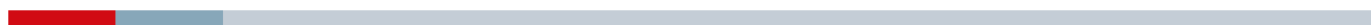


INDEPENDANCE & EXPANSION SICAV



Investment Company with Variable Capital (SICAV)

**Annual Report and audited financial statements
as at 31/12/23**

R.C.S. Luxembourg B34355

INDEPENDANCE & EXPANSION SICAV

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No subscription can be received on the basis of this annual report including audited financial statements. Subscriptions are only valid if made on the basis of the current prospectus supplemented by the latest annual report including audited financial statements and the most recent unaudited semi-annual report, if published thereafter.

INDEPENDANCE & EXPANSION SICAV

Organisation and administration

MANAGEMENT COMPANY:

Indépendance AM S.A.S (since 21 April 2023)
17, Rue du Colisée
F-75008 Paris
France

Indépendance AM S.A. (until 20 April 2023)
5, Allée Scheffer
L-2520 Luxembourg
Grand Duchy of Luxembourg

LEGAL ADVICE:

Elvinger Hoss Prussen
2, Place Winston Churchill
L-1340 Luxembourg
Grand Duchy of Luxembourg

AUTHORISED AUDIT FIRM:

Ernst & Young S.A.
35 E, Avenue John F. Kennedy
L-1855 Luxembourg
Grand-Duchy of Luxembourg

CUSTODIAN BANK, REGISTRAR AND TRANSFER AGENT:

CACEIS Bank, Luxembourg Branch
5, Allée Scheffer
L-2520 Luxembourg
Grand Duchy of Luxembourg

DOMICILIATION AGENT, ADMINISTRATIVE AGENT, PAYING AGENT AND LISTING AGENT:

CACEIS Bank, Luxembourg Branch
5, Allée Scheffer
L-2520 Luxembourg
Grand Duchy of Luxembourg

REGISTERED OFFICE:

5, Allée Scheffer
L-2520 Luxembourg
Grand Duchy of Luxembourg

BOARD OF DIRECTORS OF THE FUND

CHAIRMAN OF THE BOARD OF DIRECTORS OF THE FUND:

William de Prémorel-Higgon
Chairman, MARLET S.A.S.
55, Avenue Théophile Gautier
F-75016 Paris
France

BOARD OF DIRECTORS OF THE FUND:

Alain Picherit
Administrateur
112, Avenue Victor Hugo
L-1750 Luxembourg
Grand-Duchy of Luxembourg (since 5 May 2023)

Sandrine Dubois
Administrateur
125, Avenue Gaston Diderich
L-1420 Luxembourg
Grand-Duchy of Luxembourg (since 5 May 2023)

Marc Gouget
Equities Financial Analysis Director, CM-CIC
6, Avenue de Provence
F-75441, Paris Cedex 9
France (until 5 May 2023)

Frédérique Bouchet-Lundgren
Independent director
70, rue du Centre
L-3960 Ehlang-sur-Mess
Grand Duchy of Luxembourg (until 5 May 2023)

INDEPENDANCE & EXPANSION SICAV

General information

INDEPENDANCE ET EXPANSION SICAV (the "Fund") is registered with the Luxembourg company and commercial register under number B34355. The Fund is a joint stock company (société anonyme) incorporated in Luxembourg and fulfilling the conditions for recognition as a variable-capital investment company ("SICAV") with multiple sub-funds governed in accordance with the provisions of part I of the amended law of 17 December 2010 relative to Undertakings for Collective Investment in Transferable Securities.

The Fund was constituted on 23 July 1990 in the form of a limited partnership with share capital under the denomination INDEPENDANCE ET EXPANSION S.C.A.

Following an extraordinary General meeting of shareholders on 26 November 2002, the name of the Fund was changed to SIPAREX SMALL CAP VALUE S.C.A.

The extraordinary General meeting of shareholders held on 2 April 2007 decided to transform the Fund into a variable-capital investment company with multiple sub-funds. During the same general meeting, the denomination of the Fund was changed to INDEPENDANCE ET EXPANSION SICAV.

The Board of Directors of the Fund has appointed, under its supervision, Indépendance et Expansion AM S.à r.l. (formerly Stanwahr S.à r.l.) as the management company (the "Management Company") responsible for the portfolio management, administration and marketing activities of the Fund.

As of June 2020, the name of the management company Stanwahr S.à r.l. was changed to INDEPENDANCE ET EXPANSION AM Sarl, and as of 29 September 2021 to Indépendance et Expansion AM S.A.

The legal form of the Fund was henceforth a joint stock company incorporated in Luxembourg. The capital of the Fund is always equal to the net assets and is represented by shares issued without designation of nominal value and fully paid-up.

The name of the "INDEPENDANCE ET EXPANSION SICAV - FRANCE" sub-fund has been replaced by "INDEPENDANCE ET EXPANSION SICAV - FRANCE SMALL", and "INDEPENDANCE ET EXPANSION SICAV - EUROPE" has been replaced by "INDEPENDANCE ET EXPANSION SICAV - EUROPE SMALL".

Following the merger-acquisition on the effective date of April 21, 2023, the management company Indépendance et Expansion AM S.A. has been replaced by Indépendance AM S.A.S.

On 31 December 2023, the Fund had two sub-funds:
INDEPENDANCE ET EXPANSION SICAV - FRANCE SMALL
INDEPENDANCE ET EXPANSION SICAV - EUROPE SMALL

- **INDEPENDANCE ET EXPANSION SICAV - FRANCE SMALL**

The investment policy of the France Small sub-fund is to buy shares of French companies listed on a regulated market in accordance with the requirements of Directive 2004/39/EC with a market capitalisation less than or equal to the highest market capitalisation of the CAC Mid & Small NR Index and with a low valuation despite a return on equity and/or invested capital above that of the market, and to sell them gradually when they no longer meet these criteria.

The France Small sub-fund must be fully invested, subject to liquidity restrictions related to the SICAV status of the Fund. Liquidity may not exceed 15% of the net assets of the France Small sub-fund, except in exceptional circumstances.

In accordance with the requirements of the Directive, the Fund will not invest more than 10% of the net assets of the France Small sub-fund in units in undertakings for collective investment in transferable securities.

In addition, the France Small sub-fund includes environmental, social and governance criteria in its selection process. The France Small sub-fund promotes, among other characteristics, environmental and social characteristics, and qualifies as a product subject to Article 8 of the Sustainable Finance Disclosure Regulation (SFDR).

- **INDEPENDANCE ET EXPANSION SICAV – EUROPE SMALL**

The investment policy of the Europe Small sub-fund is to buy shares of European companies listed on a regulated market in accordance with the requirements of Directive 2004/39/EC, of size small or medium, with a market capitalisation strictly less than 10 (ten) billion euros and with a low valuation despite a return on equity and/or invested capital above that of the market, and to sell them gradually when they no longer meet these criteria.

The Europe Small sub-fund must be fully invested, subject to liquidity restrictions related to the SICAV status of the Fund. Liquidity may not exceed 15% of the net assets of the Europe Small sub-fund, except in exceptional circumstances.

In accordance with the requirements of the Directive, the Fund will not invest more than 10% of the net assets of the Europe Small sub-fund in units in undertakings for collective investment in transferable securities.

In addition, the Europe Small sub-fund includes environmental, social and governance criteria in its selection process. The Europe Small sub-fund promotes, among other characteristics, environmental and social characteristics, and qualifies as a product subject to Article 8 of the Sustainable Finance Disclosure Regulation (SFDR).

INDEPENDANCE & EXPANSION SICAV

General information

The classes of shares currently issued are:

- The class of capitalisation shares reserved exclusively for Institutional Investors (the "Class X(C)");
- The class of capitalisation shares intended for investors other than Institutional Investors (the "Class A(C)").
- Until 19 April 2021, the class of capitalisation shares intended only for, or via, managers, investment advisers, distributors or financial intermediaries (selected or approved by the management company) who, according to legal and/or regulatory requirements, are not entitled to accept or hold back retrocession from third parties or who, pursuant to contractual arrangements, are not entitled to accept or hold back retrocession from third parties, and Institutional Investors according to the meaning of the Law of 2010 other than financial intermediaries who are approved by the Fund and/or by the management company and subscribing in their own name ("Class I(C)"); the minimum initial subscription amount is EUR 500,000. The minimum holding for Class I(C) shares of the France sub-fund is EUR 500,000; for any redemption resulting in a residual investment of below EUR 500,000, the Board of Directors may at its discretion decide to convert the Class I(C) shares.

From 20 April 2021, the class of capitalisation shares is intended for all types of investors, and specifically for, or via, (i) managers, investment advisers, distributors or financial intermediaries (selected or approved by the management company) who, according to legal and/or regulatory requirements, are not entitled to accept or hold back retrocession from third parties or who, pursuant to contractual arrangements, are not entitled to accept or hold back retrocession from third parties, and (ii) Institutional Investors according to the meaning of the Law of 2010 other than financial intermediaries who are approved by the Fund and/or by the management company and subscribing in their own name ("Class I(C)"). From 20 April 2021 the minimum initial subscription amount shall be one share.

INDEPENDANCE & EXPANSION SICAV

Report of the Board of Directors

FRANCE SMALL sub-fund

In 2023, the value of the Indépendance et Expansion France Small (XC) share rose by +11.7% compared with +3.9% for its benchmark index, the CAC Small & Mid NR.

Performance was driven in particular by the sharp rise in the Rheinmetall share price (+54% over the year), the takeover bid for SII, the portfolio's top holding (+53%), and the announcement of a plan to sell Clasquin (+107%).

EUROPE SMALL sub-fund

In 2023, the value of the Indépendance et Expansion Europe Small (XC) share rose by 13.4% compared with 12.8% for its benchmark index, the STOXX Europe Small ex UK NR.

Performance was driven in particular by the strong rise in the Rheinmetall share (+54% over the year), the takeover bid for SII, the portfolio's top holding (+53%), the announcement of a plan to sell Clasquin (+107%), and the Crit Group's proposed takeover bid for the Italian temporary employment company Openjobmetis (+48%).

PEA eligibility :

Securities eligible for the PEA (equity savings plan) represented more than 75% of the assets of the France Small and Europe Small sub-funds at all times during 2023.

Statutory auditors' report

Ernst & Young
Société anonyme
35E, Avenue John F. Kennedy
L-1855 Luxembourg
Tel : +352 42 124 1
www.ey.com/luxembourg

Independent auditor's report

To the Shareholders of
INDEPENDANCE ET EXPANSION SICAV
5, Allée Scheffer
L-2520 Luxembourg

B.P. 780
L-2017 Luxembourg
R.C.S. Luxembourg B 47 771
TVA LU 16063074

Opinion

We have audited the financial statements of Indépendance & Expansion SICAV (the "Fund"), which comprise the statement of net assets and the securities portfolio as at 31 December 2023, and the statement of operations and changes in net assets for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs are further described in the "responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements" section of our report. We are also independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Statutory auditors' report

Responsibilities of the “réviseur d'entreprises agréé” for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d'entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Company.
- Conclude on the appropriateness of the Board of Directors of the Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the “réviseur d'entreprises agréé” to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the “réviseur d'entreprises agréé”. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young
Société anonyme
Cabinet de révision agréé

Nicolas Bannier

Luxembourg, April 30, 2024

INDEPENDANCE & EXPANSION SICAV
Combined financial statements

INDEPENDANCE & EXPANSION SICAV

Combined statement of net assets as at 31/12/23

	Note	Expressed in EUR 31/12/2023	Expressed in EUR 31/12/2022
Assets		441.951.022,01	284.656.194,23
Securities portfolio at market value	1.2	428.806.393,91	281.200.251,95
Cost price		345.046.796,85	228.750.842,80
Cash at banks and liquidities		7.859.443,11	2.790.181,32
Receivable for investments sold		1.381.414,60	232.592,86
Receivable on subscriptions		3.903.770,39	433.168,10
Liabilities		10.250.664,37	3.997.137,98
Payable on investments purchased		4.253.020,25	1.936.336,56
Payable on redemptions		2.127.183,17	110.207,86
Management fees, advisory fees and Management Company fees payable	2	1.654.754,85	408.999,65
Performance fees payable	3	2.082.913,95	1.480.236,65
Other liabilities	6	132.792,15	61.357,26
Net asset value		431.700.357,64	280.659.056,25

INDEPENDANCE & EXPANSION SICAV

Combined statement of operations and changes in net assets for the year ended 31/12/23

	Note	Expressed in EUR 31/12/2023	Expressed in EUR 31/12/2022
Income		10.411.015,31	7.716.175,22
Dividends on securities portfolio, net		10.292.254,73	7.710.726,42
Bank interests on cash accounts		116.900,61	5.356,77
Other income		1.859,97	92,03
Expenses		9.557.218,80	7.136.097,40
Management fees	2	6.098.604,39	4.787.842,06
Performance fees	3	2.082.913,95	1.480.236,65
Depository and sub-depository fees	4	120.175,52	92.683,40
Administration fees		221.370,82	154.676,65
Domiciliary fees		6.000,00	6.500,00
Audit fees		29.373,84	12.430,61
Legal fees		54.822,59	40.346,58
Transaction fees	1.7	710.172,63	334.600,04
Directors fees		26.700,00	35.550,00
Subscription tax ("Taxe d'abonnement")	5	128.737,24	80.907,24
Interests paid on bank overdraft			16.445,82
Banking fees		108,44	0,33
Other expenses	6	78.239,38	93.878,02
Net income / (loss) from investments		853.796,51	580.077,82
Net realised profit / (loss) on:			
- sales of investment securities	1.2	9.262.131,71	3.319.535,86
- foreign exchange	1.3	-274.905,44	-16.930,42
Net realised profit / (loss)		9.841.022,78	3.882.683,26
Net increase / (decrease) in net assets as a result of operations			
- investments	1.2	31.310.187,91	-32.044.552,38
Net increase / (decrease) in net assets as a result of operations		41.151.210,69	-28.161.869,12
Subscriptions of capitalisation shares		177.919.602,16	80.322.838,47
Redemptions of capitalisation shares		-68.029.511,46	-54.264.731,44
Net increase / (decrease) in net assets		151.041.301,39	-2.103.762,09
Net assets at the beginning of the year		280.659.056,25	282.762.818,34
Net assets at the end of the year		431.700.357,64	280.659.056,25

INDEPENDANCE & EXPANSION SICAV - FRANCE SMALL

INDEPENDANCE & EXPANSION SICAV - FRANCE SMALL

Statement of net assets as at 31/12/23

	Note	Expressed in EUR 31/12/2023	Expressed in EUR 31/12/2022
Assets		276.143.430,74	215.571.435,79
Securities portfolio at market value		268.122.659,82	214.099.168,70
<i>Cost price</i>	1.2	204.479.330,67	167.804.010,48
Cash at banks and liquidities		5.277.960,52	936.956,75
Receivable for investments sold		1.206.720,53	187.400,41
Receivable on subscriptions		1.536.089,87	347.909,93
Liabilities		6.612.203,40	2.007.442,51
Payable on investments purchased		1.396.189,81	918.779,74
Payable on redemptions		2.027.462,34	86.797,56
Management fees, advisory fees and Management Company fees payable	2	1.085.291,12	316.095,83
Performance fees payable	3	2.021.020,86	641.655,33
Other liabilities	6	82.239,27	44.114,05
Net asset value		269.531.227,34	213.563.993,28

INDEPENDANCE & EXPANSION SICAV - FRANCE SMALL

Statement of operations and changes in net assets from 01/01/23 to 31/12/23

	Note	Expressed in EUR 31/12/2023	Expressed in EUR 31/12/2022
Income		7.526.536,71	6.330.141,76
Dividends on securities portfolio, net		7.467.172,16	6.328.129,74
Bank interests on cash accounts		58.292,13	1.940,98
Other income		1.072,42	71,04
Expenses		7.248.354,45	5.047.904,04
Management fees	2	4.332.479,99	3.813.764,22
Performance fees	3	2.021.020,86	641.655,33
Depository and sub-depository fees	4	76.077,90	66.721,17
Administration fees		121.795,94	98.037,06
Domiciliary fees		3.982,73	5.064,57
Audit fees		19.572,88	5.361,49
Legal fees		36.250,46	29.361,95
Transaction fees	1.7	495.774,07	227.054,70
Directors fees		19.918,74	28.116,81
Subscription tax ("Taxe d'abonnement")	5	73.814,78	55.056,86
Interests paid on bank overdraft			7.720,13
Banking fees			0,33
Other expenses	6	47.666,10	69.989,42
Net income / (loss) from investments		278.182,26	1.282.237,72
Net realised profit / (loss) on:			
- sales of investment securities	1.2	8.857.694,32	3.218.322,09
- foreign exchange		225,20	
Net realised profit / (loss)		9.136.101,78	4.500.559,81
Net increase / (decrease) in net assets as a result of operations			
- investments	1.2	17.348.170,93	-27.020.489,04
Net increase / (decrease) in net assets as a result of operations		26.484.272,71	-22.519.929,23
Subscriptions of capitalisation shares		77.761.389,52	43.184.427,28
Redemptions of capitalisation shares		-48.278.428,17	-40.984.606,17
Net increase / (decrease) in net assets		55.967.234,06	-20.320.108,12
Net assets at the beginning of the year		213.563.993,28	233.884.101,40
Net assets at the end of the year		269.531.227,34	213.563.993,28

INDEPENDANCE & EXPANSION SICAV - FRANCE SMALL

Statistics

		31/12/23	31/12/22	31/12/21
Total Net Assets	EUR	269,531,227.34	213,563,993.28	233,884,101.40
X(C) - EUR - Capitalisation				
Number of shares		165,596.993	170,263.943	177,861.000
Net asset value per share	EUR	739.96	662.51	732.25
A(C) - EUR - Capitalisation				
Number of shares		139,627.386	116,864.004	114,270.000
Net asset value per share	EUR	734.32	657.71	727.19
I(C) - EUR - Capitalisation				
Number of shares		53,994.045	32,555.211	25,438.000
Net asset value per share	EUR	823.48	734.08	807.80

INDEPENDANCE & EXPANSION SICAV - FRANCE SMALL

Changes in number of shares outstanding from 01/01/23 to 31/12/23

	Shares outstanding as at 01/01/23	Shares issued	Shares redeemed	Shares outstanding as at 31/12/23
X(C) - EUR - Capitalisation	170,263.943	29,609.202	34,276.152	165,596.993
A(C) - EUR - Capitalisation	116,864.004	45,320.121	22,556.739	139,627.386
I(C) - EUR - Capitalisation	32,555.211	31,021.385	9,582.551	53,994.045

INDEPENDANCE & EXPANSION SICAV - FRANCE SMALL

Securities portfolio as at 31/12/23

Denomination	Currency	Quantity/ Notional	Market value (in EUR)	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			257,540,178.11	95.55
Shares			257,540,178.11	95.55
Euro			257,540,178.11	95.55
AMUNDI SA	EUR	74,000	4,558,400.00	1.69
AUBAY	EUR	150,453	6,266,367.45	2.32
BASSAC SA	EUR	18,718	969,592.40	0.36
BASTIDE LE CONFORT MEDICAL	EUR	40,000	1,072,000.00	0.40
BENETEAU	EUR	232,795	2,905,281.60	1.08
CATANA GROUP SA ACT	EUR	1,381,857	7,904,222.04	2.93
CLASQUIN GROUP SA	EUR	37,500	4,631,250.00	1.72
COFACE SA	EUR	498,118	5,897,717.12	2.19
DEKUPLE	EUR	109,700	3,236,150.00	1.20
DELFINEN	EUR	26,463	1,304,625.90	0.48
DELTA PLUS GROUP	EUR	92,046	7,124,360.40	2.64
ETABLISSEMENTS MAUREL ET PROM SA	EUR	1,607,000	9,786,630.00	3.63
FONTAINE PAJOT	EUR	32,289	3,697,090.50	1.37
GEVELOT	EUR	3,926	816,608.00	0.30
GROUPE CRIT	EUR	58,570	4,603,602.00	1.71
GROUPE GUILLIN	EUR	389,000	12,020,100.00	4.46
HERIGE	EUR	75,306	2,485,098.00	0.92
IPSOS SA	EUR	210,000	11,917,500.00	4.42
IT LINK	EUR	21,000	615,300.00	0.23
JACQUET METAL	EUR	491,647	9,636,281.20	3.58
LDC SA	EUR	42,000	5,880,000.00	2.18
MAIRE TECNIMONT	EUR	350,000	1,718,500.00	0.64
MANITOU BF SA	EUR	216,000	5,011,200.00	1.86
MERSEN	EUR	327,000	11,510,400.00	4.27
MOULINVEST	EUR	100,962	2,554,338.60	0.95
NEXANS SA	EUR	113,424	8,988,852.00	3.33
POUJOLAT	EUR	315,941	5,213,026.50	1.93
PUBLICIS GROUPE	EUR	141,000	11,844,000.00	4.39
REXEL SA	EUR	459,000	11,369,430.00	4.22
RHEINMETALL AG	EUR	36,000	10,332,000.00	3.83
SAMSE	EUR	13,000	2,626,000.00	0.97
SECHE ENVIRONNEMENT SA	EUR	61,091	6,720,010.00	2.49
SII	EUR	135,000	9,423,000.00	3.50
STEF-TFE SA	EUR	89,552	10,226,838.40	3.79
SYNERGIE	EUR	127,930	4,503,136.00	1.67
TECHNIP ENER --- BEARER AND REG SHS	EUR	477,000	10,093,320.00	3.74
TECNICAS REUNIDAS	EUR	402,000	3,356,700.00	1.25
TRIGANO	EUR	44,500	6,599,350.00	2.45
VALLOUREC - SHS	EUR	848,000	11,893,200.00	4.41
VERALLIA SASU	EUR	220,000	7,669,200.00	2.85
VIEL ET CIE	EUR	1,007,000	8,559,500.00	3.18
Undertakings for Collective Investment			10,582,481.71	3.93
Shares/Units in investment funds			10,582,481.71	3.93
Euro			10,582,481.71	3.93
INDEP ET EXPANSION EUROPE SMALL CLASSE X (C)	EUR	72,433	10,582,481.71	3.93
Total securities portfolio			268,122,659.82	99.48

INDEPENDANCE & EXPANSION SICAV - EUROPE SMALL

INDEPENDANCE & EXPANSION SICAV - EUROPE SMALL

Statement of net assets as at 31/12/23

	Note	Expressed in EUR 31/12/2023	Expressed in EUR 31/12/2022
Assets		165.807.591,27	69.084.758,44
Securities portfolio at market value		160.683.734,09	67.101.083,25
<i>Cost price</i>	1.2	140.567.466,18	60.946.832,32
Cash at banks and liquidities		2.581.482,59	1.853.224,57
Receivable for investments sold		174.694,07	45.192,45
Receivable on subscriptions		2.367.680,52	85.258,17
Liabilities		3.638.460,97	1.989.695,47
Payable on investments purchased		2.856.830,44	1.017.556,82
Payable on redemptions		99.720,83	23.410,30
Management fees, advisory fees and Management Company fees payable	2	569.463,73	92.903,82
Performance fees payable	3	61.893,07	838.581,32
Other liabilities	6	50.552,88	17.243,21
Net asset value		162.169.130,30	67.095.062,97

INDEPENDANCE & EXPANSION SICAV - EUROPE SMALL

Statement of operations and changes in net assets from 01/01/23 to 31/12/23

	Note	Expressed in EUR 31/12/2023	Expressed in EUR 31/12/2022
Income		2.884.478,60	1.386.033,46
Dividends on securities portfolio, net		2.825.082,57	1.382.596,68
Bank interests on cash accounts		58.608,48	3.415,79
Other income		787,55	20,99
Expenses		2.308.864,35	2.088.193,36
Management fees	2	1.766.124,40	974.077,84
Performance fees	3	61.893,09	838.581,32
Depositary and sub-depositary fees	4	44.097,62	25.962,23
Administration fees		99.574,88	56.639,59
Domiciliary fees		2.017,27	1.435,43
Audit fees		9.800,96	7.069,12
Legal fees		18.572,13	10.984,63
Transaction fees	1.7	214.398,56	107.545,34
Directors fees		6.781,26	7.433,19
Subscription tax ("Taxe d'abonnement")	5	54.922,46	25.850,38
Interests paid on bank overdraft			8.725,69
Banking fees		108,44	
Other expenses	6	30.573,28	23.888,60
Net income / (loss) from investments		575.614,25	-702.159,90
Net realised profit / (loss) on:			
- sales of investment securities	1.2	404.437,39	101.213,77
- foreign exchange	1.3	-275.130,64	-16.930,42
Net realised profit / (loss)		704.921,00	-617.876,55
Net increase / (decrease) in net assets as a result of operations			
- investments	1.2	13.962.016,98	-5.024.063,34
Net increase / (decrease) in net assets as a result of operations		14.666.937,98	-5.641.939,89
Subscriptions of capitalisation shares		100.158.212,64	37.138.411,19
Redemptions of capitalisation shares		-19.751.083,29	-13.280.125,27
Net increase / (decrease) in net assets		95.074.067,33	18.216.346,03
Net assets at the beginning of the year		67.095.062,67	48.878.716,94
Net assets at the end of the year		162.169.130,30	67.095.062,97

INDEPENDANCE & EXPANSION SICAV - EUROPE SMALL

Statistics

		31/12/23	31/12/22	31/12/21
Total Net Assets	EUR	162,169,130.30	67,095,062.97	48,878,716.94
X(C) - EUR - Capitalisation				
Number of shares		99,946.512	88,378.771	74,128.000
Net asset value per share	EUR	146.10	128.85	142.31
A(C) - EUR - Capitalisation				
Number of shares		311,269.638	141,908.335	109,961.000
Net asset value per share	EUR	145.57	128.46	141.94
I(C) - EUR - Capitalisation				
Number of shares		684,655.332	285,745.680	157,581.000
Net asset value per share	EUR	149.34	131.15	144.19

INDEPENDANCE & EXPANSION SICAV - EUROPE SMALL

Changes in number of shares outstanding from 01/01/23 to 31/12/23

	Shares outstanding as at 01/01/23	Shares issued	Shares redeemed	Shares outstanding as at 31/12/23
X(C) - EUR - Capitalisation	88,378.771	19,140.462	7,572.721	99,946.512
A(C) - EUR - Capitalisation	141,908.335	227,809.598	58,448.295	311,269.638
I(C) - EUR - Capitalisation	285,745.680	476,041.604	77,131.952	684,655.332

INDEPENDANCE & EXPANSION SICAV - EUROPE SMALL

Securities portfolio as at 31/12/23

Denomination	Currency	Quantity/ Notional	Market value (in EUR)	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			160,683,734.09	99.08
Shares			160,683,734.09	99.08
Euro			147,402,360.24	90.89
A.L.A. S.P.A.REGISTERED SHS	EUR	265,926	4,241,519.70	2.62
ALTRI SGPS SA	EUR	619,250	2,848,550.00	1.76
AUBAY	EUR	68,706	2,861,604.90	1.76
BASSAC SA	EUR	11,198	580,056.40	0.36
BASTIDE LE CONFORT MEDICAL	EUR	49,435	1,324,858.00	0.82
BFF BANK S.P.A	EUR	305,456	3,152,305.92	1.94
BIFIRE SPA	EUR	156,500	528,970.00	0.33
BILENDI SA	EUR	48,437	755,617.20	0.47
CAMPINE NV	EUR	21,600	1,555,200.00	0.96
CATANA GROUP SA ACT	EUR	559,977	3,203,068.44	1.98
CLINICA BAVIERA	EUR	150,504	3,461,592.00	2.13
COFLE - BEARER AND REG SHS	EUR	166,538	1,365,611.60	0.84
COMER INDUSTRIES S.P.A.	EUR	65,000	1,904,500.00	1.17
DANIELI AND CO SPA NON CONV	EUR	73,610	1,597,337.00	0.98
DEKUPLE	EUR	67,104	1,979,568.00	1.22
DELFINEN	EUR	59,112	2,914,221.60	1.80
EDIL SAN FELICE SPA SOCIETA	EUR	889,498	2,446,119.50	1.51
ELECNOR	EUR	358,621	7,011,040.55	4.32
ETABLISSEMENTS MAUREL ET PROM SA	EUR	751,273	4,575,252.57	2.82
FONTAINE PAJOT	EUR	36,600	4,190,700.00	2.58
GENTILI MOSCONI SPA	EUR	107,605	376,617.50	0.23
GEVELOT	EUR	2,000	416,000.00	0.26
GPI SPA	EUR	36,848	367,374.56	0.23
GROUPE GUILLIN	EUR	145,997	4,511,307.30	2.78
GROUPE SFPI	EUR	513,000	1,002,402.00	0.62
HERIGE	EUR	23,287	768,471.00	0.47
HEXAOM SA	EUR	15,000	292,500.00	0.18
INDEL B REGISTERED	EUR	77,968	1,871,232.00	1.15
INDRA SISTEMAS SA	EUR	264,403	3,701,642.00	2.28
INFOTEL	EUR	24,670	1,307,510.00	0.81
IT LINK	EUR	45,613	1,336,460.90	0.82
JACQUET METAL	EUR	168,326	3,299,189.60	2.03
KNAUS TABBERT AG	EUR	45,793	2,152,271.00	1.33
LACROIX GROUP SA	EUR	47,859	1,426,198.20	0.88
MAIRE TECNIMONT	EUR	1,049,995	5,155,475.45	3.18
MOULINVEST	EUR	49,983	1,264,569.90	0.78
MOURY CONSTRUCT SA	EUR	7,140	2,998,800.00	1.85
OMER - REG SHS	EUR	605,190	1,827,673.80	1.13
OPENJOBMETIS AZ	EUR	250,177	4,002,832.00	2.47
ORIGIN ENTERPRISES PLC	EUR	1,008,601	3,469,587.44	2.14
ORSERO NM AZ. NOMINATIVA	EUR	177,785	3,015,233.60	1.86
PIOVAN S.P.A.	EUR	163,802	1,752,681.40	1.08
POUJOLAT	EUR	138,705	2,288,632.50	1.41
PRIM SA	EUR	223,667	2,337,320.15	1.44
REWAY GROUP S.P.A.	EUR	618,463	3,154,161.30	1.94
RHEINMETALL AG	EUR	11,594	3,327,478.00	2.05
RINGMETALL AG	EUR	164,863	504,480.78	0.31
SAF-HOLLAND - BEARER SHS	EUR	303,056	4,606,451.20	2.84
SCANFIL PLC	EUR	506,808	3,968,306.64	2.45
SCHOELLER BLECKMANN OILFIELD EQUIPMENT	EUR	44,536	1,968,491.20	1.21
SECHE ENVIRONNEMENT SA	EUR	15,115	1,662,650.00	1.03
SII	EUR	70,131	4,895,143.80	3.02

INDEPENDANCE & EXPANSION SICAV - EUROPE SMALL

Securities portfolio as at 31/12/23

Denomination	Currency	Quantity/ Notional	Market value (in EUR)	% of net assets
SIILI SOLUTIONS OYJ	EUR	176,185	1,694,899.70	1.05
STEF-TFE SA	EUR	18,858	2,153,583.60	1.33
TECHNIP ENER --- BEARER AND REG SHS	EUR	216,294	4,576,781.04	2.82
TECNICAS REUNIDAS	EUR	297,657	2,485,435.95	1.53
TOKMANNI GROUP CORP	EUR	90,000	1,315,800.00	0.81
TRIGANO	EUR	16,502	2,447,246.60	1.51
VALLOUREC - SHS	EUR	232,870	3,266,001.75	2.01
VIEL ET CIE	EUR	227,738	1,935,773.00	1.19
Norwegian krone			11,311,475.11	6.98
ELOPAK ASA	NOK	1,888,298	5,048,116.62	3.11
GRIEG SEAFOOD ASA	NOK	317,644	1,930,081.86	1.19
KITRON ASA	NOK	1,453,976	4,333,276.63	2.67
Swedish krona			1,969,898.74	1.21
DUNI AB	SEK	210,578	1,969,898.74	1.21
Total securities portfolio			160,683,734.09	99.08

INDEPENDANCE & EXPANSION SICAV
Other notes to the financial statements

INDEPENDANCE & EXPANSION SICAV

Other notes to the financial statements

1 - Principal accounting policies

1.1 - Presentation of the financial statements

"Valuation Day(s)" for the Europe sub-fund and is calculated on each Business Day for the France and Europe sub-funds from 19 March 2021.

The financial statements of the Fund are prepared in accordance with the regulations and generally accepted accounting principles in force in Luxembourg concerning Undertakings for Collective Investment in Transferable Securities and in accordance with the legal and regulatory provisions relative to the preparation and presentation of financial statements.

1.2 - Portfolio valuation

The value of any transferable security and/or money market instrument that is listed on an official market or traded on another regulated market is determined according to its latest available price unless this price is not representative.

If transferable securities held in the portfolio on the Valuation Day are not quoted or traded on a stock exchange or a regulated market or if, for securities quoted or traded on a stock exchange or other regulated market, the value of all the assets for which the price determined in accordance with the previous paragraph is not representative of the real value determined based on the probable realizable value, this must be determined prudently and in good faith by the Board of Directors of the Fund.

The net profits and losses made upon sale of securities are determined based on the average cost.

Details regarding movements of securities portfolio during the period ending 31 December 2023 can be obtained, free of charge, from the registered office of the Fund.

1.3 - Foreign currency translation

The reference currency of the combined statements of the Fund is the Euro.

The value of the securities in the portfolio and the other assets and liabilities expressed in other currencies than the base currency of the sub-fund, are converted at the exchange rates in force on 31 December 2023. The acquisition cost of securities in the portfolio and the transactions expressed in currencies other than the base currency of each sub-fund are converted at the exchange rates in force on the date of acquisition or the transaction.

The exchange rates applied on 31 December 2023 are the following:

1 EUR = 11.2405 NOK 1 EUR = 11.096 SEK

1.4 - Combined financial statements

The combined statements are the sum of the statements of each sub-fund.

As of the 31 December 2023, the sub-fund INDEPENDANCE ET EXPANSION SICAV - FRANCE SMALL invested in the X(C) share class of the sub-fund INDEPENDANCE ET EXPANSION SICAV - EUROPE SMALL for a total amount of EUR 10,582,481,71 i.e. 3.93% of the NAV of the investor compartment.

The net consolidated assets of the fund as of the end of the exercise would amount to EUR 421.117.875,93 without this investment.

The value of these cross-investments is excluded from the average net asset base used to calculate management fees.

Sub-funds	Cross investment	Amount (in EUR)
INDEPENDANCE & EXPANSION SICAV - FRANCE SMALL	INDEPENDANCE ET EXPANSION - EUROPE SMALL CLASSE X (C)	10,582,481.71
		10,582,481.71

1.5 - Dividend and interest income

The dividends are recorded net as income on the dividend ex-date.

1.6 - Interest paid

Interest is charged on overdrafts and deposits.

INDEPENDANCE & EXPANSION SICAV

Other notes to the financial statements

1 - Principal accounting policies

1.7 - Transaction fees

The transaction fees include all fees related to transactions on the securities portfolio, namely brokerage fees, forex futures fees, stock-market fees, processing fees, settlement fees and commercial fees related to transactions on the securities portfolio. These fees are recognised under "Transaction fees" in the Statement of Transactions and Variations in Net Assets.

2 - Management fees

The rates applicable as at December 31, 2023 are as follows:

In payment for its management, the Management Company receives a management commission, specified in the articles of association, deducted from the net assets of the sub-funds of the Fund, collected by twelfths, monthly, based on the average of the net assets of the sub-funds calculated and published during the month.

The amount of maximum annual management commission is as follows :

	INDEPENDANCE ET EXPANSION SICAV - FRANCE SMALL	INDEPENDANCE ET EXPANSION SICAV - EUROPE SMALL
Classe X(C)	1,95%	1,95%
Classe A(C)	1,95%	1,95%
Classe I(C)	1,40%	1,40%

3 - Performance fees

Other than the management commission that it receives, the Management Company is also entitled to a profit share in the performance of its management each time that the algebraic difference between the variation of the net asset value per share of the sub-fund during the financial year and the variation of a market index (CAC Mid & Small NR for the sub-fund INDEPENDANCE ET EXPANSION SICAV - FRANCE SMALL, and Stoxx ® Europe Ex UK Small NR for the sub-fund INDEPENDANCE ET EXPANSION SICAV - EUROPE SMALL) during the same financial year is positive."

The profit share for the financial year is composed of the algebraic sum of the profit share calculated each Valuation Day during this financial year.

The characteristics of the performance fee are detailed in the complete prospectus for the Fund dated May 2023.

Sub-Funds	Share Class	ISIN Code	Sub-Fund currency	Amount of performance fees as at 31/12/23 (in Sub-Fund currency)	Average NAV of the Share Class (in Sub-Fund currency)	% in the Share Class average NAV
INDEPENDANCE ET EXPANSION SICAV – FRANCE SMALL	Classe X (C)	LU0104337620	EUR	951.871,72	117.509.208,30	0,81
	Classe A (C)	LU0131510165		749.760,00	89.538.980,23	0,84
	Classe I (C)	LU1964632324		319.389,14	33.656.358,53	0,95
INDEPENDANCE ET EXPANSION SICAV – EUROPE SMALL	Classe X (C)	LU1832174889	EUR	7.240,30	13.026.764,69	0,06
	Classe A (C)	LU1832174962		7.885,52	30.130.297,89	0,03
	Classe I (C)	LU1832175001		46.767,27	64.717.914,70	0,07

As at 31 December 2023, the performance fee for the sub-fund EUROPE SMALL is amounted to EUR 61.893,09 and EUR 2.021.020,86 for the sub-fund FRANCE SMALL.

4 - Depositary fees

CACEIS Bank, Luxembourg Branch receives, as Custodian Bank and Administrative Agent, also acting in the capacity of domiciliation agent, paying agent, listing agent, transfer agent and registrar, a commission of 0.15% per year maximum on the net asset value of the sub-fund. It is payable monthly.

INDEPENDANCE & EXPANSION SICAV

Other notes to the financial statements

5 - Subscription tax ("*Taxe d'abonnement*")

The fund is subject to a Luxembourg tax, the subscription tax, at a rate of 0.01% per year on net assets, concerning the classes of actions reserved for Institutional Investors and 0.05% on net assets concerning the classes of actions intended for shareholders other than Institutional Investors, payable at the end of each quarter and calculated on the amount of net assets of the sub-funds at the end of each quarter.

The portion of assets in other UCIs, in which the Fund may invest, organised under Luxembourg law is totally exempt from subscription tax if it is already subject to this tax.

6 - Other liabilities

INDEPENDANCE ET EXPANSION SICAV - FRANCE SMALL	31/12/23 EUR	31/12/22 EUR
Subscription tax	20.598,04	14.762,33
Custodian bank commission	6.228,77	5.551,04
Administrative agent commission	6.329,74	5.332,22
Professional fees	21.665,07	18.468,46
Others expenses	27.417,65	-
TOTAL	82.239,27	44.114,05

INDEPENDANCE ET EXPANSION SICAV - EUROPE SMALL	31/12/23 EUR	31/12/22 EUR
Subscription tax	18.812,44	7.248,37
Custodian bank commission	3.614,20	1.780,93
Administrative agent commission	4.526,80	2.818,80
Professional fees	9.563,08	5.395,11
Others expenses	14.036,36	-
TOTAL	50.552,88	17.243,21

7 - Significant events during the year

Change of management company

Following the merger-acquisition on the effective date of April 21, 2023, the management company Indépendance et Expansion AM S.A. has been replaced by Indépendance AM S.A.S.

Changes of sub-funds names

The name of the "INDEPENDANCE ET EXPANSION SICAV - FRANCE" sub-fund has been replaced by "INDEPENDANCE ET EXPANSION SICAV - FRANCE SMALL", and "INDEPENDANCE ET EXPANSION SICAV - EUROPE" has been replaced by "INDEPENDANCE ET EXPANSION SICAV - EUROPE SMALL".

Organisation and administration

Appointment of Mr. Alain Picherit and Ms. Sandrine Dubois as directors on May 5, 2023, replacing Mrs. Frédérique Lundgren-Bouchet and Mr. Marc Gouget, for a period of one year until the next Ordinary General Meeting in 2024.

War in Ukraine

The war in Ukraine is contributing to the environment of high uncertainty and volatility on the financial markets.

8 - Subsequent events

On March 22, 2024, the Board of Directors of the SICAV decided to convene an extraordinary general meeting of the SICAV's shareholders on April 16, 2024 to propose a change in the name of the Company to "Indépendance AM SICAV". This change in the name of the SICAV also requires an amendment to the Articles of Association and an update of the Prospectus to reflect the proposed amendment to the Articles of Association.

INDEPENDANCE & EXPANSION SICAV
Additional unaudited information

INDEPENDANCE & EXPANSION SICAV

Additional unaudited information

Remuneration policy

The management company has prepared a remuneration policy in accordance with the law. A report providing relevant information on the application of the remuneration policy is available upon request and without charge at the registered office of the management company.

For the period from 1 January 2023 to 31 December 2023, the following tables show:

- the share of the total remuneration paid or to be paid³⁾ to employees of the management company, divided between fixed remuneration and variable remuneration ^{2) 3)}
- the share of the total remuneration paid or to be paid³⁾ to identified personnel¹⁾ who are relevant for the Company based on a proportional distribution of the total remuneration paid to employees of the Management Company / remuneration paid to identified personnel in relation to the average net asset value of the Company in relation to the average net assets of all the AIF and UCITS managed by the Management Company.

Remuneration paid by the Management Company over the 2023 financial year

Personnel	Number of persons ¹⁾	Fixed Gross Remuneration ²⁾	Variable Gross Remuneration ³⁾
Senior management	5	354 000.00	105 000.00
Total	5	354 000.00	105 000.00

Remuneration paid by the SICAV over 2023

Personnel	Number of persons ¹⁾	Fixed Gross Remuneration ²⁾	Variable Gross Remuneration ³⁾
Independent Directors	2	0	50 000.00

¹⁾ The identified personnel designate the general management and the members of the personnel of the Management Company whose actions have a significant impact on the risk profile of the company.

²⁾ Fixed remuneration designates the total fixed salaries and other fixed benefits such as meal vouchers and pension contributions.

³⁾ Variable remuneration gives the bonuses related to performance (recognised in the annual financial statements of the Management Company on 31 December 2023 and paid to employees).

Following the review of the company remuneration policy in 2023 and its implementation, no irregularities were identified and no significant changes were made to the remuneration policy apart from the introduction of a company savings plan applicable to employees of the branch.

INDEPENDANCE & EXPANSION SICAV

Additional unaudited information

Global Risk Exposure

The sub-funds use the approach through commitments in order to control and measure the overall risk.

INDEPENDANCE & EXPANSION SICAV

Additional unaudited information

Securities Financing Transactions Regulation (SFTR) Disclosures

The Fund does not use any financial instrument coming within the scope of application of the SFTR regulation.

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: France Sub-Fund (“the Sub-Fund”)

Legal entity identifier: 222100FDYXYX0VQHI23

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

☒ ☒ ☐ **Yes**

☐ It made **sustainable investments with an environmental objective:** ____%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective:** ____%

☒ ☐ ☒ **No**

☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments

☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The characteristics promoted by the Sub-Fund were met in the manner set out below under “How did the sustainability indicator perform”. In making investments for the Sub-Fund, Indépendance AM S.A.S. (the Manager) has considered the impact the social and environmental criteria promoted.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

● ***How did the sustainability indicators perform?***

Over the disclosure period the Sub-Fund has measured the companies in which investments were made by using our analysis filters framework.

This framework scores the impact of companies across 13 criteria divided into 30 qualitative and quantitative indicators. Scores are on a scale of 1 to 100.

The average score of an investment made by the Fund shall not be lower than 50%. In social evaluation, the following criteria are measured:

- Working conditions
- Skills development
- Diversity of workforce
- Job creation
- Progress approach

In environmental evaluation, the following criteria are measured:

- Carbon footprint and intensity
- Energy consumption
- Water and waste management
- Progress approach

The Sub-Fund ensures that at least 90% of the companies in the portfolio undergo an analysis and extra-financial rating.

For further details on the indicators used in our framework we refer to the Sub-Fund Policy for Responsible Investments (as updated from time to time), which is published on the Sub-Fund's website [Présentation PowerPoint \(independance-am.com\)](http://independance-am.com)

The Impact Score of the main portfolio companies held by the Fund is as follows:

Social scores:

		Moyenne ETI cotées*	Années			Évol. 3 ans
			N	N-1	N-2	
DIVERSITÉ DE L'FFECTIF	Représentation des femmes au sein de l'effectif cadre : part des femmes dans l'effectif cadre / part des femmes dans l'effectif	0,86	1,02	0,89	0,87	↗
	Capacité de l'entreprise à promouvoir la diversité et l'inclusion au sein de l'entreprise : part des salariés en situation de handicap	2,40%	2,80%	2,80%	3,00%	=
CONDITIONS DE TRAVAIL ET DÉVELOPPEMENT DES COMPÉTENCES	Capacité de l'entreprise à développer les compétences de ses salariés : nombre moyen d'heures de formation par salarié	17	15	13	11	↗
	Capacité de l'entreprise à développer des conditions de travail satisfaisantes : taux d'absentéisme	3,90%	4,60%	4,40%	4,70%	=
	Capacité de l'entreprise à développer des conditions de travail satisfaisantes/préserver l'emploi : taux de rotation de l'emploi	18,30%	19,40%	19,10%	19,00%	↘
CRÉATIONS D'EMPLOIS	Capacité de l'entreprise à générer des emplois sur les 3 dernières années : croissance moyenne nette des effectifs sur 3 ans	n.a.	23%			↗

* Moyenne année N des 380 ETI Françaises cotées, notées par ÉthiFinance.

Environmental scores:

		Moyenne ETI cotées*	Années			Évol. 3 ans
			N	N-1	N-2	
ÉMISSIONS DE GAZ À EFFETS DE SERRE	Emissions de gaz à effet de serre (GES) directes (périmètre 1) et indirectes (périmètre 2) : émissions de GES (tonnes CO2 éq.) moyen par M€ de C.A.	94	118	52	56	↘
	Consommation d'énergie générée par l'activité de l'entreprise : consommation d'énergie en MWh par M€ de C.A.	284	248	249	287	↗
DÉMARCHE DE PROGRÈS	Démarches de progrès et initiatives en faveur de l'environnement : plan d'actions en faveur des économies d'énergie et de réduction des émissions de gaz à effet de serre.	80%	93%	90%	82%	↗
	Démarches de progrès et initiatives en faveur de l'environnement : initiatives/ actions pour diminuer la quantité d'intrants/ consommables et de déchets.	69%	83%	88%	73%	↘

* Moyenne année N des 380 ETI Françaises cotées, notées par ÉthiFinance.

...and compared to previous periods?

The dissemination rate of social and environmental data has significantly increased compared to last year.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The sub-fund's investments are classified on the one hand according to the activities eligible for the taxonomy and on the other hand according to the activities identified as engaged in the energy transition. Some issuers were not reporting the

proportion of their “green” activities are not necessarily “unsustainable”. This is why we add the “other durability” part. We characterize a sustainable investment when the activity contributes to an environmental and/or social objective, measured by indicators of resources, waste, biodiversity and social indicators.

France Small therefore holds 12% of turnover eligible for the green taxonomy and 7% other sustainability. Which represents a share of 19% in sustainable investment

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Indépendance AM investment team applies several extra-financial filters.

The first is our **exclusion policy**. Indépendance AM ensures that no investment is made in activities with a proven negative impact on individuals, societies and the environment (controversial weapons, coal, gambling, United Nations pact, tobacco).

The second filter corresponds to the **integration of transition risks**. We add this diagnosis to the strategic analysis of the company in order to avoid a decline in the value of assets and/or to seize long-term economic opportunities. The Investment team integrates transition risks into its investment decision-making process on a case-by-case basis, across regulation, markets, technology and reputation.

The third filter is the **selection of companies with an ESG rating greater than 50/100** with the update of the table of the **principal adverse impacts** (SFDR Appendix 1) of each issuer in the portfolio in order to provide transparency on the integration of sustainability risks into investment decisions and key negative impacts at entity level.

Finally, and beyond these three filters, Indépendance AM ensures a final filter, that of monitoring controversies in order to identify additional extra-financial risks of companies that would not be reflected in the ESG analysis.

How were the indicators for adverse impacts on sustainability factors taken into account?

During the third extra-financial filter, the Indépendance AM investment team updates the table of the principal adverse impacts of each issuer in the portfolio. The applied indicators of negative impacts on sustainability are:

N°1: GHG emissions

N°2: Carbon footprint

N°3: GHG intensity of investee companies

N°4: Exposure to companies operating in the fossil fuel sector

N°5: Share of non-renewable energy consumption and production

N°6: Energy consumption intensity per high climate impact sector

N°7: Activities negatively impacting high climate impact sectors

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

N°8: Water consumption

N°9: Hazardous waste ratio

N°10: Violations of the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises Lack of processes and compliance mechanisms with the UN Global

N°11: Compact principles and the OECD Guidelines for Multinational Enterprises

N°12: Gender pay gap

N°13: Board diversity

N°14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)

N°15: Lack of grievance or complaint mechanisms concerning personnel issues

When selecting companies with ratings above 50/100, the analysis/manager gathers all non-financial information about the entity to understand the risks the companies face. Simultaneously, the Investment team has identified more than 30 ESG criteria, both qualitative and quantitative, derived from internal analyses and external data. These data are enriched and supplemented by the team's regular meetings with the executives of the companies they monitor. The weighted average of the 30 criteria, divided into 13 categories, determines a rating. This ESG rating, presented at the Investment Committees, must be equal to or above the minimum threshold of 50/100.

— — *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Sustainable investments are in line with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities.

The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.



How did this financial product consider principal adverse impacts on sustainability factors? *[include section if the financial product considered principal adverse impacts on sustainability factors]*

The Risk and Compliance Department monitored controversies affecting companies based on various external data sources. This information was supplemented by the ongoing monitoring by the investment team of the daily and industry press for all companies in the portfolios.

During the analysis period, a controversy was identified for the portfolio companies without triggering any particular action because the cause was classified as low risk.



What were the top investments of this financial product?

NAME	NACE 1	Weight	Country
GROUPE GUILLIN	C - INDUSTRIE MANUFACTURIÈRE	4,81%	France
IPSOS	M - ACTIVITÉS SPÉCIALISÉES	4,77%	France
PUBLICIS	M - ACTIVITÉS SPÉCIALISÉES	4,74%	France
MERSEN	C - INDUSTRIE MANUFACTURIÈRE	4,61%	France
REXEL	C - INDUSTRIE MANUFACTURIÈRE	4,55%	France
RHEINMETALL	C - INDUSTRIE MANUFACTURIÈRE	4,14%	Germany
STEF	H - TRANSPORTS ET ENTREPOSAGE	4,10%	France
TECHNIP ENERGIES	B - INDUSTRIES EXTRACTIVES	4,04%	France
MAUREL & PROM	B - INDUSTRIES EXTRACTIVES	3,92%	France
CATANA	C - INDUSTRIE MANUFACTURIÈRE	3,86%	France
SII	J - INFORMATION ET COMMUNICATION	3,77%	France
NEXANS	C - INDUSTRIE MANUFACTURIÈRE	3,60%	France
JACQUET METAL	G - COMMERCE; RÉPARATION D'AUTOMOBILES ET DE MOTOCYCLES	3,15%	France
VERALLIA	C - INDUSTRIE MANUFACTURIÈRE	3,07%	France
DELTA PLUS	C - INDUSTRIE MANUFACTURIÈRE	2,85%	France

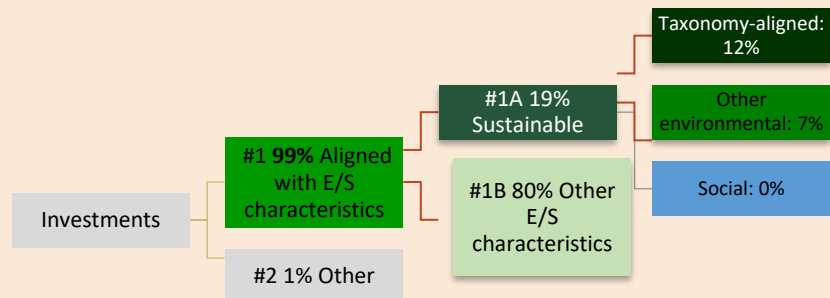
What was the proportion of sustainability-related investments?

The proportion of sustainable-related investments was 99% as of 31/12/2023.

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.





#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● In which economic sectors were the investments made?

NACE 1	NACE 2	Poids (%)
C - MANUFACTURING	C22 - Manufacture of rubber and plastic products	4,47
M - PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	M73 - Advertising and market research	8,83
C - MANUFACTURING	C24 - Manufacture of basic metals	4,42
C - MANUFACTURING	C20 - Manufacture of chemicals and chemical products	4,28
C - MANUFACTURING	C27 - Manufacture of electrical equipment	7,56
C - MANUFACTURING	C30 - Manufacture of other transport equipment	9,23
H - TRANSPORTATION AND STORAGE	H49 - Land transport and transport via pipelines	3,8
B - MINING AND QUARRYING	B09 - Mining support service activities	3,75
B - MINING AND QUARRYING	B06 - Extraction of crude petroleum and natural gas	3,64
G - WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR	G46 - Wholesale on a fee or contract basis	3,58
J - INFORMATION AND COMMUNICATION	J62 - Computer programming, consultancy and related activities	3,5
K - FINANCIAL AND INSURANCE ACTIVITIES	K66 - Activities auxiliary to financial services and insurance	4,87
C - MANUFACTURING	C23 - Manufacture of other non-metallic mineral p	2,85
C - MANUFACTURING	C14 - Manufacture of wearing apparel	2,65
E - WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND	E38 - Waste collection, treatment and disposal activities; materials	2,5
C - MANUFACTURING	C29 - Manufacture of motor vehicles, trailers and semi-trailers	2,93
J - INFORMATION AND COMMUNICATION	J58 - Publishing activities	2,33
K - FINANCIAL AND INSURANCE ACTIVITIES	K65 - Insurance, reinsurance and pension funding, except compulsory	2,19
C - MANUFACTURING	C10 - Manufacture of food products	2,18
C - MANUFACTURING	C25 - Manufacture of fabricated metal products, except machinery	1,94
C - MANUFACTURING	C28 - Manufacture of machinery and equipment n.e.c.	2,16
H - TRANSPORTATION AND STORAGE	H51 - Air transport	1,72
N - ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	N78 - Employment activities	3,38
F - CONSTRUCTION	F42 - Civil engineering	0,89
G - WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR	G47 - Retail trade, except of motor vehicles and motorcycles	2,18
C - MANUFACTURING	C16 - Woodworking and manufacture of wood and cork products cork	0,95
F - CONSTRUCTION	F41 - Construction of buildings	0,92
Q - HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	Q86 - Human health activities	0,4
L - REAL ESTATE ACTIVITIES	L68 - Real estate activities	0,36
J - INFORMATION AND COMMUNICATION	J63 - Information services	0,23



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

CA (%)	CAPEX (%)	OPEX (%)
3	5	2

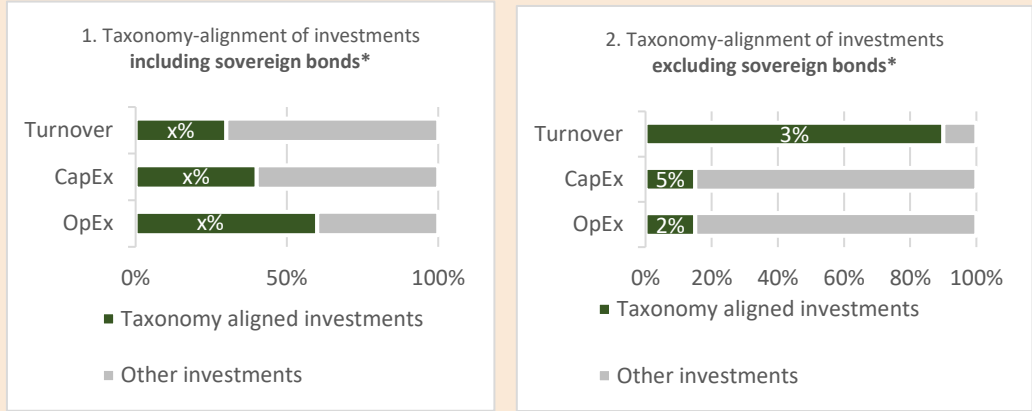
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Enabling activities directly enable other activities to make a substantial contribution to an

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● What was the share of investments made in transitional and enabling activities?

The shares of activities that directly allow other activities to make a substantial contribution to the achievement of an environmental objective and of activities for which there are not yet low-carbon alternatives and, inter alia, whose levels greenhouse gas emissions corresponding to the best achievable performance could not be precisely identified. This ventilation work has not been carried out to date.

● How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods

Not applicable



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments whose objective does not comply with the EU taxonomy represents 7% of the France Small compartment. Some issuers not reporting the proportion of their “green” activities are not necessarily “unsustainable”.



What was the share of socially sustainable investments?



A set of classification rules for socially sustainable economic activities must be developed with three general social objectives for consumers, employees, communities, and society as a whole (decent work, adequate living standards, and protection of end users, sustainable communities, and societies). To date, we do not have the calculation methodology to represent the share of socially sustainable investments.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

One single investment couldn't be rated:

IT Link (FR0000072597), representing 0,23% of the portfolio

Liquidities represent 0,77% of the portfolio.

These elements do not indicate whether there are minimum environmental or social safeguards.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

- As part of the Investment Management Process, the Manager has given each investee companies an ESG Score based on the defined ESG Framework;
- As part of Portfolio Management, the Manager had meeting with over 500 potential investee companies. These meetings are opportunities for the investment team to encourage companies to take into account governance, social and environmental issues, to adopt better practices and to have more transparency;
- As part of the internal ESG management, new tools were evaluated and discussions are ongoing with the ESG data provider to enhance the quality ;
- Publication of sub-fund exposure to UN Sustainable Development Goals;
- Formalization and publication of our Principal Adverse Impacts (PAI) via the European ESG Template (EET) reporting.



How did this financial product perform compared to the reference benchmark?

Not applicable

How does the reference benchmark differ from a broad market index?

Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable

- ***How did this financial product perform compared with the broad market index?***

Not applicable

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Europe Sub-Fund (“the Sub-Fund”)

Legal entity identifier: 222100B13I8GXUT8FV32

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*



Yes



It made **sustainable investments with an environmental objective:** ____%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It made **sustainable investments with a social objective:** ____%



No



It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The characteristics promoted by the Sub-Fund were met in the manner set out below under “How did the sustainability indicator perform”. In making investments for the Sub-Fund, Indépendance AM S.A.S. (the Manager) has considered the impact the social and environmental criteria promoted.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

● ***How did the sustainability indicators perform?***

Over the disclosure period the Sub-Fund has measured the companies in which investments were made by using our analysis filters framework.

This framework scores the impact of companies across 13 criteria divided into 30 qualitative and quantitative indicators. Scores are on a scale of 1 to 100.

The average score of an investment made by the Fund shall not be lower than 50%. In social evaluation, the following criteria are measured:

- Working conditions
- Skills development
- Diversity of workforce
- Job creation
- Progress approach

In environmental evaluation, the following criteria are measured:

- Carbon footprint and intensity
- Energy consumption
- Water and waste management
- Progress approach

The Sub-Fund ensures that at least 90% of the companies in the portfolio undergo an analysis and extra-financial rating.

For further details on the indicators used in our framework we refer to the Sub-Fund Policy for Responsible Investments (as updated from time to time), which is published on the Sub-Fund's website [Présentation PowerPoint \(independance-am.com\)](http://independance-am.com)

The Impact Score of the main portfolio companies held by the Fund is as follows:

Social scores:

		Moyenne ETI cotées*	Années			Évol. 3 ans
			N	N-1	N-2	
DIVERSITÉ DE L'FFECTIF	Représentation des femmes au sein de l'effectif cadre : part des femmes dans l'effectif cadre / part des femmes dans l'effectif	0,86	1,02	0,89	0,87	↗
	Capacité de l'entreprise à promouvoir la diversité et l'inclusion au sein de l'entreprise : part des salariés en situation de handicap	2,40%	2,80%	2,80%	3,00%	=
CONDITIONS DE TRAVAIL ET DÉVELOPPEMENT DES COMPÉTENCES	Capacité de l'entreprise à développer les compétences de ses salariés : nombre moyen d'heures de formation par salarié	17	15	13	11	↗
	Capacité de l'entreprise à développer des conditions de travail satisfaisantes : taux d'absentéisme	3,90%	4,60%	4,40%	4,70%	=
	Capacité de l'entreprise à développer des conditions de travail satisfaisantes/préserver l'emploi : taux de rotation de l'emploi	18,30%	19,40%	19,10%	19,00%	↘
CRÉATIONS D'EMPLOIS	Capacité de l'entreprise à générer des emplois sur les 3 dernières années : croissance moyenne nette des effectifs sur 3 ans	n.a.	23%			↗

* Moyenne année N des 380 ETI Françaises cotées, notées par ÉthiFinance.

Environmental scores:

		Moyenne ETI cotées*	Années			Évol. 3 ans
			N	N-1	N-2	
ÉMISSIONS DE GAZ À EFFETS DE SERRE	Emissions de gaz à effet de serre (GES) directes (périmètre 1) et indirectes (périmètre 2) : émissions de GES (tonnes CO2 éq.) moyen par M€ de C.A.	94	118	52	56	↘
	Consommation d'énergie générée par l'activité de l'entreprise : consommation d'énergie en MWh par M€ de C.A.	284	248	249	287	↗
DÉMARCHE DE PROGRÈS	Démarches de progrès et initiatives en faveur de l'environnement : plan d'actions en faveur des économies d'énergie et de réduction des émissions de gaz à effet de serre.	80%	93%	90%	82%	↗
	Démarches de progrès et initiatives en faveur de l'environnement : initiatives/ actions pour diminuer la quantité d'intrants/ consommables et de déchets.	69%	83%	88%	73%	↘

* Moyenne année N des 380 ETI Françaises cotées, notées par ÉthiFinance.

...and compared to previous periods?

The dissemination rate of social and environmental data has significantly increased compared to last year.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The sub-fund's investments are classified on the one hand according to the activities eligible for the taxonomy and on the other hand according to the activities identified as engaged in the energy transition. Some issuers were not reporting the

proportion of their “green” activities are not necessarily “unsustainable”. This is why we add the “other durability” part. We characterize a sustainable investment when the activity contributes to an environmental and/or social objective, measured by indicators of resources, waste, biodiversity and social indicators.

Europe Small therefore holds 9% of turnover eligible for the green taxonomy and 11% other sustainability. Which represents a share of 20% in sustainable investment

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Indépendance AM investment team applies several extra-financial filters.

The first is our **exclusion policy**. Indépendance AM ensures that no investment is made in activities with a proven negative impact on individuals, societies and the environment (controversial weapons, coal, gambling, United Nations pact, tobacco).

The second filter corresponds to the **integration of transition risks**. We add this diagnosis to the strategic analysis of the company in order to avoid a decline in the value of assets and/or to seize long-term economic opportunities. The Investment team integrates transition risks into its investment decision-making process on a case-by-case basis, across regulation, markets, technology and reputation.

The third filter is the **selection of companies with an ESG rating greater than 50/100** with the update of the table of the **principal adverse impacts** (SFDR Appendix 1) of each issuer in the portfolio in order to provide transparency on the integration of sustainability risks into investment decisions and key negative impacts at entity level.

Finally, and beyond these three filters, Indépendance AM ensures a final filter, that of monitoring controversies in order to identify additional extra-financial risks of companies that would not be reflected in the ESG analysis.

How were the indicators for adverse impacts on sustainability factors taken into account?

During the third extra-financial filter, the Indépendance AM investment team updates the table of the principal adverse impacts of each issuer in the portfolio. The applied indicators of negative impacts on sustainability are:

N°1: GHG emissions

N°2: Carbon footprint

N°3: GHG intensity of investee companies

N°4: Exposure to companies operating in the fossil fuel sector

N°5: Share of non-renewable energy consumption and production

N°6: Energy consumption intensity per high climate impact sector

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

N°7: Activities negatively impacting high climate impact sectors

N°8: Water consumption

N°9: Hazardous waste ratio

N°10: Violations of the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises Lack of processes and compliance mechanisms with the UN Global

N°11: Compact principles and the OECD Guidelines for Multinational Enterprises

N°12: Gender pay gap

N°13: Board diversity

N°14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)

N°15: Lack of grievance or complaint mechanisms concerning personnel issues

When selecting companies with ratings above 50/100, the analysis/manager gathers all non-financial information about the entity to understand the risks the companies face. Simultaneously, the Investment team has identified more than 30 ESG criteria, both qualitative and quantitative, derived from internal analyses and external data. These data are enriched and supplemented by the team's regular meetings with the executives of the companies they monitor. The weighted average of the 30 criteria, divided into 13 categories, determines a rating. This ESG rating, presented at the Investment Committees, must be equal to or above the minimum threshold of 50/100.

— — *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Sustainable investments are in line with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities.

The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.



How did this financial product consider principal adverse impacts on sustainability factors?

The Risk and Compliance Department monitored controversies affecting companies based on various external data sources. This information was supplemented by the ongoing monitoring by the investment team of the daily and industry press for all companies in the portfolios.

During the analysis period, a controversy was identified for the portfolio companies without triggering any particular action because the cause was classified as low risk.



What were the top investments of this financial product?

NAME	NACE 1	Weight	Country
ELECNOR	F - CONSTRUCTION	4,32%	Spain
MAIRE	F - CONSTRUCTION	3,18%	Italy
ELOPAK	C - INDUSTRIE MANUFACTURIÈRE	3,11%	Norway
SII	J - INFORMATION ET COMMUNICATION	3,02%	France
SAF-HOLLAND	C - INDUSTRIE MANUFACTURIÈRE	2,84%	Germany
TECHNIP ENERGIES	B - INDUSTRIES EXTRACTIVES	2,82%	FRance
MAUREL & PROM	B - INDUSTRIES EXTRACTIVES	2,82%	France
GROUPE GUILLIN	C - INDUSTRIE MANUFACTURIÈRE	2,78%	France
KITRON	C - INDUSTRIE MANUFACTURIÈRE	2,67%	Norway
ALA	C - INDUSTRIE MANUFACTURIÈRE	2,61%	Italy
FONTAINE PAJOT	C - INDUSTRIE MANUFACTURIÈRE	2,58%	France
OPENJOBMETIS	J - INFORMATION ET COMMUNICATION	2,47%	Italy
SCANFIL	C - INDUSTRIE MANUFACTURIÈRE	2,45%	Finland
INDRA SISTEMAS	J - INFORMATION ET COMMUNICATION	2,28%	Spain
CLINICA BAVIERA	Q - SANTÉ HUMAINE ET ACTION SOCIALE	2,15%	Germany
ORIGIN ENTERPRISES	C - INDUSTRIE MANUFACTURIÈRE	2,14%	Irland

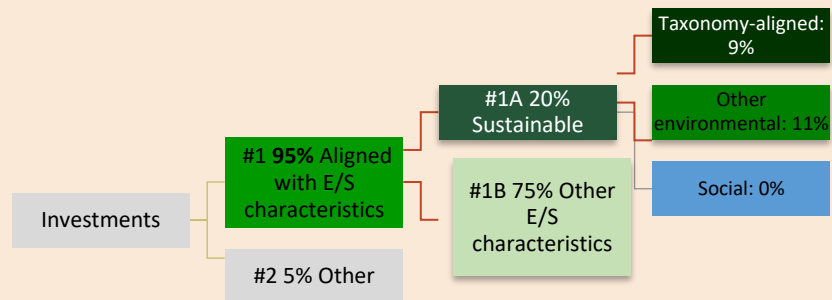
What was the proportion of sustainability-related investments?

The proportion of sustainable-related investments was 95% as of 31/12/2023.



● What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● In which economic sectors were the investments made?



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

NACE 1	NACE 2	Poids (%)
A - AGRICULTURE, FORESTRY AND FISHING	A03 - Fishing and aquaculture	1,2
B - MINING AND QUARRYING	B06 - Extraction of crude petroleum and natural gas	2,83
B - MINING AND QUARRYING	B09 - Mining support service activities	4,05
C - MANUFACTURING	C10 - Manufacture of food products	2,15
C - MANUFACTURING	C14 - Manufacture of wearing apparel	0,23
C - MANUFACTURING	C16 - Manufacture of wood and of products of wood and cork	0,78
C - MANUFACTURING	C17 - Manufacture of paper and paper products	4,89
C - MANUFACTURING	C20 - Manufacture of chemicals and chemical products	0,96
C - MANUFACTURING	C22 - Manufacture of rubber and plastic products	2,79
C - MANUFACTURING	C23 - Manufacture of other non-metallic mineral products	1,13
C - MANUFACTURING	C24 - Manufacture of basic metals	3,01
C - MANUFACTURING	C25 - Manufacture of fabricated metal products, except machinery and equipment	1,73
C - MANUFACTURING	C26 - Computer product manufacturing	1,16
C - MANUFACTURING	C27 - Manufacture of electrical equipment	6,02
C - MANUFACTURING	C28 - Manufacture of machinery and equipment n.e.c.	3,15
C - MANUFACTURING	C29 - Manufacture of motor vehicles, trailers and semi-trailers	8,35
C - MANUFACTURING	C30 - Manufacture of other transport equipment	6,64
C - MANUFACTURING	C32 - Other manufacturing	7,77
E - WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES	E38 - Waste collection, treatment and disposal activities; materials recovery	1,03
F - CONSTRUCTION	F41 - Construction of buildings	0,66
F - CONSTRUCTION	F42 - Civil engineering	14,39
G - WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	G46 - Wholesale on a fee or contract basis	3,91
G - WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	G47 - Retail trade, except of motor vehicles and motorcycles	2,04
H - TRANSPORTATION AND STORAGE	H49 - Land transport and transport via pipelines	1,33
J - INFORMATION AND COMMUNICATION	J58 - Publishing activities	2,58
J - INFORMATION AND COMMUNICATION	J62 - Computer programming, consultancy and related activities	5,32
J - INFORMATION AND COMMUNICATION	J63 - Information service activities	4,36
K - FINANCIAL AND INSURANCE ACTIVITIES	K64 - Financial service activities, except insurance and pension funding	1,95
K - FINANCIAL AND INSURANCE ACTIVITIES	K66 - Activities auxiliary to financial services and insurance activities	1,2
L - REAL ESTATE ACTIVITIES	L68 - Real estate activities	0,36
M - PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	M73 - Advertising and market research	0,47
Q - HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	Q86 - Human health activities	0,05

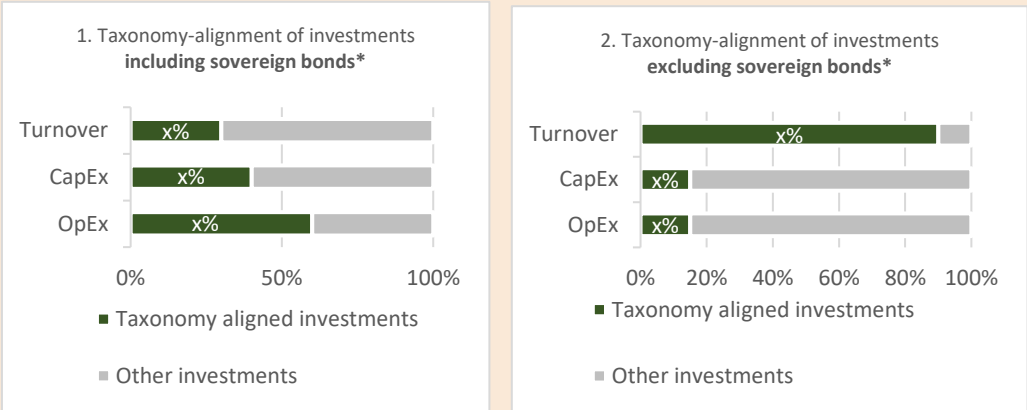
Enabling activities directly enable other activities to make a substantial contribution to an

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

CA (%)	CAPEX (%)	OPEX (%)
5	6	2

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What was the share of investments made in transitional and enabling activities?

The shares of activities that directly allow other activities to make a substantial contribution to the achievement of an environmental objective and of activities for which there are not yet low-carbon alternatives and, inter alia, whose levels greenhouse gas emissions corresponding to the best achievable performance could not be precisely identified. This ventilation work has not been carried out to date.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods

Not applicable



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments whose objective does not comply with the EU taxonomy represents 7% of the France Small compartment. Some issuers not reporting the proportion of their “green” activities are not necessarily “unsustainable”.



What was the share of socially sustainable investments?

A set of classification rules for socially sustainable economic activities must be developed with three general social objectives for consumers, employees, communities, and society as a whole (decent work, adequate living standards, and protection of end users, sustainable communities, and societies). To date, we do not have the calculation methodology to represent the share of socially sustainable investments.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

The companies listed below have not been rated due to a lack of information provided by them. They represent a maximum of 10% of the portfolio. As of the end of December 2023, we have 5% of investments in the "other" category. These elements do not indicate whether there are minimum environmental or social safeguards:

IT0005465619	COFLE
FR0000072597	IT LINK
FI4000197934	TOKMANNI
IT0005495335	BIFIRE
DE000A3E5E55	RINGMETALL
FR0000033888	GEVELOT
IT0005531261	GENTILI MOSCONI
IT0005221517	GPI
FR0004159473	HEXAOM



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

- As part of the Investment Management Process, the Manager has given each investee companies an ESG Score based on the defined ESG Framework;
- As part of Portfolio Management, the Manager had meeting with over 500 potential investee companies. These meetings are opportunities for the investment team to encourage companies to take into account governance, social and environmental issues, to adopt better practices and to have more transparency;
- As part of the internal ESG management, new tools were evaluated and discussions are ongoing with the ESG data provider to enhance the quality ;
- Publication of sub-fund exposure to UN Sustainable Development Goals;



- Formalization and publication of our Principal Adverse Impacts (PAI) via the European ESG Template (EET) reporting.

How did this financial product perform compared to the reference benchmark?

Not applicable

● ***How does the reference benchmark differ from a broad market index?***

Not applicable

● ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable

● ***How did this financial product perform compared with the reference benchmark?***

Not applicable

● ***How did this financial product perform compared with the broad market index?***

Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.