

Fonds flexible obligataire – Obligations et autres titres de créance libellés en euro

Compartiment de la SICAV « AURIS » – UCITS

## AURIS EURO RENDEMENT

Pays de commercialisation : France / Luxembourg / Suisse

PART R EN DATE DU 30/04/2024

ACTIF NET

113,4 EUR

millions

VALEUR LIQUIDATIVE

PART R 130,06 EUR

▼ -0,55% mois 0,99% an ▲

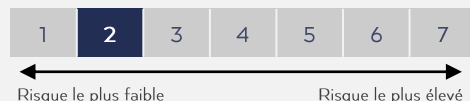
Thomas Giudici  
Romane Ballin

Gérants du fonds

## OBJECTIF DE GESTION

Le Fonds a pour objectif de réaliser, sur la durée de placement recommandée, une performance nette de frais de gestion supérieure à l'indice BBG Euro-Aggregate Treasury 3-5Y, dans le cadre d'une gestion de taux de type discrétionnaire.

## INDICATEUR DE RISQUE



## CHIFFRES CLÉS

Nombre de lignes	81
Nombre d'émetteurs	72
Sensibilité Taux	4,20
Sensibilité Crédit	4,31
Volatilité ex-ante 1 an	2,3%
VaR 99%	0,394%
Taux de rendement moyen	4,85%

## SCR

## SOLVENCY CAPITAL REQUIREMENT

SCR Taux	9 406 366	8,30%
SCR Action	3 317	0,00%
SCR Spread	10 740 852	9,47%
SCR Devise	46 327	0,04%
SCR Concentration	0	0,00%
SCR Marché	14 295 733	12,61%

## NOTATION

Quantalys ★★★★★

## POUR PLUS D'INFORMATIONS

● [www.aurisgestion.com](http://www.aurisgestion.com)  
● 153 boulevard Haussmann  
75008 Paris  
☎ +33 (0) 142 25 83 40  
✉ [contact@aurisgestion.com](mailto:contact@aurisgestion.com)

## COMMENTAIRE DE GESTION

## ECONOMIE ET MARCHES

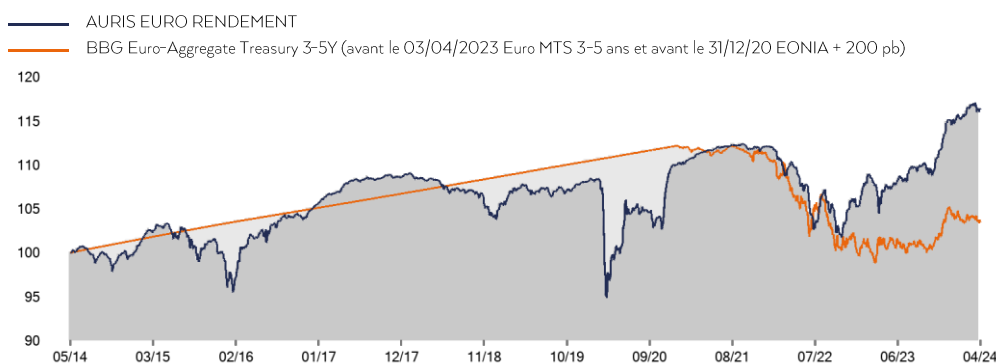
Face à la persistance d'une inflation encore trop élevée aux États-Unis, les investisseurs ont à nouveau modéré leurs attentes de baisses des taux. Le consensus estime désormais qu'une seule baisse sera décidée par la FED (et plutôt vers novembre !), lui qui en attendait six en début d'année... On se gardera donc bien d'en déduire un quelconque caractère prédictif tant les marchés et les banques centrales restent « data dependant ». C'est d'ailleurs au moment même où le thème du no-landing américain est le plus intégré dans les prévisions des économistes que la croissance du pays montre quelques signes de fragilité : le PIB du premier trimestre est sorti sous les attentes, les chiffres préliminaires d'activité pour avril se rapprochent du seuil symbolique marquant la contraction de l'activité et les enquêtes de sentiment se font moins optimistes. Entre inflation élevée et croissance qui décélère, la FED se retrouve donc dans une position délicate. En Europe, en revanche, la visibilité est meilleure. Les signes de reprise de l'activité se multiplient pour le deuxième mois consécutif – fort rebond du PMI des services à 52,9 et amélioration des enquêtes de sentiment – et l'inflation, à 2,4%, est proche de l'objectif de la BCE. Cela permettra donc à cette dernière de baisser les taux dès le mois de juin et d'accompagner la reprise naissante de l'activité.

Dans ce contexte, les marchés de taux ont continué d'intégrer le « higher for longer » (+48 bps sur le 10 ans américain à 4,68%, +25 bps pour le 10 ans français à 3,05% sur le mois), tandis que les performances du crédit sont pénalisées par l'écartement des spreads et la remontée des taux. L'Investment Grade américain et européen perdent respectivement 3,2% et 1%. En revanche, le portage élevé de certains sous-segments comme le High Yield européen ou encore les hybrides leur permet de ne pas enregistrer de baisse en avril.

## GESTION

Malgré le contexte agité, le fonds s'est révélé assez résilient en avril avec une performance de -0,55%. Si la poche Investment Grade a souffert de la remontée des taux, le High Yield et les hybrides surperforment à la faveur d'un taux de portage toujours favorable. Nous avons, de nouveau, légèrement relevé la duration du fonds. Au vu des nombreuses émissions, nous avons ainsi profité des opportunités sur le marché primaire pour initier plusieurs nouvelles positions longues telles que Bel et Werfen (maturité 2029 et 2030). Côté High Yield, nous restons prudents, nous avons néanmoins rallongé certaines expositions quand nous jugions les primes d'émission attractives, à l'image des investissements sur Iliad Holding 2031 et Mobilux 2030. A noter, nous avons également initié un nouvel émetteur : Volvo, qui a placé une obligation 2030 avec un coupon de 4,75%.

## EVOLUTION DE LA VALEUR LIQUIDATIVE



L'objectif de gestion est de réaliser une performance nette de frais supérieure à l'indice BBG Euro-Aggregate Treasury 3-5Y sur la durée de placement recommandée. Avant le 03/04/23, l'indice de référence était l'Euro MTS 3-5 ans et avant le 31.12.2020, l'indice de référence était EONIA + 200 points de base.

## PERFORMANCES

## Performances annuelles

Année	Fonds	Indice
YTD	0,99	-1,43
2023	9,35	5,35
2022	-6,07	-10,03
2021	1,87	-1,32
2020	1,83	1,63

## Performances annualisées

Période	Fonds	Indice
1 an	8,16	2,26
3 ans	1,37	-2,45
5 ans	1,55	-1,08
Création	1,52	0,34

Les chiffres cités ont trait aux années ou aux mois écoulés et les performances passées ne préjugent pas des performances futures. Elles ne sont notamment pas constantes dans le temps.

Période de référence du 20/07/2012 à la date de reporting Sources : Auris Gestion et Bloomberg.

L'OPCVM, objet du présent reporting, n'offre aucune garantie de rendement ou de performance et le capital n'est pas garanti. Avant d'investir, il est nécessaire de consulter le document d'information clé pour l'investisseur (DICI) de l'OPCVM.

Société de gestion : Auris Gestion

DOCUMENT PROMOTIONNEL Voir verso pour l'avertissement complet relatif à cet OPCVM.

# AURIS EURO RENDEMENT

PART R EN DATE DU 30/04/2024

## PRINCIPAUX ÉMETTEURS

MOBILUX FINANCE SAS	2,34%
LOXAM SAS	2,13%
EUROFINS SCIENTIFIC SE	2,05%
ELECTRICITE DE FRANCE SA	1,97%
GROUPAMA SA	1,97%
TIKEHAU INVESTMENT MANAGEMENT	1,94%
UNIBAIL-RODAMCO-WESTFIELD	1,92%
ARKEMA SA	1,87%
LA MONDIALE SAM	1,81%
ILIAD HOLDING SAS	1,77%

## PRINCIPALES CONTRIBUTIONS A LA PERFORMANCE

Les contributions à la performance sont calculées sur un mois glissant depuis la date de reporting et exprimées en points de base.

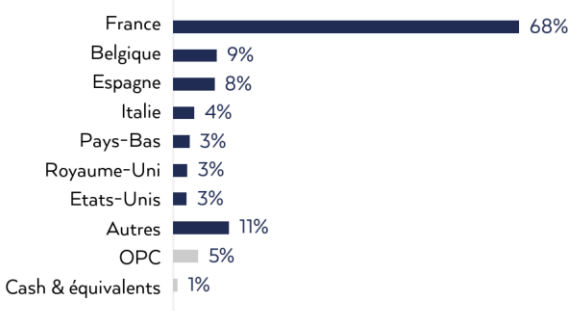
### PLUS FORTES CONTRIBUTIONS

QUATRIM 8.5% 15/01/27	5,4
CGG 7.75% 04/2027	4,4
ILIAD HOLDING 5.125% 10/2026	2,1
EUROFINS 6.75% PERP - 04/2028	1,4
EDF 5.375% PERP - 01/2025	1,3

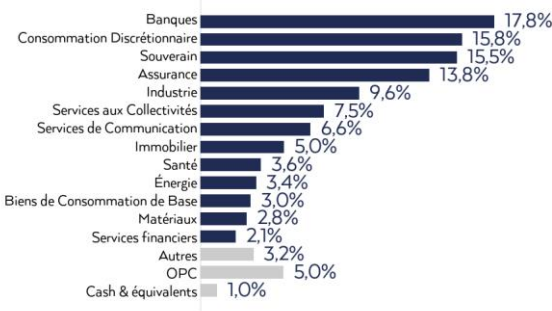
### PLUS FAIBLES CONTRIBUTIONS

Euro-OAT Future Jun24	- 23,1
TIKEHAU 6.625% 14/03/30	- 2,6
PICARD 5.375% 07/2027	- 1,7
UCB SA 4.25% 20/03/30	- 1,7
ORANO SA 4.00% 12/03/31	- 1,7

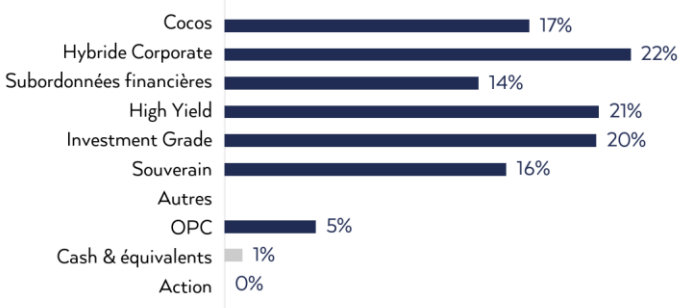
## RÉPARTITION PAR PAYS



## RÉPARTITION PAR SECTEUR



## RÉPARTITION PAR TYPE



## RÉPARTITION PAR RATING ET MATURITÉ

	≤1	1-3	3-5	5-7	7-10	>10	OPC	Cash	Total
AAA									
AA					15,5%				15,5%
A		1,7%	3,9%						5,6%
BBB	4,3%	11,5%	12,1%	14,1%	5,0%				47,0%
BB	2,0%	7,7%	13,8%	6,5%		0,2%			30,3%
B		3,2%	3,7%	3,3%					10,1%
CCC			1,3%						1,3%
OPC							5,0%		5,0%
Cash								1,0%	1,0%
Total	6,3%	24,2%	34,8%	23,8%	20,5%	0,2%	5,0%	1,0%	115,8%

## CARACTÉRISTIQUES

### Principaux risques

Risque de perte en capital, risque lié à la gestion discrétionnaire, risque de taux, de crédit, de titre haut rendement (« High Yield »), risque lié à l'investissement dans des titres subordonnés, risque lié aux obligations convertibles. Liste non exhaustive, l'investisseur est invité à consulter le prospectus pour prendre connaissance des risques auxquels l'OPCVM est exposé. Cet OPCVM n'offre aucune garantie de rendement.

Code ISIN  
Part R : LU1599120273

Commission de souscription  
2% maximum

Indicateur de référence  
BBG Euro-Aggregate Treasury 3-5Y (ticker : LET3TREU)

Dépositaire : CACEIS Bank Luxembourg SA  
Centralisation des ordres : J jusqu'à 12h

Code Bloomberg  
Part R : AURSEDR LX Equity

Commission de rachat  
Néant

Objectif de gestion  
BBG Euro-Aggregate Treasury 3-5Y

Règlement/livraison : J+2  
Valorisation : Quotidienne

PEA : Non

Frais de gestion financière  
1,40%

Frais courants : 1,72%

Durée de placement recommandée : 3 ans  
Date de création : 20/07/2012

Avertissement : AURIS EURO RENDEMENT est géré par AURIS GESTION.

Le présent document n'est pas destiné à être remis à des clients ne possédant pas l'expérience, les connaissances et la compétence nécessaires pour prendre leurs propres décisions d'investissement et évaluer correctement les risques encourus. Tout détenteur du présent document est invité à se rapprocher de son conseiller habituel pour mesurer les risques liés à l'OPCVM qui y est décrit. Seuls le prospectus complet de l'OPCVM et ses derniers états financiers (dernier reporting semestriel et dernier reporting annuel) font foi. Les instruments financiers à l'actif de cet OPCVM connaîtront les évolutions et aléas des marchés. Les performances passées ne constituent pas un indicateur fiable des performances futures. Elles ne sont notamment pas constantes dans le temps. Les données de performances présentées ne tiennent pas compte des commissions et frais perçus (le cas échéant) lors de l'émission et du rachat des parts et ne tiennent pas compte des frais fiscaux imposés par le pays de résidence de l'investisseur. Cette communication n'a pas été élaborée conformément aux dispositions réglementaires visant à promouvoir l'indépendance des analyses financières. Auris Gestion n'est pas soumise à l'interdiction d'effectuer des transactions sur les instruments concernés avant la diffusion de cette communication. Le taux de rendement affiché au recto correspond au Yield to Maturity des obligations tel que disponible sur Bloomberg. Il est rappelé qu'Auris Euro Rendement n'est pas un fonds de portage (dit « Buy & Hold »). Les données de notation du graphique « Exposition par notation » ne tiennent pas compte de la transposition des OPC en portefeuille, étant rappelé qu'Auris Euro Rendement doit respecter en permanence une exposition Investment Grade de 30% minimum de son actif net. Informations additionnelles pour les investisseurs en Suisse : le présent document est une publicité. Le prospectus pour la Suisse, les DICI respectivement la feuille d'information de base, les statuts, les rapports semestriels et annuels et d'autres informations peuvent être obtenus gratuitement auprès du représentant en Suisse du Fonds : Carnegie Fund Services SA, 11, rue du Général-Dufour, CH-1204 Genève, tél : +41 22 705 11 78, web : www.carnegiefund-services.ch. Le service de paiement en Suisse est Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Genève. La performance historique ne représente pas un indicateur de performance actuelle ou future et les données de performance ne tiennent pas compte des commissions et frais perçus lors de l'émission et du rachat des actions. Avant d'investir, consultez au préalable le DICI de l'OPCVM disponible notamment sur le site Internet de « Salamandre by Auris Gestion » : <http://www.aurisgestion.com/>. Information sur l'indicateur synthétique de rendement/risque : cet indicateur est fondé sur l'ampleur des variations des sous-jacents. Les données historiques, telles que celles utilisées pour calculer cet indicateur synthétique, pourraient ne pas constituer une indication fiable du profil de risque futur de l'OPCVM. La catégorie de risque associée à cet OPCVM n'est pas garantie et pourra évoluer dans le temps. La catégorie la plus faible ne signifie pas « sans risque ». Une possibilité élevée de gain comporte aussi un risque élevé de perte. Merci de vous référer au document d'information clé pour l'investisseur (DICI) de l'OPCVM pour plus d'informations.

DOCUMENT PROMOTIONNEL  
AURIS GESTION - Société de gestion de portefeuille  
RCS Paris 479 789 778 - Agrément AMF N°GP - 04000069  
« Salamandre by Auris Gestion » est une dénomination commerciale du groupe Auris Gestion  
Siège social : 153 boulevard Haussmann 75008 Paris, France - Téléphone : + 33 (0)1 42 25 83 40 - E-mail : [contact@aurisgestion.com](mailto:contact@aurisgestion.com)

**AURIS**  
GESTION

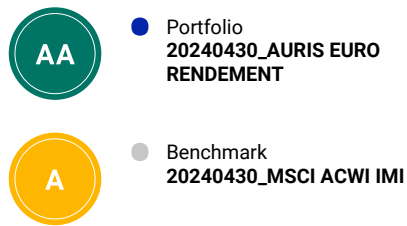
# ESG Portfolio Extended Summary

 May 2 2024

Prepared For:	Auris Gestion
Portfolio Name:	20240430_AURIS EURO RENDEMENT
Benchmark Name:	20240430_MSCI ACWI IMI
Analysis Date:	May 2 2024

Portfolio : 20240430\_AURIS EURO RENDEMENT      Currency :  
Benchmark : 20240430\_MSCI ACWI IMI

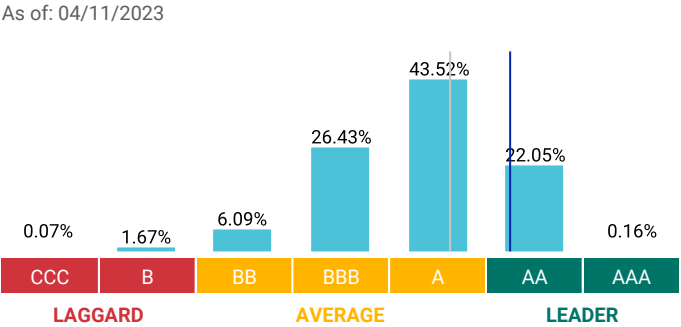
MSCI ESG Ratings



How the MSCI ESG Rating is calculated

	Portfolio	Benchmark
Weighted Avg ESG Score	7.52	6.65
ESG Quality Score	7.52	6.65
ESG Rating	AA	A

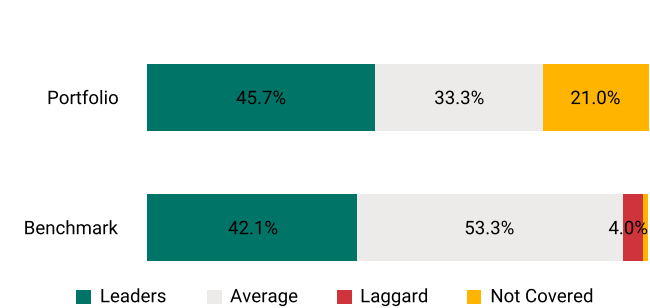
Distribution of MSCI ESG Fund Ratings Universe



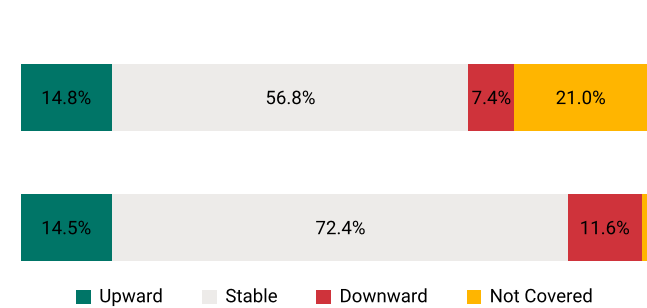
Portfolio ESG Rating Summary

ESG Quality	Leader 13.02% above benchmark
ESG Ratings Distribution	Leaders 3.60% over benchmark Laggards 4.01% under benchmark
ESG Ratings Momentum	Upward momentum 0.32% over benchmark Downward momentum 4.17% under benchmark

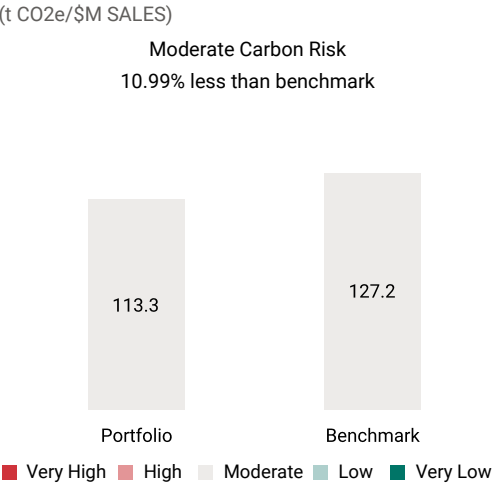
ESG Ratings Distribution



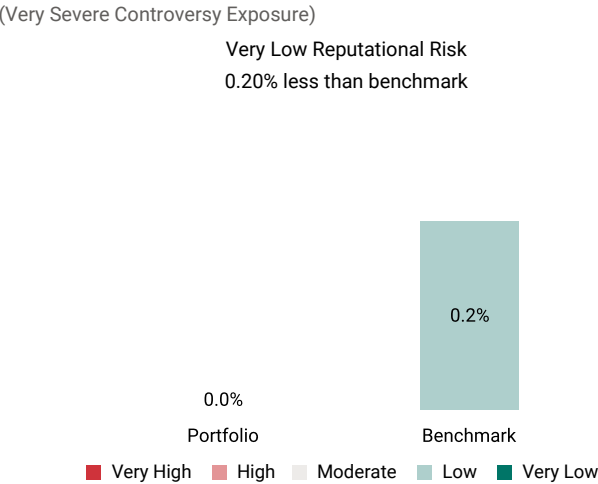
ESG Ratings Momentum



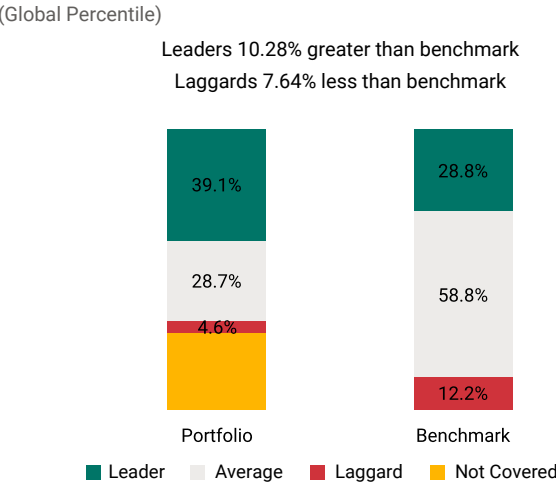
Carbon Risk



Reputational Risk



Governance Risk



Portfolio : 20240430\_AURIS EURO RENDEMENT      Currency :  
Benchmark : 20240430\_MSCI ACWI IMI

	Portfolio Weight	Active Weight	ESG Quality Score	ESG Rating	ESG Highlights	ESG Rating Momentum	Carbon Risk (T CO2E/\$M Sales)	Reputational Risk	Governance Risk
FORVIA SE	2.47%	2.47%	7.0	A	N/A	Upward	Low	Moderate	Leader
LOXAM S.A.S.	2.47%	2.47%	5.1	BBB	N/A	Stable	Low	None	Average
ABERTIS INFRAESTRUCTURAS FINANCE B.V.	1.23%	1.23%	8.0	AA	N/A	Stable	Low	None	Average
ENEL - SPA	1.23%	1.17%	8.7	AAA	Coal phase-out by FY 2027; targets to increase renewable capacity	Stable	High	Severe	Average
ENGIE SA	1.23%	1.19%	8.0	AA	Robust community engagement practices and biodiversity protection efforts	Stable	High	Severe	Average
ERSTE GROUP BANK AG	1.23%	1.21%	7.6	AA	Leading corporate governance framework, weaknesses in data protection practices relative to peers.	Stable	Very Low	None	Leader
EUROFINS SCIENTIFIC SE	1.23%	1.22%	7.4	AA	Robust product quality performance and business ethics practices	Upward	Low	None	Average
FNAC DARTY SA	1.23%	1.23%	8.0	AA	N/A	Stable	Very Low	Moderate	Leader
IBERDROLA INTERNATIONAL B.V.	1.23%	1.23%	9.3	AAA	Strong decarbonization investments and strategies to manage environmental footprint	Stable	Moderate	Severe	Leader
INTESA SANPAOLO SPA	1.23%	1.16%	8.1	AA	Improved consumer financial protection practices; on-par data protection measures relative to peers	Stable	Very Low	Severe	Leader

Market Value Coverage

	ESG Quality	Carbon Risk	Reputational Risk	Governance Risk
20240430_AURIS EURO RENDEMENT	74%	74%	77%	72%
20240430_MSCI ACWI IMI	99%	100%	100%	99%

Portfolio : 20240430\_AURIS EURO RENDEMENT

Currency :

Benchmark : 20240430\_MSCI ACWI IMI

ESG Quality Scorecard

	Portfolio	Benchmark	Active
ESG QUALITY SCORE(0-10)	7.5	6.6	13.0%
ENVIRONMENTAL SCORE	6.9	5.9	18.4%
SOCIAL SCORE	5.2	5.0	4.0%
GOVERNANCE SCORE	6.2	5.7	8.3%

Environmental Risk

	Portfolio	Benchmark	Active
Carbon Risk (T CO2E/\$M SALES)	113	127	-11.0%
Fossil Fuel Reserves (%)	0.0%	0.0%	0.0%
High Impact Fossil Fuel Reserves (%)	0.0%	0.0%	0.0%
Exposure to High Water Risk (%)	4.6%	8.4%	-3.8%
Freshwater Withdrawal Intensity (m3/\$M SALES)	22,115	39,062	-43.4%
Total Water Withdrawal Intensity (m3/\$M SALES)	23,666	84,406	-72.0%
Freshwater Withdrawal Coverage (%)	21.8%	35.3%	-13.5%
Total Water Withdrawal Coverage (%)	39.1%	48.5%	-9.4%

ESG Rating Distribution



Reputational Risk

(Very Severe Controversy Exposure)

	Portfolio	Benchmark	Active
Overall Reputation Risk (%)	0.0%	0.2%	-0.2%
Environmental (%)	0.0%	0.0%	0.0%
Customer (%)	0.0%	0.0%	0.0%
Human Rights (%)	0.0%	0.1%	-0.1%
Labor (%)	0.0%	0.1%	-0.1%
Governance (%)	0.0%	0.0%	0.0%

Governance Risk

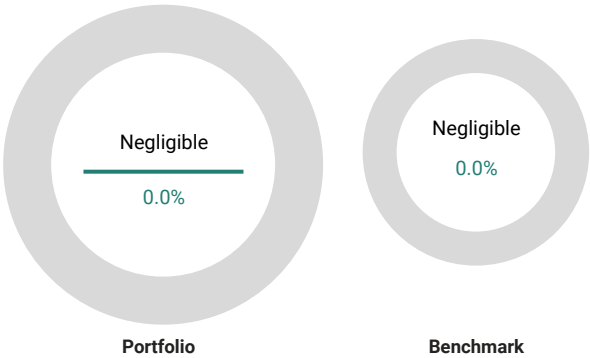
	Portfolio	Benchmark	Active
Governance Leaders (%)	39.1%	28.8%	10.3%
Governance Laggards (%)	4.6%	12.2%	-7.6%
Board Flag (%)	6.9%	13.0%	-6.1%
Lack of Independent Board (%)	1.1%	9.2%	-8.1%
No Female Directors (%)	1.1%	1.5%	-0.3%
Female Rep. 30% of Directors (%)	70.1%	66.2%	3.9%
Accounting Flag (%)	2.3%	16.5%	-14.2%
Pay Flag (%)	0.0%	5.5%	-5.5%
Ownership & Control Flag (%)	12.6%	18.3%	-5.6%

Portfolio : 20240430\_AURIS EURO RENDEMENT

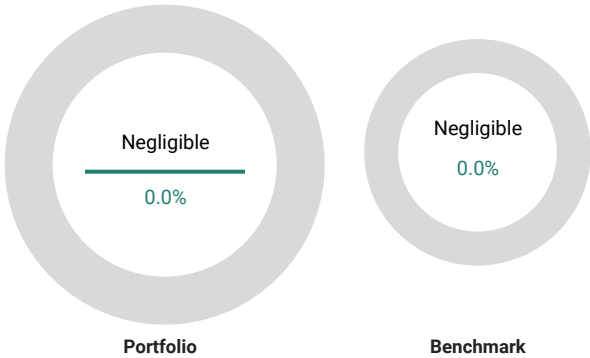
Currency :

Benchmark : 20240430\_MSCI ACWI IMI

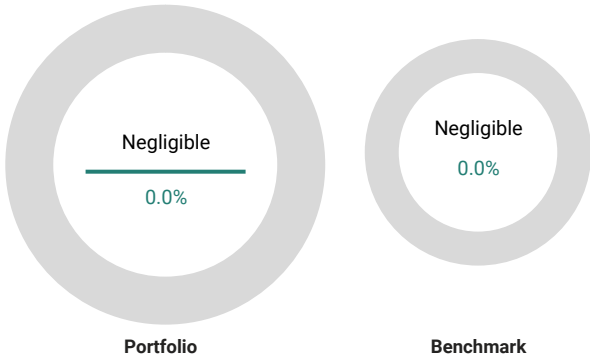
Overall Sustainable Impact



Environmental Impact



Social Impact



Climate Change

	Portfolio	Benchmark	Active
Alternative Energy (%)	0.0%	0.0%	0.0%
Energy Efficiency (%)	0.0%	0.0%	0.0%
Green Building (%)	0.0%	0.0%	0.0%

Natural Capital

	Portfolio	Benchmark	Active
Sustainable Water (%)	0.2%	0.2%	0.0%
Pollution Prevention (%)	0.6%	0.2%	0.3%
Sustainable Agriculture (%)	0.0%	0.0%	0.0%

Basic Needs

	Portfolio	Benchmark	Active
Major Diseases Treatment (%)	0.0%	0.0%	0.0%
Sanitation (%)	0.0%	0.0%	0.0%
Nutrition (%)	0.0%	0.0%	0.0%
Affordable Real Estate (%)	0.0%	0.0%	0.0%

Empowerment

	Portfolio	Benchmark	Active
Education (%)	0.0%	0.0%	0.0%
SME Finance (%)	0.0%	0.0%	0.0%
Connectivity (%)	0.0%	0.0%	0.0%

How to read this page

The exposure figures represent revenue exposure to Sustainable Impact Solutions which reflects the extent to which company revenue is exposed to products and services that help solve the world's major social and environmental challenges. It is calculated as a weighted average, using portfolio weights and each issuer's percent of revenue generated from Sustainable Impact Solutions. To be eligible to contribute, an issuer must maintain minimum ESG standards.

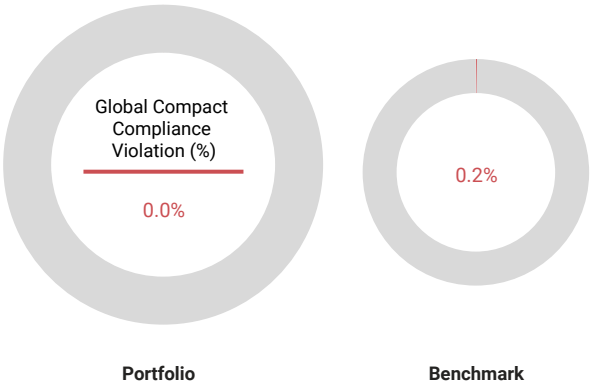
The classifications below help interpret the different degrees of exposure.

Impact Exposure Classification

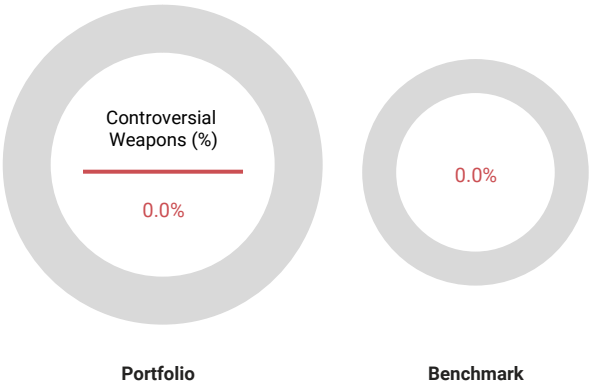
Percentage	Exposure
>20%	Very High
>10% and <=20%	High
>5% and <=10%	Moderate
>1% and <=5%	Low
<=1%	Negligible

Portfolio : 20240430\_AURIS EURO RENDEMENT      Currency :  
Benchmark : 20240430\_MSCI ACWI IMI

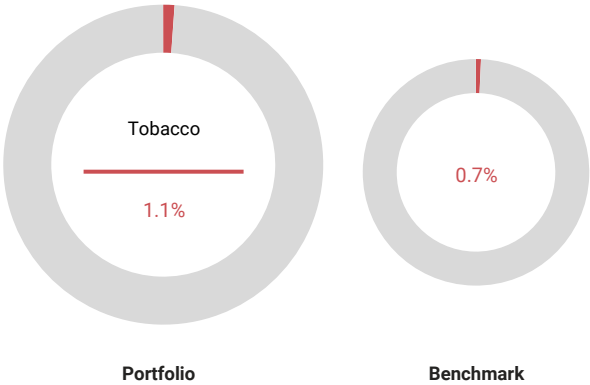
Global Compact Compliance Violation (%)



Controversial Weapons (%)



Tobacco



Business Involvement

	Portfolio	Benchmark	Active
Adult Entertainment (%)	0.0%	0.0%	0.0%
Alcohol (%)	0.0%	0.0%	0.0%
Civilian Firearms Retailer (%)	0.0%	0.0%	0.0%
Civilian Firearms Producer (%)	0.0%	0.0%	0.0%
Gambling (%)	0.0%	0.0%	0.0%
Nuclear Power (%)	0.0%	0.0%	0.0%
Tobacco (%)	1.1%	0.7%	0.4%
Weapons (%)	0.0%	0.0%	0.0%
Controversial Weapons (%)	0.0%	0.0%	0.0%
Direct Predatory Lending (%)	0.0%	0.0%	0.0%
Genetic Engineering (%)	0.0%	0.0%	0.0%

Religious Values

	Portfolio	Benchmark	Active
Catholic Values Non-Compliant (%)	0.0%	0.0%	0.0%
Islamic Non-Compliant (%)	0.0%	0.0%	0.0%

International Norms

	Portfolio	Benchmark	Active
Global Compact Compliance Violation or Watch List (%)	0.0%	0.2%	-0.2%
Global Compact Compliance Violation or Watch List (%)	4.6%	14.2%	-9.6%
Human Rights Norms Violation (%)	0.0%	0.2%	-0.2%
Human Rights Norms Violation or Watch List (%)	4.6%	14.4%	-9.8%
Labor Norms (%)	0.0%	0.1%	-0.1%
Labor Norms Violation or Watch List (%)	0.0%	10.6%	-10.6%

How to read this page

Values Alignment metrics provide transparency to help identify funds that align with ethical, religious or political views. The metrics measure the percentage of portfolio's market value exposed to companies flagged for controversial business involvement, controversies, global norms violations, and religious compliance.

Business Involvement

The percentage of portfolio's market value exposed to companies flagged for involvement according to our Highly Restrictive screen definitions.

Religious Values

The percentage of portfolio's market value exposed to companies that have been flagged for non-compliance for Catholic Values or Islamic Values.

International Norms

The percentage of portfolio's market value exposed to companies in violation of global.



Some of the metrics presented in this report vary in their availability across MSCI ESG Research's equity, fixed income, and fund coverage. The table below shows the expected coverage for each page of the report – note that actual results are populated based on subscription levels.

		Equity	Fixed Income		Funds
		Corporate	Corporate	Government	
Page 2	ESG Quality Score	Yes	Yes	Yes	Yes
	ESG Ratings Distribution	Yes	Yes	Yes	Yes*
	ESG Ratings Momentum	Yes	Yes	Yes	Yes*
	Carbon Risk	Yes	Yes	No	Yes
	Reputational Risk	Yes	Yes	No	Yes*
	Governance Risk	Yes	Yes	No	Yes*
Page 3	Same as page 2 except for the following:				
	ESG Rating	Yes	Yes	Yes	No
	ESG Highlights	Yes	Yes	No	No
	ESG Rating Momentum	Yes	Yes	Yes	No
	Governance Risk	Yes	Yes	No	No
Page 4	ESG Quality Score	Yes	Yes	Yes	Yes
	Environmental, Social, Governance Score	Yes	Yes	Yes	Yes*
	Environmental Risk	Yes	Yes	No	Yes*
	Reputational Risk	Yes	Yes	No	Yes*
	Governance Risk	Yes	Yes	No	Yes*
Page 5	Overall Sustainable Impact	Yes	Yes	No	Yes
	All other metrics	Yes	Yes	No	Yes*
Page 6	Business Involvement/ Religious Values	Yes	Yes	No	Yes*
	International Norms	Yes	Yes	No	Yes

\*These metrics populate with a FundMetrics subscription

Summary

**ESG Quality Score** measures the ability of underlying holdings to manage key medium to long-term risks and opportunities arising from environmental, social, and governance factors. It is based on MSCI ESG Ratings and is measured on a scale of 0 to 10 (worst to best). The distribution of scores is based on the universe of funds included in MSCI ESG Fund Ratings.

**ESG Ratings Distribution** represents the percentage of a portfolio's market value coming from holdings classified as ESG Ratings Leaders (AAA and AA), Average (A, BBB, and BB), and Laggards (B and CCC).

**ESG Ratings Momentum** represents the percentage of a portfolio's market value coming from holdings that have had an ESG Ratings upgrade, and those with a downgrade, since their previous ESG Rating assessment.

**Carbon Risk** measures exposure to carbon intensive companies. It is based on MSCI CarbonMetrics, and is calculated as the portfolio weighted average of issuer carbon intensity. At the issuer level, Carbon Intensity is the ratio of annual scope 1 and 2 carbon emissions to annual revenue. Carbon Risk is categorized as Very Low (0 to <15), Low (15 to <70), Moderate (70 to <250), High (250 to <525), and Very High (>=525).

**Reputational Risk** represents the percentage of a portfolio's market value coming from holdings involved in very severe controversial events. It is based on MSCI ESG Controversies. Portfolio level Reputational Risk is categorized as Very Low (0%), Low (>0% to <1%), Moderate (1% to <5%), High (5% to <10%), and Very High (>=10%).

**Governance Risk** represents the percentage of a portfolio's market value coming from holdings classified as Governance Leaders (global percentile of 76-100%), Average (26-75%), and Laggards (0-25%).

Risk Exposure Metrics

Risk Exposure metrics provide transparency on select environmental and governance risks. They provide insight into potentially unknown exposures and unintended bets the may pose risk to investors.

ENVIRONMENTAL RISK

**Weighted Average Carbon Intensity:** The Weighted Average Carbon Intensity measures a fund's exposure to carbon intensive companies. The figure is the sum of security weight (normalized for corporate positions only) multiplied by the security Carbon Intensity.

**Fossil Fuel Reserves (%)**: The percentage of portfolio's market value exposed to companies that own fossil fuel reserves.

**High Impact Fossil Fuel Reserves (%)**: The percentage of portfolio's market value exposed to companies that own high impact fossil fuel reserves. High impact fossil fuel reserves include Thermal Coal, Oil Sands, and Shale Oil and Shale Gas.

**Exposure to High Water Intensity Activities (%)**: The percentage of portfolio's market value exposed to companies with operations in lines of business that are typically highly water intensive.

**Exposure to High Water Risk (%)**: The percentage of portfolio's market value exposed to companies with a Water Stress Exposure Score > 6.6. Scores combine the geographic and business segment components and range from 0 to 10.

GOVERNANCE

**Board Flag (%)**: The percentage of portfolio's market value exposed to companies ranking "below average" relative to global peers on MSCI's assessment of board structure and effectiveness.

**Lack of Independent Board Majority (%)**: The percentage of portfolio's market value exposed to companies lacking an independent board majority.

The following Board metrics represent the percentage of portfolio's market value exposed to companies with their respective board independence:

- **Board Independence (0-25%)**
- **Board Independence (25-50%)**
- **Board Independence (50-75%)**
- **Board Independence (75-100%)**

**No Female Directors (%)**: The percentage of portfolio's market value exposed to companies with no female directors.

**Female Represent 30% of Directors (%)**: The percentage of portfolio's market value exposed to companies where women comprise at least 30% of the board of directors.

**Entrenched Board (%)**: The percentage of portfolio's market value exposed to companies with long tenured or aging directors that suggest a problem with board entrenchment.

**Overboarding (%)**: The percentage of portfolio's market value exposed to companies with executive board members that serve on the boards of two or more additional public companies.

**Negative Director Votes (%)**: The percentage of portfolio's market value exposed to companies facing significant negative director votes.

**Ownership and Control Flag (%)**: The percentage of portfolio's market value exposed to companies ranking "below average" relative to global peers on MSCI's assessment of ownership structure and risks.

**One Share One Vote (%)**: The percentage of portfolio's market value exposed to companies flagged for limitations on voting rights including: multiple equity classes with different voting rights or voting rights limited by shares held, residency, duration, or minimum holding period.

**No Annual Director Elections (%)**: The percentage of portfolio's market value exposed to companies where not all directors stand for annual re election.

**Does not use Majority Voting (%)**: The percentage of portfolio's market value exposed to companies that have not adopted majority voting in the election of directors.

**Controlling Shareholder (%)**: The percentage of portfolio's market value exposed to companies with a controlling shareholder.

**Controlling Shareholder Concerns (%)**: The percentage of portfolio's market value exposed to companies with ownership structure indicating special concerns for minority shareholders.

**Cross Shareholdings (%)**: The percentage of portfolio's market value exposed to companies involved in a series of cross shareholdings with other companies.

**Poison Pill (%)**: The percentage of portfolio's market value exposed to companies that have adopted shareholder rights plans.

**Pay Flag (%)**: The percentage of portfolio's market value exposed to companies ranking "below average" relative to global peers on MSCI's assessment of executive pay practices.

**Significant Votes Against Pay Practices (%)**: The percentage of portfolio's market value exposed to companies facing significant shareholder votes against pay practices.

**No Pay Performance Link (%)**: The percentage of portfolio's market value exposed to companies flagged for executive pay /performance gaps.

**Lack of Internal Pay Equity (%)**: The percentage of portfolio's market value exposed to companies facing a lack of internal pay equity.

**Executive Pay Non Disclosure (%)**: The percentage of portfolio's market value exposed to companies flagged for executive pay non disclosure.

**Accounting Flag (%)**: The percentage of portfolio's market value exposed to companies ranking "below average" relative to global peers on MSCI's assessment of accounting aggressiveness.

Risk Exposure Metrics

Sustainable Impact measures revenue exposure to Sustainable Impact Solutions which reflects the extent to which company revenue is exposed to products and services that help solve the world's major social and environmental challenges. It is calculated as a weighted average, using portfolio weights and each issuer's percent of revenue generated from Sustainable Impact Solutions. Additionally, Sustainable Impact Solutions revenue from companies with negative externalities is excluded.

Negative externalities refer to very severe and severe ESG controversies, ESG Ratings of CCC and B, direct involvement in predatory lending, involvement in controversial weapons, more than 5% revenue from conventional weapons or firearms, and more than 10% revenue from alcohol or tobacco production.

OVERALL

**Revenue Exposure to Sustainable Impact Companies (%):** A portfolio's exposure to Sustainable Impact Solutions is the portfolio weighted average of each company's percent of revenue generated by Environmental Impact and Social Impact Solutions goods and services. Additionally, Sustainable Impact Solutions revenue from companies with negative externalities is excluded.

ENVIRONMENTAL

**Environmental Impact Companies (%):** A portfolio's exposure to Environmental Impact is the portfolio weighted average of each company's percent of revenue generated by Environmental Impact goods and services. Additionally, Environmental Impact revenue from companies with negative externalities is excluded.

The following environmental metrics represent a portfolio's exposure to each theme which is calculated as the portfolio weighted average of each company's percent of revenue generated from goods and services. Additionally, revenue from companies with negative externalities is excluded.

CLIMATE CHANGE

- Energy Efficiency (%)
- Alternative Energy (%)
- Green Building (%)

NATURAL CAPITAL

- Pollution Prevention
- Sustainable Waters

SOCIAL

**Social Impact Companies (%):** A portfolio's exposure to Social Impact is the portfolio weighted average of each company's percent of revenue generated by Social Impact goods and services. Additionally, Social Impact revenue from companies with negative externalities is excluded.

The following social metrics represent a portfolio's exposure to each theme which is calculated as the portfolio weighted average of each company's percent of revenue generated from goods and services. Additionally, revenue from companies with negative externalities is excluded.

BASIC NEEDS

- Major Disease Treatment (%)
- Nutrition (%)
- Sanitation Products (%)

EMPOWERMENT

- Affordable Real Estate (%)
- Education (%)
- Social Finance (%)

Values Alignment Metrics

Values Alignment metrics provide transparency to help identify funds that align with ethical, religious or political views. The metrics measure the percentage of portfolio's market value exposed to companies flagged for controversial business involvement, controversies, global norms violations, and religious compliance.

BUSINESS INVOLVEMENT

**Adult Entertainment Involvement (%):** The percentage of portfolio's market value exposed to companies flagged for involvement in adult entertainment according to our Highly Restrictive screen definition. This includes all adult entertainment producers as well as adult entertainment distributors and retailers if the total revenue is => 5%. The full weight of each flagged company is included in the calculation.

**Alcohol Involvement (%):** The percentage of portfolio's market value exposed to companies flagged for involvement in alcohol according to our Highly Restrictive screen definition. This includes all alcohol producers as well as alcohol distributors, suppliers, and retailers if the combined revenue is => 5%. The full weight of each flagged company is included in the calculation.

**Gambling Involvement (%):** The percentage of portfolio's market value exposed to companies flagged for involvement in gambling according to our Highly Restrictive screen definition. This includes all gambling facility operators as well as support products & services if the revenue is => 5%. The full weight of each flagged company is included in the calculation.

**Nuclear Power Involvement (%):** The percentage of portfolio's market value exposed to companies flagged for involvement in nuclear power according to our Highly Restrictive screen definition. This includes all utilities with nuclear power generation operations and suppliers to the nuclear power industry if the revenue is => 5%. The full weight of each flagged company is included in the calculation.

**Tobacco Involvement (%):** The percentage of portfolio's market value exposed to companies flagged for involvement in tobacco according to our Highly Restrictive screen definition. This includes all tobacco producers as well as tobacco distributors, suppliers, and retailers if the combined revenue is => 5%. The full weight of each flagged company is included in the calculation.

**Weapons Involvement (%):** The percentage of portfolio's market value exposed to companies with ties to the manufacture of conventional (including depleted uranium), biological/chemical, or nuclear weapons systems and components. This includes companies that provide support systems and services, as well as those with indirect ties to weapons production through ownership. Note: Involvement in the production of landmines and/or cluster bombs is not captured here, but tracked separately.

**Controversial Weapons Involvement (%):** The percentage of portfolio's market value exposed to companies with ties to landmines, cluster munitions, biological, chemical, or depleted uranium.

**Civilian Firearms Retailer (%):** The percentage of portfolio's market value exposed to companies that derive any amount of annual revenues from the distribution (wholesale or retail) of firearms or small arms ammunition intended for civilian use.

**Civilian Firearms Producer (%):** The percentage of portfolio's market value exposed to companies that manufacture firearms and small arms ammunitions for civilian markets. The research does not cover companies that cater to the military, government, and law enforcement markets.

**Direct Predatory Lending Involvement (%):** The percentage of portfolio's market value exposed to companies that provide products and services associated with certain controversial lending practices.

**Genetic Engineering Involvement (%):** The percentage of portfolio's market value exposed to companies flagged for involvement in genetically modified organisms according to our Highly Restrictive screen definition. This includes all manufacturers of GMOs for agricultural purposes. The full weight of each flagged company is included in the calculation.

INTERNATIONAL NORMS

**Global Compact Compliance Violation (%):** The percentage of portfolio's market value exposed to companies in violation of the UN Global Compact principles.

**Global Compact Compliance Violation or Watch List (%):** The percentage of portfolio's market value exposed to companies in violation of the UN Global Compact principles, or on MSCI's "Watch List" for potential violations.

**Human Rights Norms Violation (%):** The percentage of portfolio's market value exposed to companies in violation of international norms around human rights.

**Human Rights Norms Violation or Watch List (%):** The percentage of portfolio's market value exposed to companies in violation of international norms around human rights, or on MSCI's "Watch List" for potential violations.

**Labor Norms Violation (%):** The percentage of portfolio's market value exposed to companies in violation of the International Labour Organization's broader set of labor standards.

**Labor Norms Violation or Watch List (%):** The percentage of portfolio's market value exposed to companies in violation of the International Labour Organization's broader set of labor standards, or on MSCI's "Watch List" for potential violations.

RELIGIOUS VALUES

**Catholic Values Fail (%):** The percentage of portfolio's market value exposed to companies that have been flagged for one or more of the underlying USCCB exclusionary factors: abortion, contraceptives, stem cells, discrimination, adult entertainment, defense and weapons, landmines, or predatory lending.

**Islamic Non-Compliant (%):** The percentage of portfolio's market value exposed to companies that are non-compliant according to Sharia investment principles. Non-compliant companies are those with ownership of a prohibited business activity or Hotel tie or have total revenues greater than or equal to 5% from prohibited business activities or with financial ratios greater than or equal to 33.33%. Prohibited Business Activities include Adult Entertainment, Alcohol, Cinemas, Conventional Financial Services, Gambling, Music, Pork, Tobacco, and Weapon.

- This document and all of the information contained in it, including without limitation all text, data, graphs, charts (collectively, the “Information”) is the property of MSCI Inc. or its subsidiaries (collectively, “MSCI”), or MSCI’s licensors, direct or indirect suppliers or any third party involved in making or compiling any Information (collectively, with MSCI, the “Information Providers”) and is provided for informational purposes only. The Information may not be modified, reverse engineered, reproduced or disseminated in whole or in part without prior written permission from MSCI.
- The Information may not be used to create derivative works or to verify or correct other data or information. For example ( but without limitation), the Information may not be used to create indexes, databases, risk models, analytics, software, or in connection with the issuing, offering, sponsoring, managing or marketing of any securities , portfolios, financial products or other investment vehicles utilizing or based on, linked to, tracking or otherwise derived from the Information or any other MSCI data, information, products or services.
- The user of the Information assumes the entire risk of any use it may make or permit to be made of the Information. NONE OF THE INFORMATION PROVIDERS MAKES ANY EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE INFORMATION (OR THE RESULTS TO BE OBTAINED BY THE USE THEREOF), AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH INFORMATION PROVIDER EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF ORIGINALITY, ACCURACY, TIME LINESS, NON INFRINGEMENT, COMPLETENESS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) WITH RESPECT TO ANY OF THE INFORMATION.
- Without limiting any of the foregoing and to the maximum extent permitted by applicable law, in no event shall any Information Provider have any liability regarding any of the Information for any direct, indirect, special, punitive, consequential (including lost profits) or any other damages even if notified of the possibility of such damages. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited, including without limitation (as applicable), any liability for death or personal injury to the extent that such injury results from the negligence or willful default of itself, its servants, agents or sub contractors.
- Information containing any historical information, data or analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. Past performance does not guarantee future results.
- The Information should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. All Information is impersonal and not tailored to the needs of any person, entity or group of persons.
- None of the Information constitutes an offer to sell (or a solicitation of an offer to buy), any security, financial product or other investment vehicle or any trading strategy.
- It is not possible to invest directly in an index. Exposure to an asset class or trading strategy or other category represented by an index is only available through third party investable instruments (if any) based on that index. MSCI does not issue, sponsor, endorse, market, offer, review or otherwise express any opinion regarding any fund, ETF, derivative or other security, investment, financial product or trading strategy that is based on, linked to or seeks to provide an investment return related to the performance of any MSCI index (collectively, “Index Linked Investments”). MSCI makes no assurance that any Index Linked Investments will accurately track index performance or provide positive investment returns. MSCI Inc. is not an investment adviser or fiduciary and MSCI makes no representation regarding the advisability of investing in any Index Linked Investments.
- Index returns do not represent the results of actual trading of investible assets/securities. MSCI maintains and calculates indexes, but does not manage actual assets. Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the index or Index Linked Investments. The imposition of these fees and charges would cause the performance of an Index Linked Investment to be different than the MSCI index performance.
- The Information may contain back tested data. Back tested performance is not actual performance, but is hypothetical. There are frequently material differences between back tested performance results and actual results subsequently achieved by any investment strategy.
- Constituents of MSCI equity indexes are listed companies, which are included in or excluded from the indexes according to the application of the relevant index methodologies. Accordingly, constituents in MSCI equity indexes may include MSCI Inc., clients of MSCI or suppliers to MSCI. Inclusion of a security within an MSCI index is not a recommendation by MSCI to buy, sell, or hold such security, nor is it considered to be investment advice.
- Data and information produced by various affiliates of MSCI Inc., including MSCI ESG Research LLC and Barra LLC, may be used in calculating certain MSCI indexes. More information can be found in the relevant index methodologies on [www.msci.com](http://www.msci.com).
- MSCI receives compensation in connection with licensing its indexes to third parties. MSCI Inc.’s revenue includes fees based on assets in Index Linked Investments. Information can be found in MSCI Inc.’s company filings on the Investor Relations section of [www.msci.com](http://www.msci.com).
- MSCI ESG Research LLC is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc. Neither MSCI nor any of its products or services recommends, endorses, approves or otherwise expresses any opinion regarding any issuer, securities, financial products or instruments or trading strategies and MSCI’s products or services are not a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such, provided that applicable products or services from MSCI ESG Research may constitute investment advice. MSCI ESG Research materials, including materials utilized in any MSCI ESG Indexes or other products, have not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body. MSCI ESG and climate ratings, research and data are produced by MSCI ESG Research LLC, a subsidiary of MSCI Inc. MSCI ESG Indexes, Analytics and Real Estate are products of MSCI Inc. that utilize information from MSCI ESG Research LLC. MSCI Indexes are administered by MSCI Limited (UK).
- Please note that the issuers mentioned in MSCI ESG Research materials sometimes have commercial relationships with MSCI ESG Research and/or MSCI Inc. (collectively, “MSCI”) and that these relationships create potential conflicts of interest. In some cases, the issuers or their affiliates purchase research or other products or services from one or more MSCI affiliates. In other cases, MSCI ESG Research rates financial products such as mutual funds or ETFs that are managed by MSCI’s clients or their affiliates or are based on MSCI Inc. Indexes, and for which MSCI may charge asset-based fees. In addition, constituents in MSCI Inc. equity indexes include companies that subscribe to MSCI products or services. MSCI ESG Research has taken a number of steps to mitigate potential conflicts of interest and safeguard the integrity and independence of its research and ratings. More information about these conflict mitigation measures is available in our Form ADV, available at IAPD - Investment Adviser Public Disclosure - Homepage.
- Any use of or access to products, services or information of MSCI requires a license from MSCI. MSCI, Barra, RiskMetrics, IPD and other MSCI brands and product names are the trademarks, service marks, or registered trademarks of MSCI or its subsidiaries in the United States and other jurisdictions. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and Standard & Poor’s. “Global Industry Classification Standard (GICS)” is a service mark of MSCI and Standard & Poor’s.
- MIFID2/MIFIR notice: MSCI ESG Research LLC does not distribute or act as an intermediary for financial instruments or structured deposits, nor does it deal on its own account, provide execution services for others or manage client accounts. No MSCI ESG Research product or service supports, promotes or is intended to support or promote any such activity. MSCI ESG Research is an independent provider of ESG data, reports and ratings based on published methodologies and available to clients on a subscription basis. We do not provide custom or one off ratings or recommendations of securities or other financial instruments upon request.
- Privacy notice: For information about how MSCI ESG Research LLC collects and uses personal data concerning officers and directors, please refer to our Privacy Notice at <https://www.msci.com/privacy-pledge>.

[esgclientservice@msci.com](mailto:esgclientservice@msci.com)

**Americas**

+ 1 212 804 5299

**Europe, Middle East & Africa**

+ 44 20 7618 2510

**Asia Pacific**

+ 612 9033 9339

## About MSCI ESG research products and services

---

MSCI ESG Research products and services are provided by MSCI ESG Research LLC, and are designed to provide in-depth research, ratings and analysis of environmental, social and governance-related business practices to companies worldwide. ESG ratings, data and analysis from MSCI ESG Research LLC. are also used in the construction of the MSCI ESG Indexes. MSCI ESG Research LLC is a Registered Investment Adviser under the Investment Advisers Act of 1940 and a subsidiary of MSCI Inc.

## About MSCI

---

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 45 years of expertise in research, data and technology, we power better investment decisions by enabling clients to understand and analyze key drivers of risk and return and confidently build more effective portfolios. We create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process.

To learn more, please visit [www.msci.com](http://www.msci.com).