

Sustainable & Responsible Investments Sustainability Risks Policy

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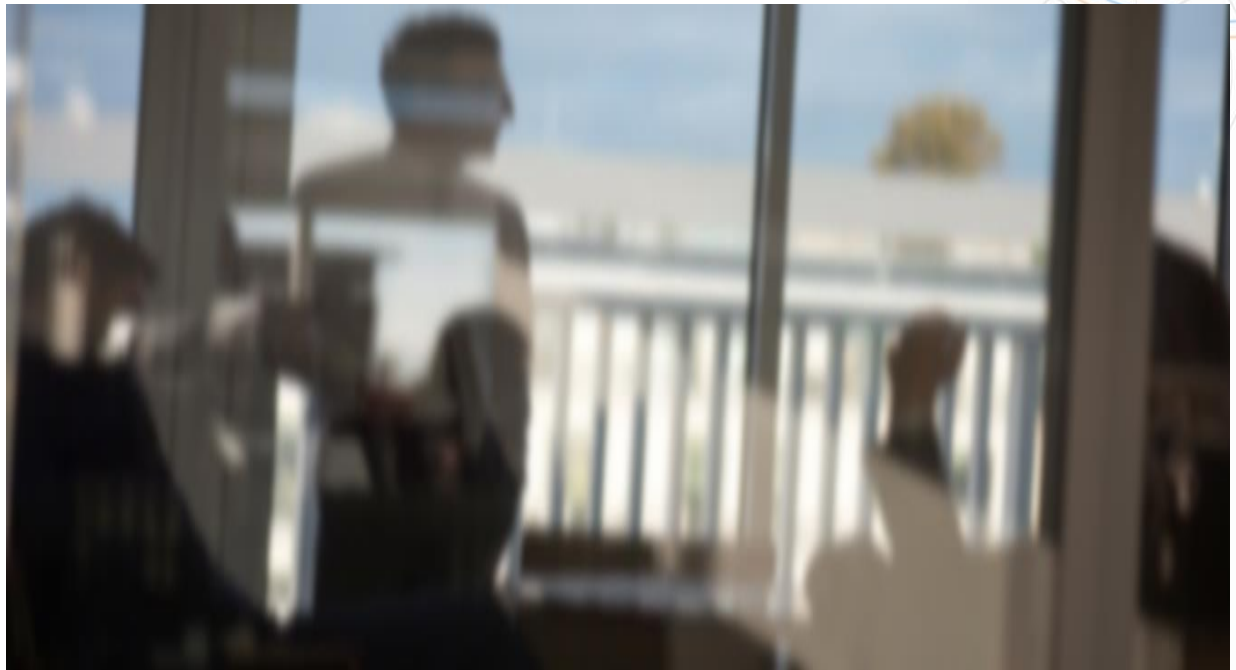
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About TOBAM

TOBAM is an asset management company offering innovative capabilities designed to maximize the benefits of scientific research to build efficient investment exposures.

TOBAM's expertise relies on three core pillars:

- TOBAM's Maximum Diversification® approach, supported by original, patented research and a mathematical definition of diversification, provides clients with diversified core exposure in equity and fixed-income markets.
- A research-driven Solutions division (TOBAMSolutions®) dedicated to building customized solutions and services for sophisticated institutional investors.
- A LBRTY® strategy range aims to help investors substantially mitigate their exposure to autocratic regimes in their portfolio.

In line with its mission statement and commitment to diversification, TOBAM also launched a satellite activity (CRYPTOBAM®) on cryptocurrencies in 2017.

TOBAM Maximum Diversification®, TOBAMSolutions®, TOBAM LBRTY® and CRYPTOBAM® illustrate TOBAM's systematic "out of the box" dedication to demanding investors.

TOBAM manages north of USD 6 billion (as of 30 December 2022). Its team includes 44 finance professionals based in Paris, New York and Dublin..

For more information, please visit www.tobam.fr or tobamdirect.com.

Sustainability Outcomes

All investor actions lead to positive or negative sustainability outcomes, whether intended or not. At TOBAM we have decided to drive our actions and influence to increase their positive outcomes and reduce their negative outcomes. We have set up 5 priority sustainability outcomes.

▪ Long Term Risk Management

TOBAM focuses on the long term, Incorporating sustainability criteria within our investment process is not intended to provide additional performance, but rather is instrumental in managing the risks : Legal, Reputational, Corporate risks and aligns well within the larger context of long-term investment.

▪ Human Rights Promotion

TOBAM strongly believes that freedom of creation, speech, movement, innovation, entrepreneurship is the main source of value creation, and it is in our client's best interest to promote basic human rights in all places.

TOBAM uses its ownership position as well as its creditor position in companies to further its commitment to human rights, notably via dialogue and engagement with investee companies likely to have an impact on basic rights promotion in various regions.

▪ Long Term Sustainability

In alignment with the long-term views of our investors, every initiative we take at TOBAM is looked at with a long-term view. Short-term gains may seem attractive but what matters is longevity (in terms of resource efficiency, responsible use of resources, human and financial capital etc.). We aim to focus on two main angles:

- Natural Resources Scarcity
- Climate Change

▪ Better Governance via Board Diversity

We believe that over the long run, good corporate governance should lead to both better corporate performance and improved shareholder value.

We believe that a diverse and independent composition of the board brings a range of longer-term benefits including a real balance and more efficient countervailing power. The composition of corporate boards is key and is driven by the belief that independent directors and board diversity broaden skills and enhance governance capabilities.

Responsible Investment Beliefs And Principles

Since its creation, TOBAM has decided that sustainable development would be explicitly core to its values.

Our clients have a long-term approach to investing and our sustainable way addresses these concerns. TOBAM has a long-standing commitment to uphold sustainability challenges and opportunities. These principles are integral in the rules structuring our activities, in line with our fiduciary responsibility. We aim to act in a sustainable and responsible manner via our business, our social relations and our long-term vision of sustainable growth.

TOBAM's approach is to define responsible investment principles that can be translated into concrete steps which will be implemented gradually and enhanced over time, ideally in collaboration with its partners.

Some investment beliefs related to responsible investments:

Adoption of a long-term view (vs. short-term view)

In alignment with the long-term views of our investors, every initiative we take at TOBAM is looked with long-term view. Short-term gains may seem attractive but what matters is longevity (in terms of resource efficiency, responsible use of resources, human and financial capital etc.). TOBAM focuses on the long term, a notion alignment with the long-term perspectives of our investors, every initiative we take at TOBAM is looked at with a long-term view. Short-term gains may seem attractive, but longevity (regarding resource efficiency) is at the heart of our investment philosophy and applies to TOBAM both at the corporate and investment levels. Incorporating sustainability considerations within our investment process will not provide additional performance. Still, it is instrumental in managing the risks and aligns well with the larger context of long-term investment.

Research-based sustainability Integration enhancements:

TOBAM spends a significant amount of its time and budget researching the subject of sustainable investments and working on the development of pragmatic and science-based responsible investment integration approaches. Our objective is to devise with rational and professional ways in which to implement further sustainability integration, while not changing the nature of our Maximum Diversification® investment philosophy or deteriorate the risk return of our strategies.

Responsible Use of Dialogue and Engagement:

TOBAM believes in the benefits of actively trying to promote good practices. TOBAM its ownership position in companies to further its commitment to socially responsible investing on behalf of clients, and to improve corporate governance. This has translated in direct as well as collaborative engagement.

Transparency

Transparency is a core value of TOBAM, at the investment level (Investment process, Research, SRI policy) as well as at the corporate level in the HR management, and communication to clients, partners, shareholders and employees.

Partnership-driven (vs. purely internal)

TOBAM's expertise is quantitative modelling. We believe our sustainability approach can benefit from external initiatives and experts, notably companies and researchers dedicated to SRI analysis. TOBAM's long term challenges and opportunities integration approach relies on institutional investors expertise as well as external data providers.



"TOBAM is a proud supporter of the TCFD initiative, the UN Global Compact and the Paris Agreement."

Principles And Commitment To Sustainable & Responsible Finance

TOBAM firmly believes that sustainability themes will impact the economic and financial system over the long run.

Growing social issues (demographic growth, aspirations to economic and social development, etc.) combined with environmental constraints (limited natural resources, greenhouse gas emissions, climate change, etc.) will lead to an unavoidable shift in economic models.

Deeply aware of these overriding issues, TOBAM made a clear decision to make sustainable development one of its core values and set up its "Sustainable Way" of investing responsibly, in line with its clients' best interests as long-term investors.

As a PRI signatory, TOBAM is committed to upholding its Responsible Investment objectives by applying the PRI's six underlying principles to its business and communicating its practices, progress and outcomes every year.

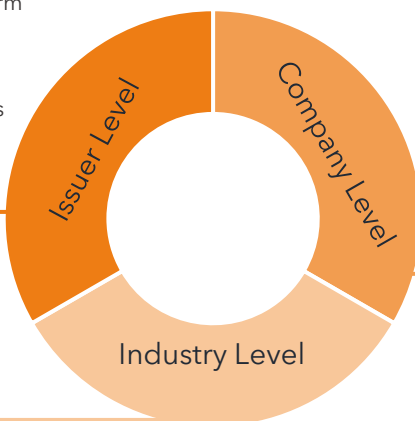
The Six Principles



Three Levels to consider sustainability challenges and opportunities

At the issuer level, it takes the form of an active and responsible stewardship shareholding approach, by exercising voting rights and engaging to further its commitments as a responsible investor and improve corporate governance.

At the industry level, the main objective is to promote responsible asset management practices and therefore contribute to disseminating best practices.



At the company level, this consists of including sustainability considerations matters in its investment process, through an exclusion policy broadly applied, a systematic reduction of our portfolios relative carbon footprint and Proprietary Sustainability performance footprint integration.

Sustainability into our investment analysis and decision-making processes (1/3)

In its investments, TOBAM is committed to consider, monitor and integrate sustainability risks and opportunities by:

1. A Strict Exclusion Policy

Suited to our quantitative investment approach, which consists of excluding companies from our investment universe, that have controversial practices and are consequently exposed to material impacts arising from significant risks (reputational, legal, etc.).

Applied to equity and fixed income strategies, respectively since 2007 and February 2015, as well as to our Maximum Diversification® indices since 2011, this proprietary exclusion list is complementary and aligned with the best practice standards of Norges Bank, but also with some of the largest institutional investors in Europe.

The exclusion list is applied to all TOBAM's investment universes: Anti-Benchmark® Equity strategies, Anti-Benchmark® Credit strategies, Anti-Benchmark® Multi-Asset strategies, and Maximum Diversification® Indices.

The negative screening is also applied by default to all our mandates and dedicated funds unless specifically requested otherwise by the client.

This negative screening lists companies involved in controversial products (Tobacco, Coal, Weapons) as well as controversial behaviours (Human rights violations, Environment and International Laws severe damages or breaches).

Sustainable Development Goals are considered in the list of exclusion criteria built in partnership with ISS, however SDGs 3, 8, 12, 13, 16 are the criteria considered as the most applicable to our exclusion policy.

The addition or removal of any issuer or any new criteria to TOBAM's exclusion policy is discussed and determined by the Sustainability Committee according to TOBAM's official procedure. The Committee meets every quarter and is notably in charge of ensuring the legitimacy and consistency of the exclusions, and their alignment with TOBAM's mission and values.

Supplementary exclusions may arise on some strategies depending on local specificities or requests. These are expressly validated by the sustainability committee and approved if aligned with TOBAM's values and visions.

Fossil Fuel Free Strategies

In a long tradition of partnering with our clients to gather new ideas, improve our investment process and fit as closely as possible to our clients' needs, TOBAM has partnered with one of Sweden's leading pension fund, to implement a new fossil free approach that is now applied to key flagships strategies of TOBAM:

- Anti-Benchmark® Emerging Markets Equity
- TOBAM MaxDiv® World Equity Protected
- Anti-Benchmark® Global High Yield
- TOBAM BTC-Linked & Blockchain Equity
- LBRTY® Emerging Markets Equity



Sustainability into our investment analysis and decision-making processes (2/3)

In its investments, TOBAM is committed to consider, monitor and integrate sustainability risks and opportunities by:



2. Systematic Carbon Footprint Reduction

TOBAM implements a systematic reduction of at least 20% versus the reference benchmark's carbon footprint across TOBAM's equity and fixed income portfolios and mandates.

Implemented in August 2018 for Anti-Benchmark® equities strategies, and in September 2018 for the Maximum Diversification® equity indices, it was extended to the Anti-Benchmark® fixed income and multi-asset strategies in June 2019.

TOBAM's research department dedicates significant resources to analyse the ways in which sustainability challenges and opportunities can be integrated into the investment process without disrupting the Maximum Diversification® investment philosophy, or the risk return performance of our strategies.

TOBAM's research team has demonstrated that reducing the relative carbon footprint of our portfolios versus their benchmarks by 20% does not affect the risk/return profile of our strategies, nor the diversification benefit characteristics as measured by the Diversification Ratio® in our Anti-Benchmark® strategies and Maximum Diversification® indices.

3. Proprietary Sustainability Performance Footprint Integration

TOBAM's Research team has built a proprietary methodology to construct the Sustainability Performance Footprint of each individual stock holding in our portfolios, hence the Sustainability Performance Footprint of our portfolios.

Using officially published data from Bloomberg to monitor sustainability key criteria for all listed companies of our investment universe, such as :

- ✓ Existence of climate change
- ✓ Biodiversity / Energy efficiency policies
- ✓ Green building, water and waste usage
- ✓ Ethics/ Equal opportunity/ Training
- ✓ Consumer data protection/ Whistleblowing policies
- ✓ CSR committee in place
- ✓ Supply chain management
- ✓ Number of board meetings per year, % independent directors, chairman tenure, % non-executive directors in board ...



Assessing the Sustainability Performance Footprint at each individual stock level, based on publicly available data, TOBAM is integrating this assessment into its portfolios by ensuring that the strategies' Sustainability Performance Footprints are at minima at the same level than the respective benchmark's Sustainability Performance Footprint.

As usual, TOBAM's integration efforts is built in parallel to significant research efforts to ensure that these new additions do not significantly impact the characteristics of our portfolio in terms of risk/return profile, as well as diversification structure.

4. Alignment to Paris Agreement

TOBAM has taken the initiative to align three sub-funds with the Paris agreement of keeping global warming below the 1.5° C commitment.

For those three sub-funds, TOBAM applies the following additional features:



Sustainability into our investment analysis and decision-making processes (3/3)

- Carbon Footprint Reduction of 50% vs. Benchmark (versus 20% for the other sub-funds) considering Scope 1, 2 and 3 (when possible)
- Additional and more restrictive exclusions on Fossil Fuel related industries (Coal; Threshold at 1% of revenues, Oil: threshold 10% of revenues, Natural Gas: threshold 50% of revenues; High GHG emissions electricity producers: threshold >100gCO₂/kwh (50% of revenues)
- Optimization constraint of temperature contribution of each holding to reach a 1.5° C portfolio in line with the latest IPCC climate scenarios.
- Best effort additional feature, to incorporate companies' commitment to the Science Based Targets initiative (monitored on a yearly basis).
- We analyse the risk profile of companies with high authoritarian exposures: they tend to be more volatile and move in line with firms of lower quality. As such, including them in a portfolio may materially reduce investors' long-term return to risk ratio.
- Investors can explicitly address both direct and indirect authoritarian risk in the context of portfolio construction and asset allocation without giving up on any risk premium driver.

Three funds are concerned by the specific initiative:

- [Anti-Benchmark Emerging markets equity strategy](#)
- [TOBAM MaxDiv® World Equity Protected](#)
- [Anti-Benchmark Global High Yield strategy](#)

TOBAM launched 2023 a range of strategies called LBRTY that aim to address the risks of exposure to autocracies. These strategies have a dedicated process to answer these specific risks and opportunities.

However, authoritarian exposure is assessed for all portfolios (LBRTY and other ranges of strategies).

6. Conducting sustainability challenges and opportunities integration research projects

To better understand how to implement responsible investment approaches into TOBAM's proprietary quantitative management process.

TOBAM spends a significant amount of time and budget researching sustainable investments topics. Our research team dedicates over 25% of its time to these topics, working on the development of pragmatic and science-based responsible investment integration approaches.

By harnessing the quantitatively driven research power of TOBAM we can continuously assess better and more efficient methods of sustainability considerations integration.

The Research team's efforts are primarily focused on:

- I. Better understanding sustainability related raw data.
- II. Assessing the impact of any addition to our SRI policy (additional exclusion criteria, sustainability integration, Carbon reduction impact).
- III. Researching new projects and identifying efficient and reliable processes to further integrate sustainability considerations, climate risks and address risks and opportunities related to long term investing.

5. Considerations of Exposure to Autocratic Regimes

At TOBAM, we are convinced that it is time to address the investment risk linked to authoritarian regimes by helping investors form an educated opinion about it and find ways to tackle it in their portfolios.

By harnessing the quantitatively driven research power of TOBAM, we can show that the risk associated with authoritarian regimes goes beyond direct investments in these countries and can be significant for companies based in non-authoritarian countries but significantly exposed to autocratic regimes .

The data that TOBAM uses contains information on different facets of Civil Liberty, Inclusiveness, Rule of Law, Corruption, and political system in general.

Data sources are as independent and objective as possible.



Active Owners and Stewardship policies

TOBAM defines active ownership and corporate engagement as using its shareholder position on behalf of its client to influence company management decision making and the further integration of sustainability principles and good corporate governance in the companies in which it invests.

Stewardship Policy

TOBAM uses Proxy Voting to further its commitment to socially responsible investing and to improve corporate governance. Proxy voting is conducted in the sole long-term interests of clients. The stewardship policy is available on TOBAM's website : <https://www.tobam.fr/sri-policy/>

We believe that over the long run, good corporate governance should lead to both better corporate performance and improved shareholder value. Therefore, on behalf of clients, we use our ownership position in companies to further our commitment to socially responsible investing and to improve corporate governance by exercising proxy voting rights:

While the overall exercise of voting rights is based on ISS's "SRI International Proxy Voting guidelines", we have gone one step further by defining our own voting principles on certain key corporate governance issues.

- Our role as a shareholder is therefore to make sure the appropriate governance systems are in place in the companies we invest in, rather than judging management decisions per se.

- Thus, we have decided to closely monitor the appointment process for Board members, and to supplement ISS voting policy with some proprietary voting guidelines, with a particular emphasis on boards' diversity and independence.
- Additionally, as we consider sustainability as a risk management and performance factor over the long run, we believe that it is our role as a shareholder to exercise our voting rights on behalf of our clients to improve the sustainable development of the firm in which we invest.
- Our proprietary voting principles therefore support shareholder proposals asking for more transparency on sustainability issues (board committee, Improvement of Human Rights Standards or Policies, etc.)



A diverse and independent board composition brings a range of longer-term benefits including a real balance of power with a firm...

Engagement (1/2)

Recognizing the value of different forms of engagement, TOBAM carries out direct engagement as well as collaborative engagements with other partners or investors. TOBAM acts individually or collectively based on information gathered by its partner ISS or issued by other stakeholders such as investors or human rights NGO's. [All engagement initiatives are discussed and decided during the Sustainability Committee.](#)

Direct Engagement

Ad-hoc engagement on holdings

TOBAM might start an engagement action following any serious allegations of sustainability-related shortcomings identified by investors or partner NGOs.

TOBAM for example is currently focusing on a campaign supporting human rights, targeting companies allegedly involved in the controversy surrounding forced labour in China. Also, Using Urgewald's Global Coal Exit List (GCEL), TOBAM has another campaign in place to engage with companies identified as 'developers' of coal-related projects.

The engagement process has a long-time horizon, and if we are not satisfied with the responses and actions of specific companies, this could lead to an exclusion from our investment universe (see escalation policy from engagement policy).

Proactive engagement on holdings (PAI-Principal Adverse Impacts related engagement)

The Sustainable Finance Disclosure Regulation (SFDR) introduced by the European Commission imposes mandatory sustainability disclosure obligations for asset managers and other financial market participants.

The EU has notably, as part of this new set of disclosure, identified Principal Adverse Impacts (PAI) indicators, categorized into 18 mandatory and 46 optional.

As part of our obligation to report on Principal Adverse Impacts (PAI) Indicators for each investee company in our portfolio, as well as monitor those risks, the favourite course of action is to engage all companies held by TOBAM that might pose a potential risk in terms of negative impacts.

In addition to the proactive actions taken by TOBAM to monitor and engage the investee companies in our portfolio in relation to their PAI, we have decided to focus particularly on a few sets of additional PAI, notably the following.

- Additional Social PAI #9: Lack of Human Rights Policy
- Additional Social PAI #10: Lack of Human Rights Due Diligence Processes

As part of our dialogue and engagement with any investee company we are currently engaged with on a direct, TOBAM-led engagement, we are aiming to influence and emphasize companies' need to develop human rights policy as well as proper thorough due diligence processes.

Leveraged engagement on holdings

Following discussions and brainstorming with long-term partners/ investors, TOBAM has set up an initiative to open engagement initiatives led by TOBAM but in partnership with large institutional clients to benefit from our client base and amplify our actions by leveraging these large asset owners' influence.

These discussions will be on identified allegations (issued by ISS norm-based research) of failure to prevent or address social or governance controversies in line with established standards.

This engagement strategy is intended to be used selectively, providing an added leverage and occasional tool for TOBAM, rather than constituting a consistent and standardized practice. TOBAM aims to use this approach opportunistically to enhance its engagement efforts and foster more impactful dialogues as and when necessary.

Engagement on fixed income holdings

TOBAM's SRI policy applies to equity, fixed income and assets strategies without differentiation.

Regarding engagement, since TOBAM's credit strategies apply the Maximum Diversification® approach to a universe of listed issuers only, the engagement policy as defined above applies to the fixed-income and equity portfolios. As described above, TOBAM conducts engagement initiatives of different forms, Direct and Collaborative, with risk management as the main driver of the engagement actions.

TOBAM's engagement policy and philosophy fit our equity and fixed-income investment.

All initiatives and decisions are discussed and debated during the Sustainability Committee.

Engagement (2/2)

Recognizing the value of different forms of engagement, TOBAM carries out direct engagement as well as collaborative engagements with other partners or investors. TOBAM acts individually or collectively based on information gathered by its partner ISS or issued by other stakeholders such as investors or human rights NGO's. All engagement initiatives are discussed and decided during the Sustainability Committee.

Collaborative Engagement

Pooled Engagement in collaboration with ISS

ISS ESG is an advisor to institutional investors and a responsible investment expert in sustainability analysis. In 2019, TOBAM joined their pooled engagement initiative to engage with companies regarding their sustainability risk and performance jointly. Approximately 100 listed companies are identified annually under norm-based research as failing to prevent or address social and environmental controversies in line with established standards for responsible business conduct.

Through this initiative, TOBAM can voice its concerns with companies that fail to respect established norms (Red flagged companies – already on TOBAM's exclusion list) and companies that face credible allegations (Amber flagged) as identified by ISS Sustainability's team of analysts.

We believe that by joining a collective engagement alongside some of the largest and most renowned asset owners and managers, we amplify a global movement and increase our impact.

Please note that among the companies identified by ISS, TOBAM might or might not be engaging as shareholder of these companies.

Collaborative Engagement with Carbon Disclosure Project (CDP)

TOBAM is a Member of the CDP and active participant in their collaborative engagement campaign asking companies to disclose their carbon emissions.

These campaigns are tracked and renewed each year by CDP. TOBAM is usually lead in the engagement in app. 4/5 companies out of the app.400 companies engaged by CDP (TOBAM being signatory only for these).

Collaborative, Participative engagement & Investor statement

In our efforts to promote best practices and to be a participative player and promoter of sustainability integration and disclosures, we participate in collective engagement when appropriate.

TOBAM is a signatory to some collaborative initiatives and take an active role on those most relevant to us:

- The United Nations Principles for Responsible Investment (PRI) since 2011
- The United Nations Global Compact (since 2011)
- The Carbon Disclosure Project
- Investor Statement in support of robust EU Forced Labor Regulation (2023)

TOBAM has joined two initiatives in 2023 that are significantly committed in moving the human rights integration agenda into the financial industry:

- [Advance is a PRI-led stewardship](#) initiative where institutional investors work together to act on human rights and social issues. Investors use their collective influence with companies and other decision makers to drive positive outcomes for workers, communities and society. <https://www.unpri.org/investmenttools/stewardship/advance>
- [Investor Alliance for Human Rights](#) is a collective action platform for responsible investment that is grounded in respect for people's fundamental rights. TOBAM is notably involved in the initiative targeting the Uyghurs forced-labour camps in China and companies allegedly involved in these controversies.

<https://investorsforhumanrights.org/>



Governance

TOBAM spends a significant amount of its time and budget researching topics around sustainable investments working on the development of pragmatic and science-based responsible investment integration approaches.

Our objective is to produce rational and professional ways in which to implement further sustainability integration, while not changing the nature of our investment philosophy.

We have built over the years a strong governance to ensure proper regulatory monitoring, ongoing research projects and assessment, rigorous implementation, transparent reporting and commitment.

Sustainability Committee & Sustainability Task force:

TOBAM since 2016 has a Committee dedicated to sustainability topics to challenge and monitor the sustainable approach and maintain a high level of commitment over time. TOBAM has also built a dedicated Sustainability Task Force including all teams in the company and notably the investment and research team to ensure a dedicated amount of time to source new ideas and develop further sustainability integration projects.

The [Sustainability Committee](#) was created in 2016 and oversees piloting all CSR and RI-related topics, ensuring that these considerations and projects remain on top of TOBAM's agenda, and coordinating with various teams any new projects or ideas.

There are 14 members of the investment team involved in sustainability research, integration, implementation and monitoring. Each unit has a sustainability leader and, on average, an app. 25% of TOBAM's team is dedicated to sustainability (app. 6 FTE)

Sustainability Task Force

Sustainable Committee



DEPUTY CEO
ExCom - Global Oversight



CHIEF OPERATING OFFICER
ExCom - Compliance, Risk & Regulations



HEADs OF LONG-TERM INVESTING
Portfolio Management, Research,
Stewardship



SRI EXPERT
External Advisor

Investment Team Sustainability Referents

2

DEPUTIES CIO
PM & Research

6

EQUITY TEAM
Sustainability Integration

4

FIXED INCOME & MULTI ASSET TEAMS
Sustainability Integration

4

RESEARCH
Projects & Monitoring

CD Committee: Country Civil and Democracy Rating Committee

TOBAM has built a range of products called LBRTY aiming at addressing the autocratic risk and promoting civil liberty and democracy. For this purpose, TOBAM has built a quantitative methodology to assess countries' civil liberties and democratic rights. Above a defined threshold, countries are deemed eligible for the LBRTY strategies investments. The CD committee discuss countries that would be included or excluded from this investable universe, especially for those that are bordering the trigger threshold. The Committee will be comprised of TOBAM employees and External Members based on their experience and current employment in well-known institutions or research group working on human rights, civil liberties and autocracies. They are in charge of studying the ratings' improvement or deterioration and bring social, geopolitical and political contexts to the overall assessment.

Sustainability Disclosure & Transparency

As a quantitative manager, TOBAM does not conduct research on the firm's it invests in nor carries out visits to companies.

TOBAM is to actively communicating with entities on several topics to further developing best practices and to encourage the adoption of sound sustainability policies and TOBAM's engagement policy (p.8) aims notably at seeking further sustainability disclosure and transparency.

TOBAM is a signatory to some collaborative initiatives and take an active role on those most relevant to us :

- The United Nations Principles for Responsible Investment (PRI) since 2010
- The United Nations Global Compact (since 2010)
- The Carbon Disclosure Project
- Investor Statement : Support of robust EU forced Labor regulations (Investor Alliance for Human Rights)
- CDP Science-Based Targets Campaign
- Advance : PRI Led stewardship initiative on human and social rights

TOBAM is a signatory of



United Nations
Global Compact



Sustainability Report on Our Activities & Progress

Transparency is a core value for TOBAM. We are committed to disclose our investment process in full transparency to our clients, and we consider clients and third-parties as partners in our efforts to develop our products as well as extend as much as possible the integration of sustainability at the portfolio level as well as at the corporate level.

TOBAM publicly discloses on its website as well as to its clients and prospects **how sustainability issues are integrated within its investment process.**

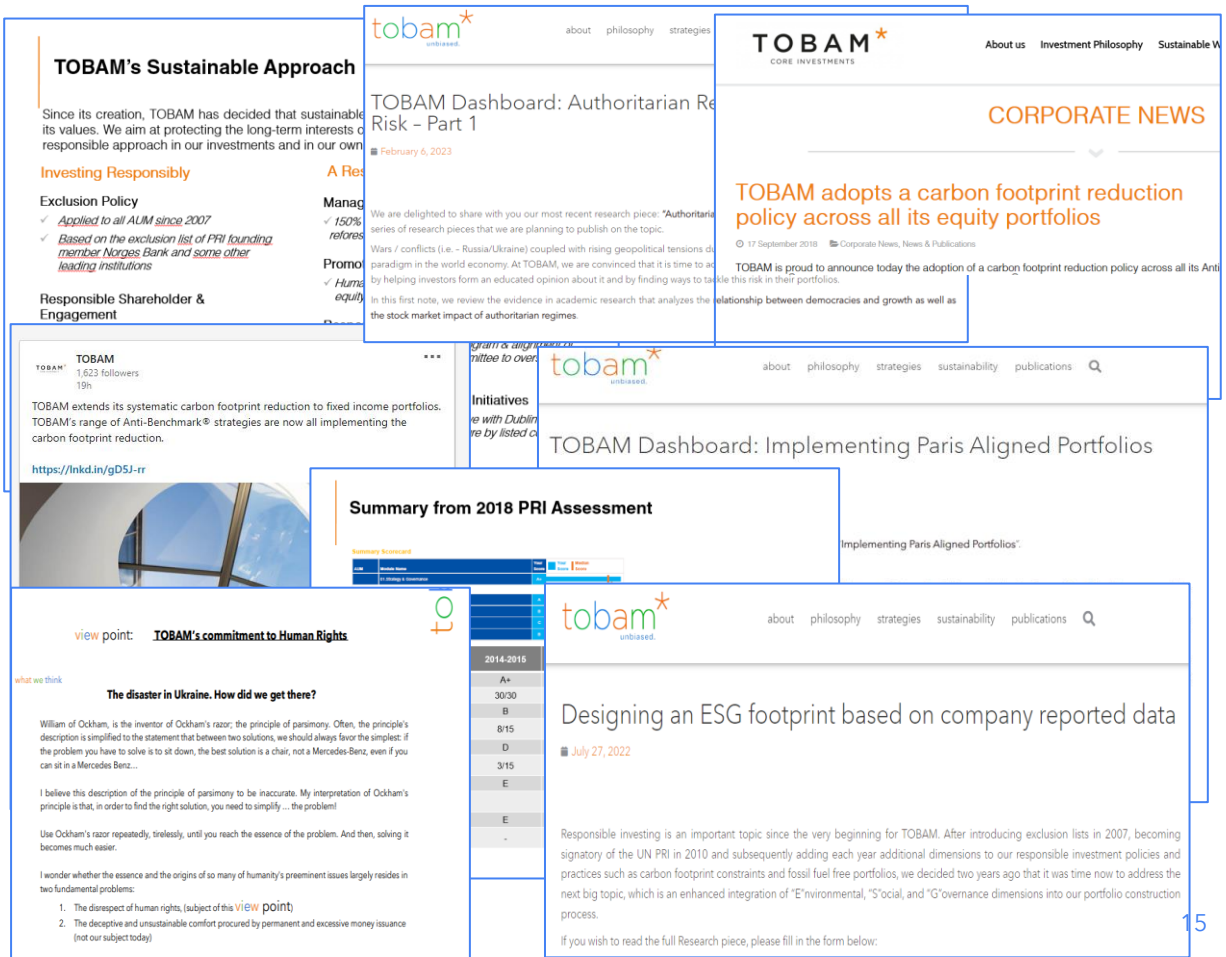
TOBAM publicly discloses on its website as well as to its clients and prospects its **active ownership and engagement policies as well as the engagement and voting reports.**

TOBAM promotes and actively communicate to clients, media and partners about its **SRI investment principles and the PRI principles.**

TOBAM regularly reports on **progress and achievements** in its communication to clients, as well as on media via press release or communication on social media.

TOBAM seeks to determine the impact of the Principles, notably via **research studies to measure and quantify the impact on the strategies' characteristics of further sustainability integration.**

TOBAM, as a signatory of the United Nations Principles of Responsible Investment (UN PRI) since 2010, complies with the **annual reporting obligation** and make the reporting publicly available



DISCLAIMER

This material is solely for the attention of institutional, professional, qualified or sophisticated investors and distributors. It is not to be distributed to the general public, private customers or retail investors in any jurisdiction whatsoever. This document is intended only for the person to whom it has been delivered. Investment involves risk, past performance is not indicative of future results, investors could lose all of their investment. All investors should seek the advice of their financial advisor prior to any investment decision to determine its suitability.

TOBAM has continued and will continue its research efforts amending the investment process from time to time accordingly. TOBAM reserves the right of revision or change without notice, of the universe, data, models, strategy and opinions. TOBAM's quantitative investment process is supported by extensive proprietary computer code. TOBAM's researchers, software developers, and IT teams follow a structured design, development, testing, change control, and review processes during the development of its systems and the implementation within our investment process. These controls and their effectiveness are subject to regular internal reviews. However, despite these extensive controls it is possible that errors may occur in coding and within the investment process, as is the case with any complex software or data-driven model, and no guarantee or warranty can be provided that any quantitative investment model is completely free of errors. Any such errors could have a negative impact on investment results. We have in place control systems and processes which are intended to identify in a timely manner any such errors which would have a material impact on the investment process.

Although we endeavour to ensure its accuracy and completeness, we assume no responsibility for any reliance upon it.

ABOUT TOBAM

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- TOBAM's Maximum Diversification® approach, supported by original, patented research and a mathematical definition of diversification, provides clients with diversified core exposure in equity and fixed-income markets.
- A research-driven Solutions division (TOBAMSolutions®) dedicated to building customized solutions and services for sophisticated institutional investors.
- A LBRTY® strategy range aims to help investors substantially mitigate their exposure to autocratic regimes in their portfolio.

In line with its mission statement and commitment to diversification, TOBAM also launched a satellite activity (CRYPTOBAM®) on cryptocurrencies in 2017.

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For more information, please visit www.tobam.fr or tobamdirect.com.



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