

EXCLUSION POLICY

APPENDIX
2026

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Covéa Finance applies its norm-based and sectoral exclusion policy to all the UCIs it manages. The policy can be broken down into the following exclusions:

- **Norm-based exclusions in line with the recommendations of the French Asset Management Association (AFG) on the prohibition of the financing of Cluster Munitions and Anti-personnel Mines,**
- **Thematic and sectoral exclusions:**
 - **Exclusions for tobacco companies and companies that generate more than 5% of their direct revenue in the gambling and betting sector.**
 - **Exclusions relating to thermal coal (gradual lowering of thresholds),**
 - **Exclusions relating to unconventional oil and gas,**
 - **Exclusions resulting from controversy management.**

See exclusion policy (https://particulier.covea-finance.fr/sites/default/files/2025-02/2025_fr_politique_exclusion.pdf)

This exclusion policy is supplemented by specific exclusions based on the regulations applicable to certain funds and the requirements of certain labels for the relevant labelled funds (SRI, Greenfin and Finansol).

In the event of any difference between the thresholds in Covéa Finance's exclusion policy and those imposed by the regulations or labels, the strictest threshold applies to the funds in question.

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EXCLUSIONS UNDER REGULATIONS

In accordance with the Guidelines of the European Securities and Markets Authority (ESMA) on funds' names using environmental, social and governance (ESG) or sustainability-related terms (ESMA34-1592494965-657) and the AMF's position-recommendation (DOC-2020-03) applicable since 21 November 2024 to funds established after that date and since 21 May 2025 for existing funds,

the following issuers referred to in Article 12(1)(a) to (g) of Commission Delegated Regulation (EU) 2020/1818 are excluded:

- a) companies involved in any activities related to controversial weapons;
- b) companies involved in the cultivation and production of tobacco;
- c) companies that benchmark administrators find in violation of the United Nations Global Compact (UNGC) principles or the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises;
- d) companies that derive 1% or more of their revenues from exploration, mining, extraction, distribution or refining of hard coal and lignite;
- e) companies that derive 10% or more of their revenues from the exploration, extraction, distribution or refining of oil fuels;
- f) companies that derive 50% or more of their revenues from the exploration, extraction, manufacturing or distribution of gaseous fuels;
- g) companies that derive 50% or more of their revenues from electricity generation with a GHG intensity of more than 100 g CO₂ e/kWh.

02 EXCLUSIONS SPECIFIC TO THE SRI LABEL

In accordance with the requirements of the SRI label reference framework, which came into force on 1 January 2025, Covéa Finance applies the following exclusions for these SRI-labelled funds:

The following are excluded on the basis of social criteria:

- Any issuer involved in the production of systems, services, or components specifically designed for weapons whose use is prohibited by France's international commitments (biological weapons; chemical weapons; antipersonnel mines; cluster munitions);
- Any issuer suspected of being in serious and/or repeated breach of one or more of the UN Global Compact¹ principles;
- Any issuer whose business is more than 5% derived from the production or distribution of tobacco, or products containing tobacco;

The following are excluded on the basis of environmental criteria:

- Any issuer whose business is 5% or more derived from the exploration, extraction or refining of thermal coal or the supply of products or services specifically designed for these activities, such as transport or storage; as well as any issuer developing new thermal coal exploration, extraction or transport projects;
- Any issuer that is developing new projects for the exploration, extraction and refining of liquid or gaseous, conventional and/or unconventional fossil fuels;
- Any issuer that derives more than 5% of its total liquid or gaseous fossil fuel production from the exploration, extraction and refining of non-conventional liquid or gaseous fossil fuels. Unconventional liquid or gaseous fossil fuels are identified per the definition of the Scientific and Expertise Committee of the Sustainable Finance Observatory², namely oil shale and shale oil, shale gas and shale oil, oil sands, extra-heavy oil, methane hydrates, ultra-deep offshore oil and gas and fossil oil and gas resources in the Arctic;
- Any issuer whose main activity is the production of electricity, and whose carbon intensity in the production of electricity is not compatible with the objectives of the Paris Agreement. The fund may be based on the thresholds below (data from the International Energy Agency), or any other scenario in line with the objectives of the Paris Agreement:

Year	2023	2024	2025	2026	2027	2028
geqCO2/kWh	366	326	291	260	232	207

¹ A special initiative established by the UN Secretary-General in July 2000, whose ambition is to develop the global impact of companies, respecting these Ten Principles and achieving the 17 Sustainable Development Goals (SDGs).

² The Observatory for Sustainable Finance was launched in 2019 by companies operating on the financial markets in Paris to identify the achievements and commitments made by financial entities on green finance and sustainable finance issues.

The following are excluded on the basis of a governance criterion:

- Any issuer whose registered office is domiciled in a country or territory on the latest available version of the EU list of non-cooperative tax jurisdictions;
- Any issuer whose registered office is domiciled in a country or territory on the blacklist or greylist of the Financial Action Task Force (FATF³).

Sovereign bonds are excluded where they are issued by countries and territories:

- included in the latest available version of the EU list of countries and territories uncooperative for tax purposes
- blacklisted or greylisted by the Financial Action Task Force (FATF)
- who have a score strictly below 40/100 on the latest version of the corruption perception index published by Transparency International⁴.

³ *The global money laundering and terrorist financing watchdog, established in 1989 and based in Paris.*

⁴ *An international non-governmental organisation established in Germany in 1993, whose main role is to tackle corruption in governments and global government institutions.*

03 EXCLUSIONS SPECIFIC TO THE GREENFIN LABEL

In accordance with the requirements of the Greenfin label reference framework, which came into force on 1 January 2025, Covéa Finance applies specific exclusions for these Greenfin-labelled funds, related to:

- the value chains for fossil fuels (companies with a share of revenue above 5%) and for hard coal and lignite (share of revenue above 1%),
- companies deriving more than 30% of their revenue from activities such as the transport, distribution and storage of gaseous fossil fuels, the supply of gaseous fossil fuels, storage and landfill centres with no GHG capture, incineration without energy recovery, energy efficiency for non-renewable energy sources and energy savings related to the optimisation of the extraction, transmission and production of electricity from fossil fuels, logging, unless it is sustainably managed within the meaning set out in Appendix 1 of the reference framework, agriculture on peatlands and the production, transport and distribution/sale of equipment and services with/to customers in business sectors that are strictly excluded by the reference framework,
- producers of electricity whose carbon intensity in the production of electricity exceeds 100g CO₂e/kWh,
- serious or repeated breaches of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises,
- issuers whose business is more than 5% derived from the production or distribution of tobacco, or products containing tobacco,
- issuers whose registered office is domiciled in a country or territory on the latest available version of the EU list of non-cooperative tax jurisdictions or whose registered office is domiciled in a country or territory on the blacklist or greylist of the Financial Action Task Force (FATF).

04 EXCLUSIONS SPECIFIC TO THE FINANSOL LABEL

In accordance with the requirements of the FINANSOL label reference framework, which will come into force on 1 October 2025, Covéa Finance will apply the following exclusions for these FINANSOL-labelled funds:

The following are excluded on the basis of social criteria:

- Any issuer involved in the production of systems, services, or components specifically designed for weapons whose use is prohibited by France's international commitments (biological weapons; chemical weapons; antipersonnel mines; cluster munitions);
- Any issuer suspected of being in serious and/or repeated breach of one or more of the UN Global Compact principles
- Any issuer whose business is more than 5% derived from the production or distribution of tobacco, or products containing tobacco;

The following are excluded on the basis of environmental criteria:

- Any issuer whose business is 5% or more derived from the exploration, extraction or refining of thermal coal or the supply of products or services specifically designed for these activities, such as transport or storage; as well as any issuer developing new thermal coal exploration, extraction or transport projects;
- Any issuer that is developing new projects for the exploration, extraction and refining of liquid or gaseous, conventional and/or unconventional fossil fuels;
- Any issuer that derives more than 5% of its total liquid or gaseous fossil fuel production from the exploration, extraction and refining of non-conventional liquid or gaseous fossil fuels. Unconventional liquid or gaseous fossil fuels are identified per the definition of the Scientific and Expertise Committee of the Sustainable Finance Observatory, namely oil shale and shale oil, shale gas and shale oil, oil sands, extra-heavy oil, methane hydrates, ultra-deep offshore oil and gas and fossil oil and gas resources in the Arctic;
- Any issuer whose main activity is the production of electricity, and whose carbon intensity in the production of electricity is not compatible with the objectives of the Paris Agreement. The fund may be based on the thresholds below (data from the International Energy Agency), or any other scenario in line with the objectives of the Paris Agreement:

Year	2023	2024	2025	2026	2027	2028
geqCO2/kWh	366	326	291	260	232	207

The following are excluded on the basis of a governance criterion:

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- Any issuer whose registered office is domiciled in a country or territory on the latest available version of the EU list of non-cooperative tax jurisdictions;
- Any issuer whose registered office is domiciled in a country or territory on the blacklist or greylist of the Financial Action Task Force (FATF)

Sovereign bonds are excluded where they are issued by countries and territories:

- included in the latest available version of the EU list of countries and territories uncooperative for tax purposes
- blacklisted or greylisted by the Financial Action Task Force (FATF)
- who have a score strictly below 40/100 on the latest version of the corruption perception index published by Transparency International.



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