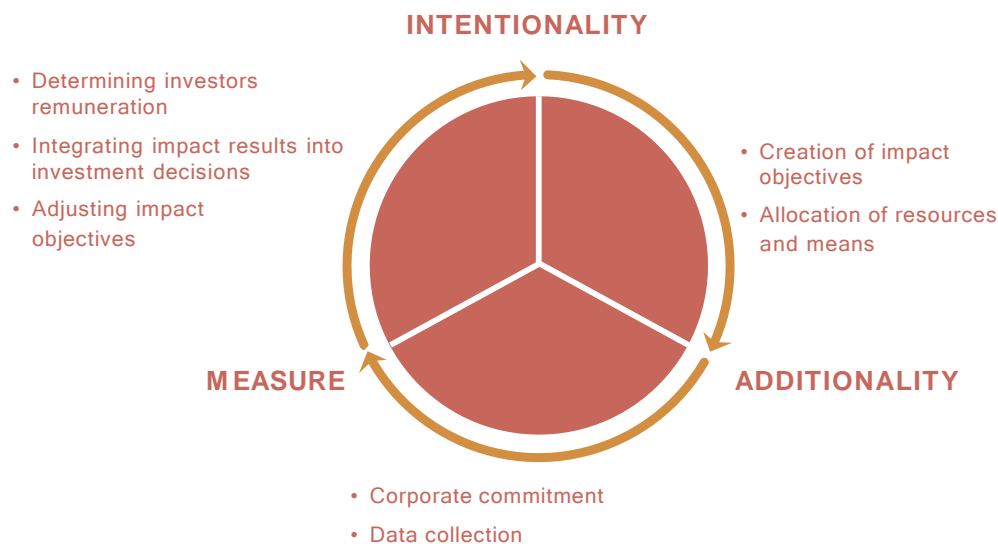
3 | Good governance practices

Assessment of good governance practices, including sound management structures, employee relations, staff compensation and tax compliance.



THE 3 PILLARS OF OUR IMPACT APPROACH

The three guiding principles of our fund impact research are in line with France Invest's definition: the aim is to demonstrate the intentionality and additionality of the investments made, by reporting qualitatively and quantitatively on the impact produced, via measurable KPIs.



OUR IMPACT FUNDS

CAPITAL INVESTISMENT

Eiffel Essentiel

PRIVATE DEBT

Eiffel Impact Debt

Eiffel Impact Debt 2

MAIF Dette à Impact

Eiffel Impact Direct Lending

INFRASTRUCTURES

Eiffel Energy Transition

Eiffel Energy Transition II

Eiffel Energy Transition III

Eiffel Gaz Vert

Eiffel Transition Infrastructure

Eiffel Infrastructures Vertes

MAIF Rendement Vert

Allianz Transition Énergétique



PIERRE-PHILIPPE CRÉPIN

HEAD OF SUSTAINABILITY & IMPACT

Can you tell us about Eiffel's expertise in impact funds?

Of course. For several years now, Eiffel has been developing significant expertise in impact funds. We have broken down our impact approach into several strategies, which are both robust and ambitious. This is made possible by the quantified objectives that we co-construct with the managers of the companies or projects we finance. Our support, particularly through the Eiffel Pack, facilitates the transition to action and contributes to the achievement of these objectives.

How do you see the role of training and understanding ESG issues in your approach? We are convinced that understanding and training on ESG issues is crucial. They get companies and employees on board and create a desire to commit to a virtuous approach. That's why we strive for continuous improvement. We propose new methodologies, equip ourselves to better understand the challenges of transition, and bring in experts on various ESG themes through our impact workshops and lecture series.

What impact do you observe on your private assets?

We have proven that extra-financial impact is a real catalyst for financial impact. With this in mind, we intend to accelerate our efforts in this area and be even more ambitious in the years to come. Our robust, scientific approach is one of our key assets.

ESTABLISHING IMPACT DEBT AS A MAINSTAY



ANTOINE MASPÉTIOL
HEAD OF CORPORATE PRIVATE
DEBT STRATEGY

Your innovative initiative launched in 2019 elicited varied reactions in the market. Can you tell us how this proposal ultimately won over borrowers and what specific needs it met?

Indeed, when we launched Eiffel Impact Debt in 2019, some competitors and other players in our market may have seemed a little skeptical. However, our approach quickly proved very attractive, especially to borrowers. Our proposal met crucial needs: granting financing from an angle both financial and extra-financial analysis, and in particular inserting concrete ESG commitments into financing documentation. Borrowers quickly realized that working with a team capable of guiding them on these issues strengthens not only their resilience but also their long-term value.

This enabled Eiffel to differentiate itself in the market and win the trust of borrowers who are looking for partners who are both strongly committed to these ESG topics and able to support them pragmatically in their sustainable transition.

Eiffel has since acquired extensive experience in impact debt financing. Can you tell us about this experience and its concrete results for the companies financed?

We're very proud of our track record. In 2023, we passed the milestone of 200 Impact Covenants® and invested over a billion euros in the year alone. These Impact Covenants® are ambitious, concrete commitments that bind companies to measurable, bold but achievable ESG targets. The results speak for themselves: we have observed a significant improvement in the financial and extra-financial performance of our investee companies, as revealed by our first study on the subject, based on a survey of the companies we financed. Our approach proves that well-defined ESG commitments can strengthen the resilience of companies, increase their profitability and hence their long-term value, and reduce risks for lenders. It shows that sustainable finance is not just a trend, but a strategic necessity for today's businesses.

In 2023, Eiffel has set up an innovative financing scheme for Clariane. Can you tell us more about this initiative?

In 2023, we set up an innovative financing solution for a leading company in the dependency sector. Our aim is always to place extra-financial performance on an equal footing with financial performance, taking this parallel further and further. As part of this unprecedented operation, we have put in place an early repayment mechanism similar to the one that usually exists for loans in terms of financial performance. This way, Eiffel's loan offers protection against any major slippage in the company's extra-financial performance, and is in line with Clariane's current business model, while encouraging it to be even more ambitious. We are campaigning for these innovative ESG practices to become market standards.

ESTABLISHING IMPACT DEBT AS A BENCHMARK



JULIEN FRAULT

PRIVATE AND CORPORATE
DEBT ESG MANAGER

The Fund's impact approach has been considerably strengthened in recent months.

Both the themes and the trajectories of impact are increasingly demanding, resulting in margin adjustments that now represent 5 to 10% of the initial margin, a sharp increase on when the fund was launched. Legal documentation is also an important lever for reinforcing the ambition and innovation of our impact financing; for example, we recently included an ESG "put" in a loan contract: failure to comply with one or more commitments, determined in collaboration with this leading borrower, will trigger the possibility of early repayment.

In fact, we found that the success of this impact approach depends on the commitment of the companies themselves: close contact and dialogue with management helps to raise awareness and jointly determine realistic yet ambitious objectives in line with the company's business model.

DURABILITY INDICATORS

77%

of companies financed have set up an **employee share ownership** scheme in 2023, compared with 58% in 2022

82%

of companies in the private debt portfolio had a **GHG assessment** in 2023, compared with 58% in 2021

Carbon intensity (scope 1,2,3) of :

270 tCO2e/m€ sales

Average share of disabled employees:

2,98%

SUCCESS OF IMPACT COVENANTS®

70%

Of Impact Covenants® met in 2021

71%

Of Impact Covenants® met in 2022

-6bps

On average following the achievement of the impact objectives® In 2021

-6bps

On average following the achievement of the impact objectives® In 2022

Employee training rate of

49%

in 2023 vs 48% in 2022

Parity rate in governance bodies of:

20%

Vs 17% in 2022

Frequency of workplace accidents rate:

17,3%

Vs 11,7% in 2022

* Parmi les entreprises répondantes au titre de 2023

MORE THAN 220 IMPACT COVENANTS® ALREADY IN PLACE SINCE 19, COVERING 11 SDGs



INNOVATION SERVING IMPACT

The first impact loan with an early repayment clause linked to extra-financial performance

In 2023, Eiffel set up innovative financing for a French group, leader in its sector.

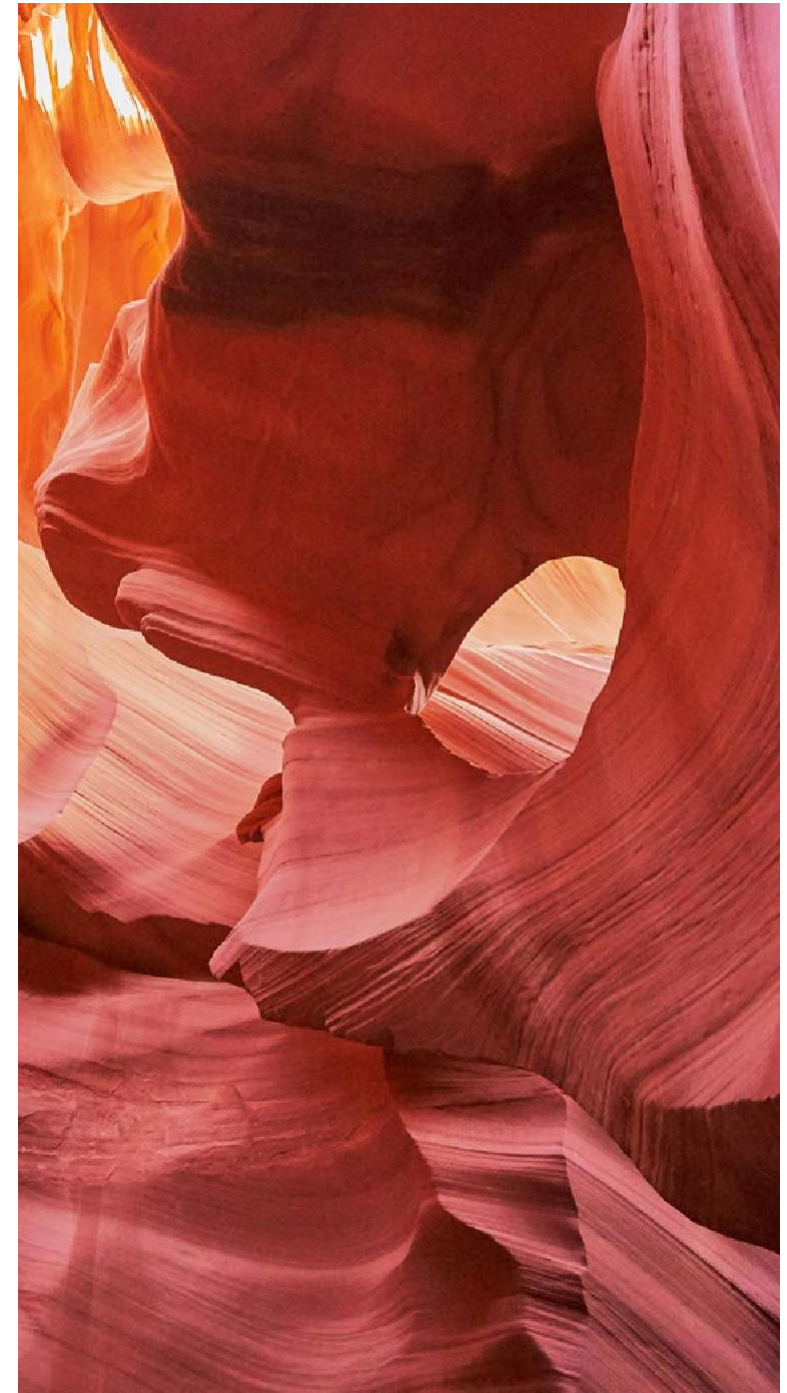
With the aim of placing extra-financial performance on an equal footing with financial performance, and in the conviction that a company's concrete ESG commitments strengthen its resilience and value, thereby limiting the risk for its lenders, Eiffel introduced a major innovation.

In addition to the three Impact Covenants® (covering the Group's major issues and challenges), the loan of around 40 million euros includes the possibility for Eiffel to request early repayment in the event of non-compliance with certain extra-financial criteria or significantly unfavorable ESG events.

The transaction also includes a highly ambitious ESG margin grid, with interest rate modulation of up to plus or minus 10% depending on the extent to which extra-financial objectives are met.

In this way, Eiffel's loan, while resolutely encouraging the group, which has placed ESG at the heart of its business model, to be even more ambitious, offers protection against a major slippage in the company's extra-financial performance **with an early repayment mechanism similar to that which usually exists in loans regarding financial performance.**

With this innovative financing, Eiffel is helping a key player, as well as its thousands of customers and employees meet the challenges facing the sector and beyond.



ACCELERATING THE ENERGY TRANSITION



PIERRE-ANTOINE MACHELON
HEAD OF ENERGY TRANSITION
INFRASTRUCTURES ACTIVITY

What were the most emblematic ESG achievements of 2023 for the Energy Transition activity?

2023 was punctuated by major achievements in the field of ESG. First of all, confident that extra-financial and financial performance go hand in hand, we innovated by setting up, on a new transaction, financing at a rate that varies according to the extent to which pre-defined ESG criteria are met (see box p.77). Based on this first conclusive experience, the principle has been applied to other transactions and is destined to be widely replicated.

We also continued to professionalize our ESG teams with :

- The effective launch of the Tennaxia platform to facilitate and increase the reliability of ESG data collection for due diligence and taxonomy and sustainability analysis (SFDR);
- The choice of Altitude AXA Climate tool to manage the physical, climatic and biodiversity risks of our investments.

Lastly, we continued our efforts to analyze the risks associated with the solar panel supply chain, with the full roll-out of the procedure announced at the end of 2022 (see details on page 81). A concrete and constructive dialogue has been established with project developers on this key issue. In this way, Eiffel is playing an active role in encouraging improved market practices across the entire project value chain.

Could you share a few figures to illustrate the impact of your funds' investments?

The funds in our range are complementary, enabling us to cover a wide variety of investment needs for energy transition infrastructure projects and maximize our impact.

Our flagship business of bridge financing dedicated to renewable assets is a perfect illustration of the strong impact of our investments. Since the strategy was launched, we have completed over 180 transactions and financed more than 3,800 projects, representing over 9 GW of installed green energy capacity.

In addition, our Eiffel Gaz Vert fund has continued to finance renewable gas projects and foster the development of local ecosystems for the production and consumption of low-carbon energy (e.g. low-carbon hydrogen projects). Since its launch, the fund has helped finance over 65 renewable gas projects, representing a capacity of almost 10,000 Nm³/h.

As far as our Eiffel Transition Infrastructure fund is concerned, its investment strategy during the project development and construction phases ensures a very significant leverage in the deployment and construction

of new renewable capacities. In concrete terms, when the fund invests €20m, it enables the development of several hundred MW of renewable projects.

What are the prospects for the renewable energies sector, and how do you see ESG aspects being taken into account and influenced by the different players?

The renewable energies sector, essential for accelerating the necessary energy transition, remains highly dynamic and is growing rapidly in Europe and worldwide. For example, three times more solar capacity was installed in Europe in 2023 than in 2020.

In light of this, we are continuing to raise funds for our SFDR 9 funds, with even greater emphasis on ESG issues.

Present in 'green' unit-linked since 2021, Eiffel has consolidated its leading position in this segment, to open up investment in green infrastructure to individuals. French regulations, via the 'industrie verte' law of October 2023, will continue to encourage green investments by individuals through dedicated unit-linked, enabling them to have a direct impact on the ecological transition.

In addition, the effective implementation of new regulations, such as the Taxonomy, SFDR or the "industrie verte en France" law, is pushing the impact investment sector towards greater transparency and helping to make this asset class more reliable.

ACCELERATING THE ENERGY TRANSITION

The first green infrastructure
financing whose cost is indexed to
ESG objectives



YANNICK HENRION
INVESTMENT TEAM AND
ESG INFRASTRUCTURES REPRESENTATIVE

To fully involve our counterparties in the Eiffel impact approach, we innovated by offering green infrastructure financing whose cost of debt is indexed to the achievement of ESG objectives.

We incorporated this scalable rate system for the first time in 2023 into the financing of Electra, with the goal of accelerating the construction of a French portfolio of more than 100 high-power charging stations for electric vehicles.

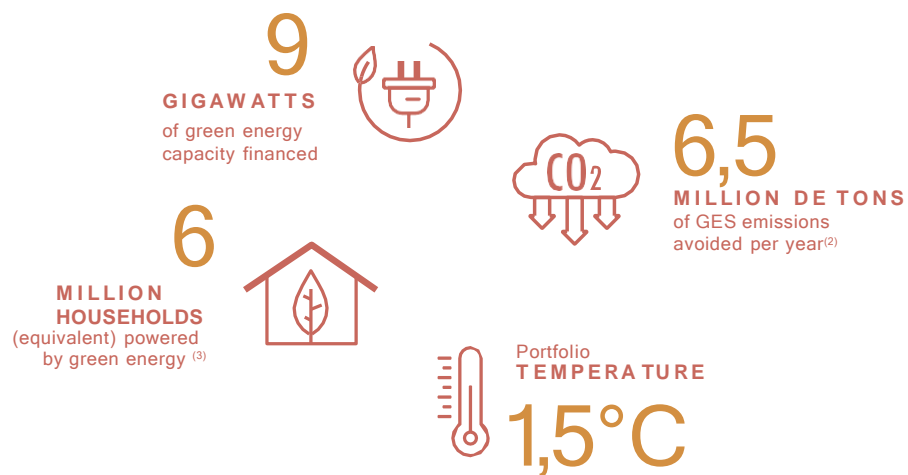
ESG objectives that may influence the cost of debt are defined in collaboration with the management of the funded companies. These objectives, covering environmental, social and governance aspects, may include, for example, the calculation of the company's CO2 emissions and the implementation of a program to reduce these emissions, or the systematic integration of CSR criteria into the selection of the company's suppliers.



ACCELERATING THE ENERGY TRANSITION

Example of green infrastructures funds

ALL FUNDS AND INVESTMENTS HAVE A
POSITIVE IMPACT, MEASURED BY SIMPLE AND
RELIABLE INDICATORS⁽¹⁾



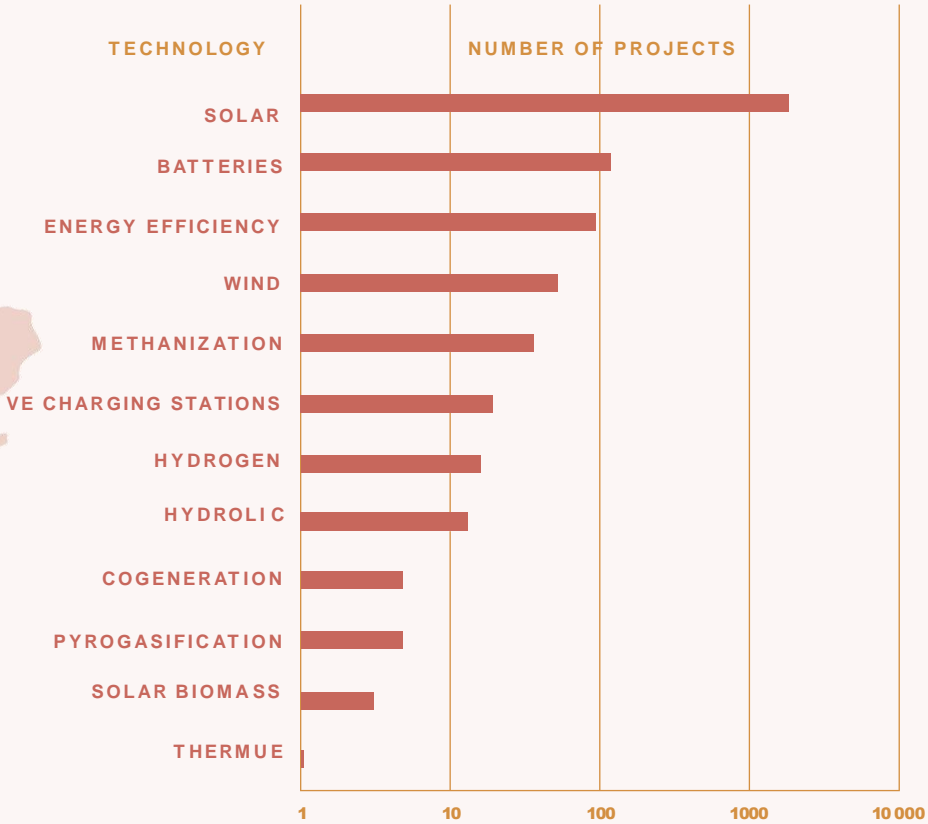
⁽¹⁾ Achieved within all green infrastructure programs for which these indicators are relevant, by 31/12/2023

⁽²⁾ This indicator is calculated by multiplying the amount of electricity generated annually by the projects by the carbon footprint of the electricity mix in each country where the projects are located, minus the emissions generated by the construction of the infrastructure (sources: IEA, DEFRA, IPCC).

⁽³⁾ This indicator is calculated by dividing the amount of electricity generated by the projects annually by the average electricity consumption per household (source: ADEME 2016, Odyssee Mure 2019).

ACCELERATING THE ENERGY TRANSITION

[MORE THAN 3.800
PROJECTS FINANCED]



ACCELERATING THE ENERGY TRANSITION

Focus on solar panel supply chain and related risks



PIERRICK PAINDAVOINE

INVESTMENT - ENERGY TRANSITION
INFRASTRUCTURE

ESG considerations are a key part of due diligence for renewable infrastructure projects financed by Eiffel. All financed projects must demonstrate their sustainability, in accordance with SFDR 9 regulations.

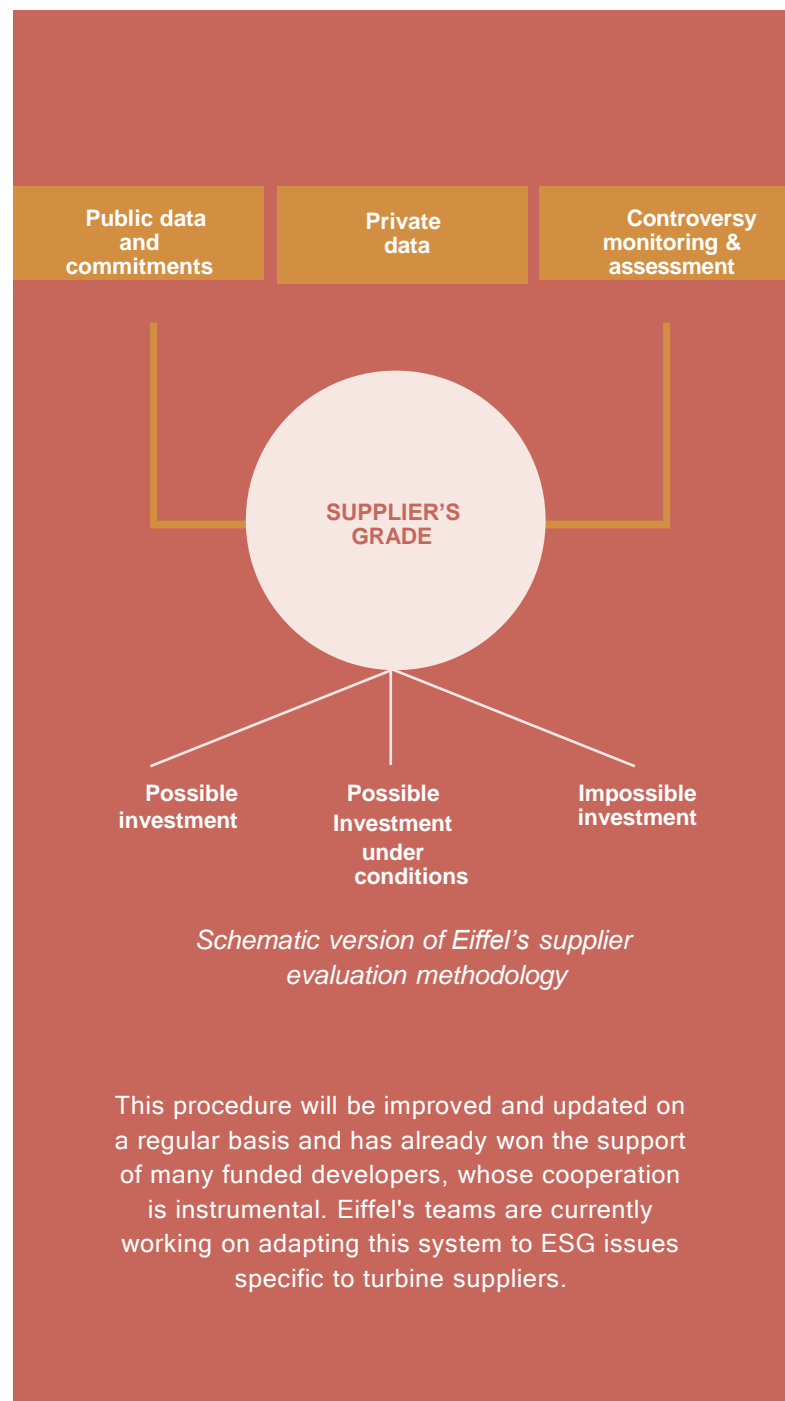
As part of its due diligence, Eiffel pays particular attention to the entire value chain, especially regarding issues of modern slavery, forced labor, child labor and gender-based violence. These are particularly sensitive issues in the solar sector.

As part of its reinforced control of the risks associated with these issues, Eiffel verifies compliance with strict commitments to protect workers and minorities at various points in the supply chain.

Eiffel has set up a dedicated procedure for analyzing solar panel suppliers. It is based on a database of around twenty of the most important suppliers, developed in-house. The data collected comes from public information, private information obtained as part of due diligence, and analysis carried out by a specialized external consultancy. This database is enriched as new suppliers are selected by developers for financed projects.

The resulting rating system (on a scale of 1 to 5) is based on analysis of the database. Eiffel has also set up a controversy alert and monitoring system to keep up to date with relevant developments and update ratings where necessary..

Depending on the rating obtained, the investment may be subject to enhanced due diligence on certain specific aspects, may be prohibited, or may be considered without additional specific due diligence.



ACCELERATING THE ENERGY TRANSITION

ELECTRA

Example: financing the construction of a portfolio of more than 100 fast charging stations in France

In December 2023, the funds Maif Rendement Vert, Allianz Transition Énergétique and Eiffel Infrastructures Vertes provided a financing of 27 million euros (along with two co-investors) to Electra for the construction of more than 100 fast charging stations for electric vehicles.

Electra is a French *pure player* in fast charging and one of the major players in the sector in Europe. Present in 8 countries, Electra is expanding rapidly with a fleet that now amounts to almost 250 operating stations.

This relay debt operation allows Electra to finance the growth of its station portfolio in anticipation of long-term financing that will be raised at the end of the actual expansion of its network. In facilitating the avoidance of **more than one million tons of CO₂* emissions** over the life of the infrastructure, Eiffel is true to its mission of investing for a sustainable world through impact investment strategies.



+ 600

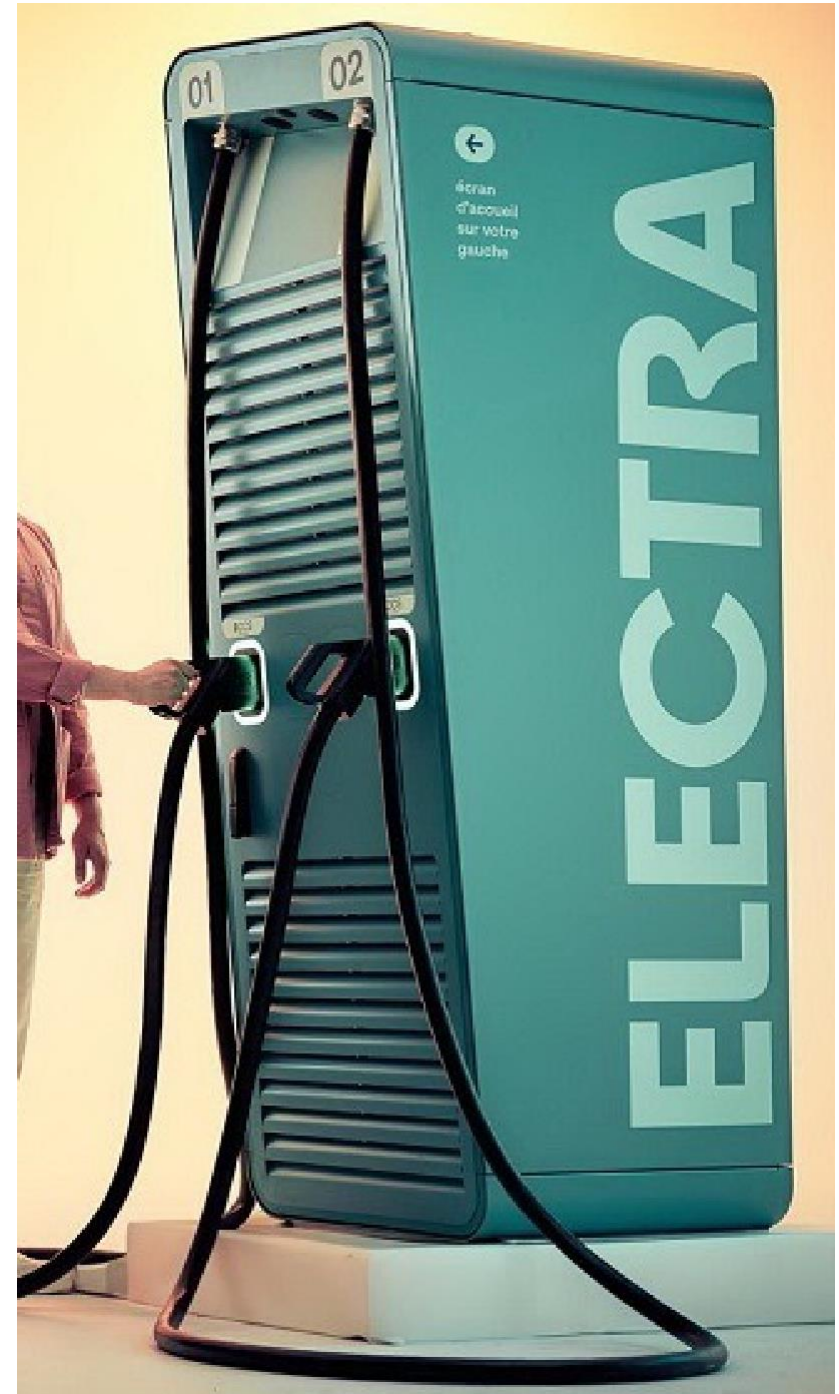
Target of charging stations deployed with Eiffel funding



+ 1 MILLION

Tons of CO₂ avoided by funded stations over their lifetime

*This indicator is calculated by the difference between the CO₂ that would be emitted by a thermal vehicle and by an electric vehicle in France on the distance enabled by the electricity supplied by the stations financed over their entire life span (sources: IEA, Carbone 4, Greenly).



SUPPORTING THE CHAMPIONS OF THE ENERGY AND ECOLOGICAL TRANSITION



ROMAIN OHAYON
MANAGING DIRECTOR OF
THE EIFFEL ESSENTIEL FUND

What are your takeaways from 2023 for Eiffel Essentiel?

2023 was extremely productive and strategic for Eiffel Essentiel. We committed 95 million euros and have thus invested more than half of the fund in SMEs that are champions of the energy and green transition.

Among our remarkable investments, we have injected 10 million euros in Denmark into Dall Energy, which specializes in the production of heat from biomass through pyrogasification. We also supported GreenBig by investing 15 million euros in its innovative machines used for collecting and crushing used PET plastic bottles. An reinvestment of 10 million euros in the ARVERNE Group was also made to strengthen their activity in geothermal and low-carbon lithium extraction. Finally, we also invested 35 million euros in mylight150, which develops electric self-consumption systems and energy services. Other commitments include \$10 million euros in Volta and 15 million euros in GreenCo.

In line with our commitments, we have reinvested 25 millions euros in our portfolio demonstrating our commitment to supporting strategic sectors and making a significant environmental impact.

How do you improve methodologies for tracking the impact of your investments?

The Eiffel Essentiel team is constantly looking for innovations to improve its impact tracking methodologies. In collaboration with ICARE by BEARING POINT, we have co-developed a tool for calculating the avoided emissions for our Citron participation.

This tool allows us to accurately assess and quantify the positive environmental impacts of actions recommended by Citron and thus the impact of our overall investment. In addition, we have implemented the use of a physical and climate risk analysis system at our portfolio sites, which also allows us to assess the potential impact on biodiversity. Each investment also benefits from an impact business plan, guaranteeing a rigorous and transparent monitoring of environmental developments and performance. This allows us not only to track progress, but also to quickly identify areas that need adjustments or improvements.

What are the next opportunities for you for Eiffel Essentiel?

The next opportunities for Eiffel Essentiel are to be found in several key areas. Residential self-consumption of electricity is becoming increasingly widespread in France, with an increase of 77% in one year, despite lagging behind other European countries.

This trend offers enormous potential for investment in the technologies that will enable this transition. In addition, water management is becoming crucial, with significant losses in distribution networks. We see opportunities in wastewater reuse technologies and infrastructure optimization. Finally, the use of biomass in the energy transition remains a promising area. R&D developments to reduce the carbon intensity of biofuels and create carbon sinks are essential if we are to achieve our goal of carbon neutrality by 2050.

Despite this progress, the Boston Consulting Group's December 2023 report indicates that investments in green assets remain insufficient, especially in storage and power grids. This represents a significant opportunity for us to step up our efforts and direct more capital to these critical areas.

SUPPORTING THE CHAMPIONS OF THE ENERGY AND ECOLOGICAL TRANSITION

**All investments have a positive impact measured by
robust and simple indicators**

Launched in January 2021, the Eiffel Essentiel fund has completed the Group's array of financing tools by combining the best of its expertise in ecological transition and development capital. With €390 million in commitments raised, the fund takes strategic equity stakes in companies active in "essential" sectors, particularly energy, but also agriculture and healthcare, playing the role of long-term partner to the full. Since its creation, the fund has made 9 investments in so-called "solution" companies that directly contribute to the decarbonization of our economy and operate in the fields of energy production, mobility, plastic waste collection, heating networks, geothermal energy and low-carbon lithium extraction, energy self-consumption and energy efficiency in buildings. Impact business plans, systematically implemented within each of the companies we support, play an active part in the quest for positive impact and the continuous improvement of practices, as shown by the sustainability and additionality indicators.

SUSTAINABILITY INDICATORS

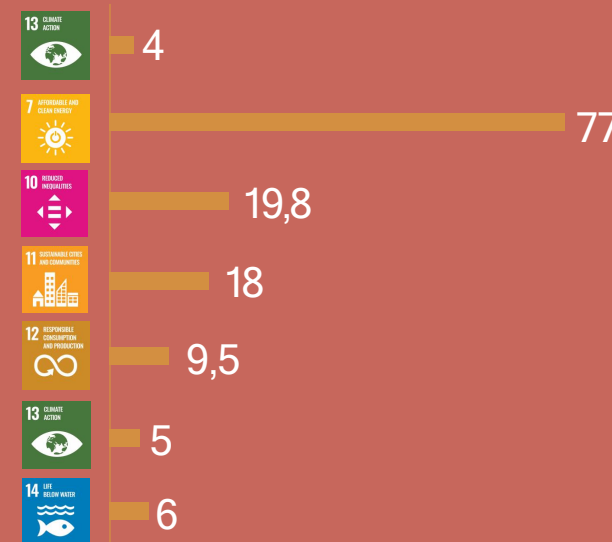
Contributed to **193,1 kt of CO2e avoidance** in 2023
(+81,5% v.2022)

78% companies in the portfolio of
Eiffel Essentiel produced a
GHG balance sheet in 2023

44% companies in the portfolio of
Eiffel Essentiel have
implemented **sustainable
purchasing charter**.

(*) ready to build

PORTFOLIO ALLOCATION BY SDG (IN M€)



SPECIFIC ADDITIONALITY INDICATORS FOR EACH COMPANY IN THE PORTFOLIO

VOLTA
SOLAR PV

88,84 GWh of sustainable energy produced in 2023
and financed by Eiffel Essentiel (+60,9% v.2022)

GreenGo

125MW RTB (*) in 2023 and financed by Eiffel
Essentiel (+125% v.2022)

RE PV

Nombre of bicycles sold : **55 000** (+10% v.2022)

fifteen

55,2 millions de m² of tertiary building equipped with a
energy efficiency improvement solution (+23,3% v.2022)

Citron

58MW Renewable heat units installed by Dall Energy
and funded by Eiffel Essentiel (+60,9% v.2022)

Dall Energy
HEAT BUSINESS TECHNOLOGIES

b:bot
by Green2Bis

2,7k tons of PET recycled since Eiffel Essentiel
investment

mylight 150

30.000 french homes connected to a PV system in 2023
and financed by Eiffel Essentiel

SUPPORTING THE CHAMPIONS OF THE ENERGY AND ECOLOGICAL TRANSITION

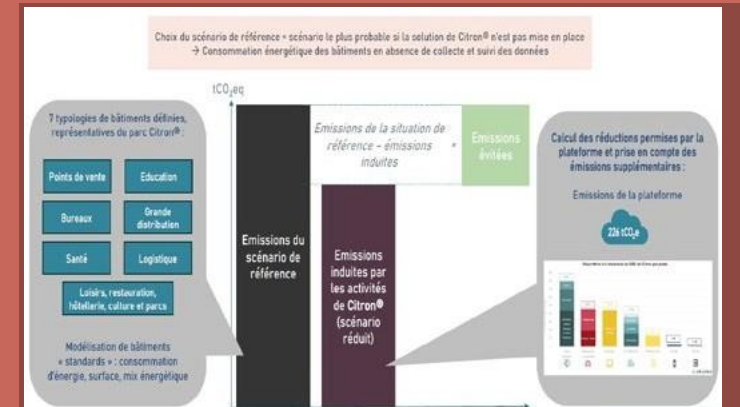


Funding of a module to calculate avoided emissions according to recommended actions, co-developed with ICARE by BearingPoint

In December 2022, Eiffel Essentiel invested in Citron, one of the **French leaders in building energy efficiency**. The company aims to actively participate in the decarbonization of buildings by improving energy consumption and use. Thanks to its SaaS platform, Citron collects the different data of a building and proposes actions to track and improve the energy performance of a building.

Under B-Corp certification, Citron is also focused on the **environmental impact of its actions and recommendations on its customers**. To better understand the effect of the recommended actions, Citron has co-developed, with Icare By Bearing Point a module to assess the emissions avoided thanks to the platform and the recommended actions. Eiffel Essentiel was the driving force behind the implementation of this module and participated in its financing. In 2023, Citron helped avoid 158. 6kt of CO2 emissions. (with a carbon footprint of 226 tonnes CO2 - scope 1. 23).

EVALUATE THE AVOIDED EMISSIONS THANKS TO CITRON®



	Surface moyenne (m²)	Consommation d'énergie (kWh/m²/an)	Mix énergétique
Points de vente	240	205,4	47 % électricité, 33% gaz, 12% fioul, 8% RCU
Bureaux	500	293,2	47 % électricité, 33% gaz, 12% fioul, 8% RCU
Santé	40 263	295	47 % électricité, 33% gaz, 12% fioul, 8% RCU
Education	10 496	121,9	47 % électricité, 33% gaz, 12% fioul, 8% RCU
Grande distribution	1 084	295	47 % électricité, 33% gaz, 12% fioul, 8% RCU
Logistique	18 500	287,9	47 % électricité, 33% gaz, 12% fioul, 8% RCU
Loisirs, restauration, hôtellerie, culture et parcs	1 000	244,1	47 % électricité, 33% gaz, 12% fioul, 8% RCU

Actions d'efficacité et de sobriété				
Autonomie préconisée action				
Action	Type d'action	Fluide affecté	Pourcentage du fluide affecté	Pourcentage de réduction (de la consommation du fluide)
Remplacement d'un moteur à combustion thermique (ex: installation de pompe à chaleur)	✓ action	Électricité	100%	2%
Régulation du chauffage des convecteurs (Électricité)		Électricité	100%	10%
Régulation du chauffage des convecteurs (gaz)		Gaz	100%	10%
Régulation du chauffage des convecteurs (fioul)		Fioul	100%	10%
Régulation de la climatisation (RAC)		Électricité	100%	10%
Régulation de la climatisation (Électricité)		Électricité	100%	10%
Régulation éclairage		Électricité	100%	10%
Régulation CTA		Électricité	100%	10%
Réduction de la température de consigne (Électricité)		Électricité	100%	10%
Réduction de la température de consigne (Fioul)		Fioul	100%	10%
Réduction de la température de consigne (Gaz)		Gaz	100%	10%
Changer les défectueux				



5 Funding job creation and the low-carbon transition

FOSTERING JOB GROWTH IN LOCAL COMMUNITIES



EMILIE DA SILVA

HEAD OF EQUITY STRATEGY

Can you give us a rundown of the 2023 performance of the funds you oversee, specifically the Harmonie Mutuelle Jobs for France Fund?

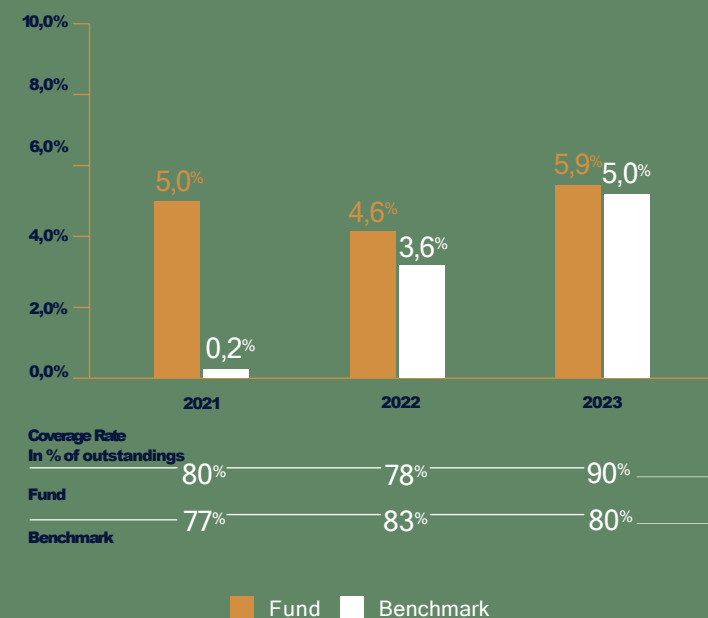
In the particularly turbulent market we've been dealing with, it's key to keep our eyes on the long-term objectives we've set for ourselves. These objectives are straightforward and they hold true to what I'd call our "core principles": sticking close to our businesses and zeroing in on their ability to create lasting jobs within local communities. And, naturally, it's crucial that we monitor these aspects as thoroughly and accurately as we can. With that in mind, it's been gratifying to see the steady climb in job creation indicators within the businesses in our portfolios, significantly exceeding the market benchmark. More broadly, the majority of sustainability indicators outperform their counterparts, showing the level of maturity that businesses have reached in this area.

Of course, we can't take all the credit for this improvement, but we do our utmost to raise awareness among companies where needed and guide them during our discussions. This aligns with our "private equity" background, which is one of the distinctive aspects of our publicly-traded management style..

What hurdles are on the horizon in 2024 ?

One of the key issues for 2024, and more generally for the years to come, is economic and technological sovereignty. In this field, all companies, and in particular SMEs and ETIs, have a vital role to play, particularly in terms of their territorial roots, which energize our regions. Their innovations also spearhead our international reputation. Their development will be crucial to the success of the major ecological and digital transitions we face. Through the management of the Harmonie Mutuelle Emplois France fund, we select companies that create or maintain jobs in France. Many have chosen to invest heavily in France to maintain their competitive advantages and differentiation, control their value chain, and thus contribute to national sovereignty.

EVOLUTION OF EMPLOYMENT IN FRANCE



Sources: Ethifinance and annual reports of companies.

The number of portfolio companies in France is growing every year and more strongly than the benchmark despite a troubled post-Covid economic environment.



EXAMPLE OF ENGAGEMENT AND DIALOGUE ON THE SOCIAL PILLAR

THEMATIC SUBJECTS

Employment strategy:

Expected growth in French workforce, temporary vs. permanent employment policy, internal promotion

Social environment :

Company culture, social events, average seniority, employee satisfaction

Diversity:

The share of women executives/managers appeared low compared to the share of women in the company

Security:

The frequency rate of accidents at work appeared to be high

Responses and results obtained

- Job growth in France should be driven by the growth of activity, which by nature requires a strong local footprint to address local customers (hotels, restaurants, hospitals)
- The company says it favours permanent jobs, but some activities may be seasonal (peak activity in the hotel and restaurant industry, for example).
- The company promotes the progress of its teams through training.
- The company implements a decentralized management system in order to ensure "proximity" in its management.
- The company reports that 60% of its teams have more than 3 years of seniority, and 19% have more than 15 years of seniority.
- An employment engagement study with high participation rates is administered every 2 years by Elis. Results are communicated to site management teams who carry out, when necessary, actions plans to address any issues.
- The company says it is positioned in a segment where the natural pool of female talent may be smaller and has likely been under pressure in recent years.
- The company has set itself the goal of reaching 40% female executives or managers by 2025.
- The company has an action plan in place to achieve this goal (school partnership, mentoring, reporting to the Executive Committee, etc.).
- The company reported that accidents were increasing as of 2022. The significant recovery in activity, particularly in the hotel and restaurant industries, and the challenges to stabilising the new workforce have poorly affected results. Action plans in training, team accountability, and compliance have been prioritized.

EXPECTATIONS FOR THE FUTURE: PROGRESSION OF THE OUTCOMES FROM THE IMPLEMENTED ACTION PLANS, PARTICULARLY FOR DIVERSITY AND ACCIDENTS

FINANCING HIGH-YIELD COMPANIES IN LOW CARBON-TRANSITION



GUILLAUME TRUTTMANN
MANAGER - TRADED CREDIT

With the new interest rate environment, what have been the latest news for Eiffel Investment Group's Traded Credit team in 2023?

Bonds offer new yield opportunities for investors following the significant rise in interest rates in 2022 in developed economies. The Traded Credit team, which manages bond funds for institutional clients, extended its offering to private clients in 2023. In June, it launched the dated fund Eiffel Rendement 2028, with the aim of offering a clear strategy to its partners thanks to a very strict management framework, both in financial terms (100%-euro fund with rigorous risk management) and in extra-financial terms. This fund meets the requirements of Article 8 of the SFDR regulation and is aligned with the principles of the SRI Label, in excluding 20% of counterparties, notably all companies involved in the exploration and production of fossil fuels.

ESG risk analysis is continuous, thanks in particular to the RepRisk tool based on artificial intelligence, enabling responsiveness in the event of controversy concerning a client.

In May 2024, we also launched our new Eiffel High Yield Low Carbon fund, drawing on the expertise of our high-yield management team and a highly innovative ESG methodology.

What are the special features of the Eiffel High Yield Low Carbon fund?

This is a "Long Only" fund invested in high-yield bonds, mainly in euros, based on an innovative process of integrated financial and extra-financial analysis. Eiffel Investment Group's teams have developed an intelligent approach to credit risk assessment, taking into account the climate risk of each counterparty. By assessing the decarbonized margin based on greenhouse gas emissions, we can determine the impact on the credit quality of companies aligned with a warming trajectory limited to 1.5°C in 2030: a Carbon Rating is thus established. Eiffel High Yield Low Carbon will invest exclusively in counterparties who are able to control their credit quality in this framework, thereby offering superior long-term performance compared with its market.

The fund also selects instruments designed to finance projects with an environmental impact (Green Bonds, Sustainable Bonds).

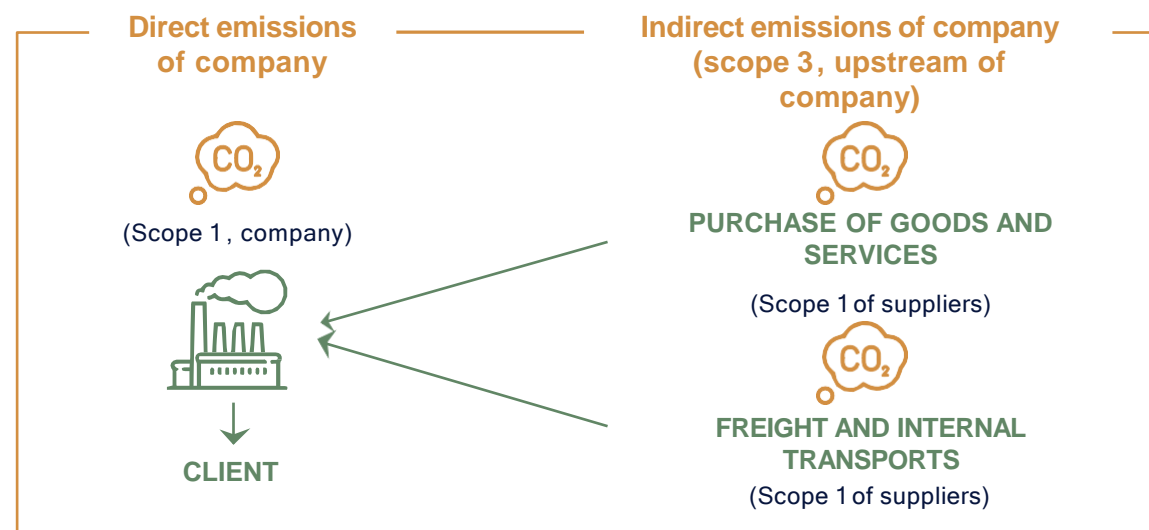
Can you give us some examples of the impact of this process on portfolio construction?

Eiffel High Yield Low Carbon is highly selective in the High Yield universe, with over 30% of companies excluded. As with our other strategies, no investments are made in fossil fuel producers. Among the sectors with a large number of players impacted by climate risk, we logically find players from the automotive and airline industries. But the Carbon Rating process also makes it possible to identify defaulting counterparties across all sectors, who are lagging far behind in decarbonizing their activities despite their many commitments. By excluding these companies from its investment perimeter, Eiffel High Yield Low Carbon optimizes its sources of European High Yield performance.

FINANCING HIGH-YIELD COMPANIES IN LOW CARBON-TRANSITION

Development of a proprietary "Carbon rating" methodology

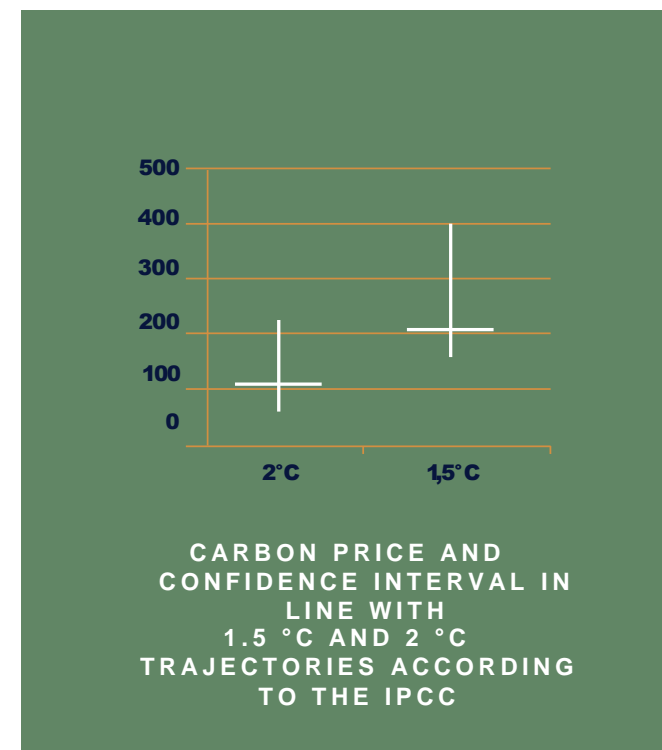
We estimate the impact of carbon pricing on companies' balance sheets to assess their resilience and their decarbonization trajectory.



How the carbon price is passed on to a company: direct and indirect impacts

The financial impact of the carbon price for a company is twofold:

- Direct impact, through the company's direct emissions (scope 1)
- Indirect impact, through a pass-through of the carbon price to the upstream supply chain



LEVERAGING DIGITAL TO STRENGTHEN THE EUROPEAN ECONOMIC AND SOCIAL FABRIC



NICOLAS JAÏS

HEAD OF DIGITAL LENDING ACTIVITY

What have been the main trends affecting the fintech and digital lending sectors in which you operate?

There's no doubt that the highly unstable macro-economic environment has had a direct impact on the sectors in which we operate.

The players we finance are immediately grappling with these trends, primarily rising interest rates and inflation, which are affecting their customers' purchasing power and prompting them to change their consumption patterns. They had to adapt their own strategies, seeking to reflect rising interest rates while limiting the risk of portfolio default, at the cost of greater selectivity. Moreover, valuations in the fintech sector are being adjusted, forcing companies to review their ambitions after years of euphoria when capital was abundant.

The search for profitability has become an imperative, and this is leading to a selection between the strongest players and the most fragile.

How did you adapt to this environment?

By staying true to our DNA, i.e. by remaining rigorous in our analysis, flexible and inventive in our financing methods, and keen to generate a useful and measurable impact.

We have thus continued to invest significant amounts this year, supporting 6 European platforms with whom we have built up solid relationships of trust. This is even more important in times like these.

Our objective, which stems from the mandates entrusted to us by the various institutional investors who have placed their trust in us for over 10 years, remains to finance small businesses and consumers, as a complement to traditional channels. This alternative form of finance has gradually established itself on the financial landscape, and will continue to

develop, despite the difficulties, driven by the underlying trends of digitalization and disintermediation.

What's the outlook for the years ahead?

We need to remain creative, and our strategies themselves need to adapt to the changing general context. The operations we set up today have little in common with what we did 5 years ago and will certainly evolve in the future. We have thus developed genuine expertise in structuring operations, combined with a sound knowledge of the highly specific digital ecosystem.

We're constantly thinking up new products for a new type of partner, and new ways of structuring our business.

In addition, we have the advantage of an already highly diversified geographical exposure, which offers us international prospects that we will be seeking to develop in the coming years.

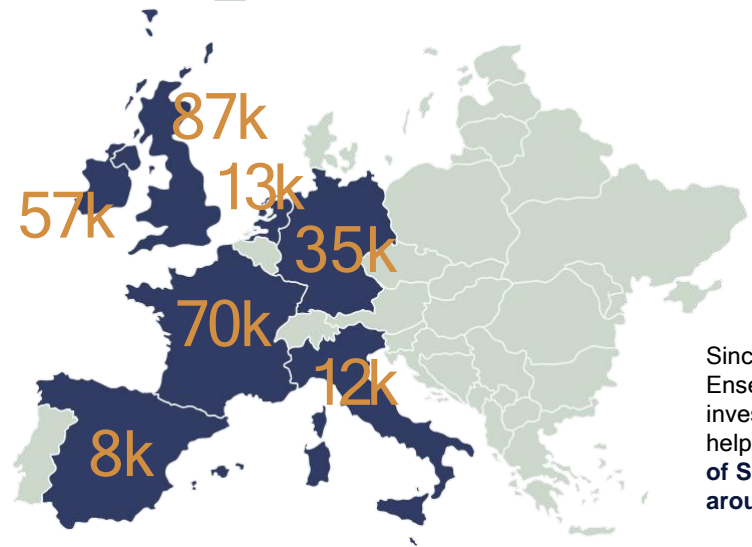
LEVERAGING DIGITAL TO STRENGTHEN THE EUROPEAN ECONOMIC AND SOCIAL FABRIC

In 2023, European VSE/SMEs continue to face numerous challenges: energy prices, inflation, international tensions, rising financing costs and so on. In this context, the continuation of initiatives to **facilitate access to credit for VSE/SMEs remains essential**.

280 k+

Jobs supported in Europe

CONTRIBUTING TO THE PRESERVATION OF EMPLOYMENT

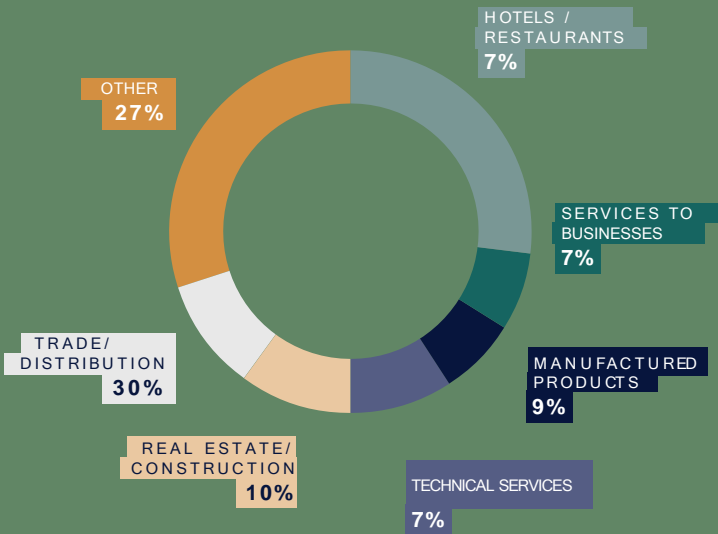


Since 2021, the Prêtons Ensemble program has invested over **€500 million**, helping **finance thousands of SMEs** and **supporting around 280,000 jobs**.*

*Data estimated on the basis of the average number of employees in VSE/SMEs by country, source: European Commission

FINANCING EVERY SECTORS

The granularity of our strategy and the diversification of our partner platforms ensure that our financing reaches all sectors of the real economy.



LEVERAGING DIGITAL TO STRENGTHEN THE EUROPEAN ECONOMIC AND SOCIAL FABRIC

The vast majority of funding goes to platforms with positive impacts in job preservation, real economy financing, circular economy development or social initiatives.

CONTRIBUTE TO ECONOMIC SUPPORT PLANS

The program has contributed, post-Covid, to the spread of funding guaranteed by European states and the UK to the amount of **64. 2m euros (13% of financings):**



Program CBILS
£7mn (€8mn) allocated



Program CBILS
€20mn (€22,6mn) allocated



Program CBILS
€25,3mn allocated



Program Relance Durable
Tourisme (FR) + Other
european programs
€11,3mn allocated

FINANCING THE CIRCULAR ECONOMY

In addition, **over 40 million euros** have been allocated to the financing of the circular economy and the use economy between:



MOBILE CLUB

A business model based **100%** on renting **refurbished phones**, tablets and computers.



EVERPHONE

A more durable "device as a service" model with **95% of phones refurbished** after initial use.

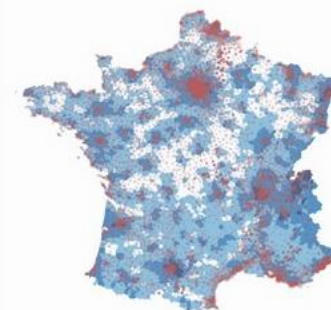


GROVER

115,000 refurbished phones and a re-use rate between 2x and 6x depending on the type of device.

ENCOURAGING SOCIAL INITIATIVES

Eiffel is working on the design of a **Social Bond** dedicated to supporting the most disadvantaged territories and population categories, with the application of the Territorial Impact Score developed by Eiffel in partnership with HEC.



- Most disadvantaged postcodes
- Most favored postcodes
- Impact of our program

Source : INSEE

A night landscape photograph featuring a starry sky, a mountain peak, and its reflection in a lake. The word "APPENDICES" is overlaid in the center.

APPENDICES

TCFD CORRESPONDENCE

TCFD PILLAR	DESCRIPTION	PAGES OF IMPACT REPORT
Governance	The organization's governance related to ESG risks and opportunities	19, 20, 21
Strategy	Eiffel's resilience strategy for different scenarios, including a 2°C scenario	45, 46, 47, 48
Risk Management	Procedures Eiffel uses to identify, assess and manage climate risks	50, 51
Indicators and Objectives	Indicators and targets for assessing and managing significant climate risks and opportunities	52, 53, 54, 55

SFDR CLASSIFICATION TABLE

AS OF 31/12/2023

FUND	ARTICLE 8	ARTICLE 9
NOV SANTÉ DETTE PRIVÉE	×	
EIFFEL NOVA EUROPE ISR	×	
NOVA MIDCAP	×	
EIFFEL CREDIT OPPORTUNITIES UCITS	×	
EIFFEL RENDEMENT 2028	×	
HARMONIE MUTUELLE EMPLOIS FRANCE	×	
FCPI ALTO INNOVATION	×	
EIFFEL IMPACT DEBT 2		×
MAIF DETTE À IMPACT		×
EIFFEL IMPACT DIRECT LENDING		×
EIFFEL ESSENTIEL		×
EIFFEL ENERGY TRANSITION		×
EIFFEL ENERGY TRANSITION 2		×
EIFFEL ENERGY TRANSITION 3		×
EIFFEL TRANSITION INFRASTRUCTURE		×
EIFFEL GAZ VERT		×
MAIF RENDEMENT VERT		×
ALLIANZ TRANSITION ENERGÉTIQUE		×
EIFFEL INFRASTRUCTURES VERTES		×



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