

## THEMATICS ASSET MANAGEMENT - PAI Statement – Comply

### Statement on due diligence policies relating to the main negative impacts of investment decisions on sustainability factors

The Article 4 of the SFDR Regulation (EU) 2019/2088 related to the publication of information on sustainability in the financial sector provides that transparency must be done on the negative impacts in terms of sustainability on the objectives of sustainable investment or on the promotion of environmental or social characteristics in investment decision over all our products.

To this end, the present statement is the consolidated principal adverse sustainability impacts statement of [Thematics Asset Management](#), which describes due diligence policies regarding these impacts.

#### 1. Identification and prioritization of the main negative impacts in terms of sustainability

Thematics AM identified and prioritized principles adverse impact on sustainability to produce the following list of indicators. These indicators are the most relevant given the Thematics AM activity. Processes will be implemented for regular monitoring and reporting of these indicators.

This list may be updated in the future if it seems relevant to be aligned with the investments processes.

*The Principle Adverse Impact listed below are prioritized in order of materiality, considering the thematic focus, characteristics and ambitions of the products offered:*

<b>Climate and other Environment-related Indicators</b>	<b>Social and Employee, Respect for Human Rights, Anti-Corruption and Anti-Bribery Matters</b>
1. Emissions to water	10. Violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
2. Hazardous waste ratio	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
3. Activities negatively affecting biodiversity-sensitive areas	12. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)
4. Greenhouse gas emissions (Scope 1, 2 and (from 1/1/2023) Scope 3)	13. Unadjusted gender pay gap
5. Carbon footprint	14. Board gender diversity
6. GHG intensity of investee companies	
7. Exposure to companies active in the fossil fuel sector	
8. Share of non-renewable energy consumption and production	
9. Energy consumption intensity per high impact climate sector	

#### 2. Principle adverse impact on sustainability and actions

[Thematics AM](#) already considers adverse impact on sustainability.

[Thematics AM](#) published its **Responsible Investment Policy** which presents its policies and practices in terms of sustainability. It illustrates the strong commitments to promote responsible investment in all

its activities, in accordance with the French and international regulations and their developments. The policy is available on the [Company's website](#).

Within its Responsible Investment Policy, Thematics AM defined, in particular, investment **exclusions** based on ESG criteria, related to product exposure or companies' behavior.

**Thematics AM** reinforces the consideration of the principle's adverse impacts in terms of sustainability in its decisions and its organization. The governance of these subjects will be defined in procedures to clarify the roles and responsibilities of the different teams. To calculate the quantitative indicators, **Thematics AM** will use internal models, analysis of public data that it will supplement with extra-financial data from specialized external suppliers.

### **3. Voting Policy**

**Thematics AM** has developed "a voting policy" which defines the principles to which it intends to refer for the exercise of voting rights at shareholders' meeting. These principles reflect best corporate governance practices and form the basis of our philosophy and vision for a quality corporate governance system.

This voting policy includes a section on "Environmental, Social, and Governance Issues" which describes **Thematics AM's** conviction on the integration of extra-financial elements into management with a view to improve the risk / return ratio over time term.

Even though **Thematics AM** votes on a case-by-case basis on shareholder proposals of a social, political or environmental nature, we systematically support any resolution of which we consider the subject - after analysis - to be favorable to more responsible practices on the part of the company business.

Also, **Thematics AM** will vote in favor of shareholders' resolutions requesting the inclusion of extra-financial criteria in executive compensation policies, unless these requests represent constraints that are not in the interest of the company and of its shareholders.

### **4. Engagement Policy on climate change**

**Thematics AM** is committed to fight against climate change. We are a signatory of the UN PRI, which recently incorporated the recommendations of the TCFD (Task Force on Climate - related Financial Disclosures) for reports purpose and is a key issue we are planning to tackle from 2021, with, as a starting point, the hiring of a leading data provider on Climate and Transition risks in March. To note, as a responsible asset manager purely with a thematic lens, all our current products have low exposure to carbon-intensive industries.