French law FCP

TIKEHAU EQUITY SELECTION

ANNUAL RAPPORT

On 30 December 2022

Management company: Tikehau Investment Management
Custodian: CACEIS Bank
Statutory auditor: Ernst & Young Audit

Tikehau Investment Management - 32 rue de Monceau - 75008 - Paris

CONTENTS

I. INFORMATIONS ABOUT THE FUND

FORM OF THE FUND
French Mutual Fund (FCP)

ALLOCATION OF DISTRIBUTABLE INCOME
Distributable income of E-Acc-EUR, I-Acc-EUR, R-Acc-EUR and F-Acc-EUR units shall be fully capitalized.

Income is divided among the unit classes. The portion attributable to the units is recorded in the capital of that class of units.

INVESTMENT OBJECTIVE
The Fund's investment objective is to outperform the benchmark index, i.e. the MSCI World 100% Hedged to EUR Net Total Return Index, over the 5-year minimum recommended investment period.

The investment objective of the Fund does not entai) any specific sustainable investment objective pursuant to article 9 of European Regulation 2019/2088 on sustainability disclosures in the financial services sector ("**SFDR**"), The Fund incorporates nonetheless an extra-financial approach whereby the weighted average carbon intensity of the FCP (greenhouse gas ("**GHG**") emissions per million euros of turnover) must be at least 20% lower than that of its benchmark (MSCI World 100% Hedged to EUR Net Total Return Index).

BENCHMARK INDEX
The benchmark index is the following index: MSCI World 100% Hedged to EUR Net Total Return Index.

Investors should note that the portfolio management style will never involve replicating the composition of a benchmark index. However, this benchmark index may be used as an ex-post performance indicator.

The MSCI World 100% Hedged to EUR Net Total Return Index (established by Morgan Stanley Capital International Inc.) is representative of the performance generated by global equity markets. It is calculated with dividends reinvested, at closing prices. The MSCI World 100% Hedged to EUR Net Total Return Index represents an accurate estimate of the performance that can be obtained by hedging the currency exposures of its parent index, the MSCI World, to the EUR, i.e. the "initial" currency of the hedged index. The index is fully hedged against the EUR by forward-selling each foreign currency, with a one-month weighting. The parent index consists of mid and large cap stocks issued in 23 developed-market (DM) countries*, and its local performance is computed in various currencies. This index is administered by MSCI Limited.

Additional information on the benchmark index is available on the administrator's website: eu://www.msci.com.

In order to calculate performance fees, the Funds use benchmark indices, within the meaning of Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds.

In accordance with regulation (EU) 2016/1011, the Management Company has a benchmark monitoring plan that it uses within the meaning of the aforementioned regulation.

As of the date on which this prospectus was last updated, the administrator of the aforementioned index is listed in the register of administrators and benchmark indices maintained by ESMA (European Securities and Markets Authority), which is available online at: https://registers.esma.europa.eu.

This index does not necessarily take into account, in its composition or methodology, the non-financial characteristics promoted by the Fund. The Management Company considers that the dispersion of this index would not question the significance of its carbon footprint reduction approach.

INVESTMENT STRATEGY

1. **Investment strategies used**

The Fund is managed on a discretionary basis, with portfolio managers employing reactive management of stocks issued by firms of any cap size and operating in any economic and geographic sector (including emerging countries) and denominated in EUR or international currencies. The Fund will use money market instruments for cash management purposes.

To that end, the Fund may in particular invest in securities issued by issuers (i) located in emerging markets, or (ii) with a valuation of less than one billion (1,000,000,000) euros, it being specific that, for each such category, these investments will be limited to 20% of net assets.

The Fund aims to invest in issuers committed or with the potential to enable the transition to a low-carbon world, and reconciling financial and non-financial performance. The Management Company will thus incorporate non-financial criteria throughout its investment process, under the conditions set out below in the description of the Non-Financial Approach (the **"Non-Financial Approach"**).

The portfolio management policy complies with the following exposure limits:

Overall strategic allocation of the Fund		
Weighing of assets via directly-held securities	Minimum allocation % of net assets	Maximum allocation % of net assets
Equity investments	90 %	110 %
Money market investments	0 %	10 %

The Fund will invest in equities on listed markets, conducting a detailed analysis of the companies on those markets, with a focus on a longer-term investment horizon and selecting issuers which, in the Management Company's view:

- practice an easy-to-understand business model, have potential sources of growth and attractive ROCE that can be sustained over multiple years thanks to their robust competitive advantages;
- are run by a Management Team that works in line with shareholders and employs judicious use of capital;
- are priced low enough to offer the Fund a potentially attractive internai rate of return (IRR) over a five-year investment period;
- reconcile financial and non-financial performance: at the very least, the issuers should demonstrate solid management of their main non-financial risks and, in some cases, offer products and services contributing to the UN Sustainable Development Goals (SDG), in particular SDG 13 (Climate Action).

From the Management Company's viewpoint, these components, together with the entire range of authorised instruments, should allow for optimal management of the portfolio.

For each investment, the research and portfolio management teams conduct an extensive due diligence review, centred on a bottom-up analysis of each issuer and serving as the basis for the selection of portfolio investments. Issuing companies will be selected on the basis of multiple criteria, such as:

- ROCE;
- Operating margins;
- Company's sector and positioning;
- Consistent FCF growth;
- Leverage;
- Security valuation;
- Management team's expertise;
- Alignment with minority shareholders and quality of governance;
- Company's outlook and market trends;
- ESG policy implemented by issuers: (i) how they manage non-financial risks and their main negative impacts on society and the environment (through their products & services, transactions, and supply chain) and (ii) their ability to offer solutions through their products and services that contribute positively to the UN Sustainable Development Goals (SDG), , in particular SDG 13 (Climate Action).

Target companies, of all cap sizes, will belong to all sectors of the economy (except those excluded by the Management Company's ESG policy). The Fund thus will not be prohibited from opportunistically considering small or mid cap companies, with the goal of maximising its risk/reward profile while maintaining reasonable liquidity in the Management Company's view.

Between 90% and 110% of the Fund's Net assets may be exposed to equities, it being specified that the Fund will be overexposed (between 100% and 110% of Net Assets) exclusively through the use of warrants.

2. Non-Financial Approach

The purpose of this Non-Financial Approach is to improve the issuer selection process from its investment universe by particularly taking into account criteria associated primarily with the reduction of the Fund's carbon footprint and also but not in a preponderant manner, environmental, social and governance ("ESG") criteria within the meaning of Article 8 SFDR. This Non-Financial Approach as well as its limitation in methodology are further described below.

The Management Company ensures that at least 90% of portfolio securities (as a percentage of Net Assets they represent) are subject to an ESG and carbon footprint analysis, it being specified that (i) bonds and other debt securities issued by public or quasi-public issuers, cash held on an ancillary basis, and joint assets, and (ii) derivative instruments for hedging purposes, are not taken into account in the context of this extra-financial approach.

Identification of the Fund's investment universe

For the purpose of defining an investment universe that is consistent with the Non-Financial Approach, the Management Company applies the exclusion policy adopted by Tikehau Capital Group, excluding companies operating in the controversial weapons, pornography and prostitution sectors, and companies earning more than 30% of their revenue from thermal coal (extraction, trading or power generation), tobacco and/or marijuana for recreational purposes (growing and manufacturing of products). Moreover, the Tikehau Capital Group has defined a three-level watchlist that seeks to identify the geographical areas (e.g. non-cooperative or sanctioned countries) and behaviours (e.g. allegations of corruption, tax evasion or money-laundering and other allegations of breaches of the United Nations Global Compact etc.) that may entail increased risks and/or may have negative external impacts on the environment or the society.

Based on the exclusion and extra-financial supervision policy set forth in the ESG Criteria Section and the fundamental analysis carried out in accordance with the Fund's investment strategy described above, the Management Company identifies an investment universe of approximately 200 issuers most of which belong to the MSCI World 100% Hedged to EUR Net Total Return Index. Some of these issuers may not be included in this index.

Carbon footprint reduction

The primary objective of the Non-Financial Approach is to ensure that the weighted average carbon intensity of the FCP (greenhouse gas (**"GHG"**) emissions per million euros of turnover) must be at least 20% lower than that the MSCI World 100% Hedged to EUR Net Total Return Index.

The carbon intensity of a company is the ratio of its GHG emissions, calculated in tonnes of CO2 equivalent, to its total turnover converted into the reference currency, it being specified that the Fund will take into account emissions calculated on scopes 1 (carbon footprint from fixed or mobile sources controlled by the organisation) and 2 (indirect emissions linked to energy consumption to produce goods and services) only, as defined by the Greenhouse Gas Protocol. At this stage, the FCP does not take into account the data falling under scope 3 of the said protocol (other indirect emissions linked to the upstream and downstream value chain) in its calculation).

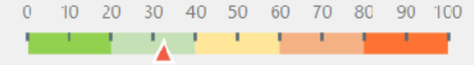
The sources used to determine GHGs may include information published by emitters as well as sector averages calculated from major databases such as Bloomberg or Trucost. However, the Fund may exclude specific issuers from the calculation where no information is available and where sector averages are not considered relevant by the Management Company, particularly in view of recent developments relating to contemplated issuer.

The weighted average intensity of the portfolio is calculated weekly and represents the arithmetic average of the carbon intensities of each of the companies in the portfolio (total greenhouse gas emissions on scopes 1 and 2 divided by total turnover) weighted by their weighting in the portfolio, pursuant to the following formula:

$$\text{Intensité moyenne pondérée}_{\text{portefeuille}_x} = \sum_{\text{inv}=1}^{n_{\text{investissements}}} \text{Poids inv.}_{\text{portion "entreprises" portefeuille}_x} \times \frac{\text{Emissions totales entreprise}_{\text{inv}}}{\text{Chiffre d'affaires entreprise en dollar US}_{\text{inv}}}$$

The Management Company will monitor compliance with this 20% threshold in connection with any investment or divestment decision. In the event that the 20% threshold is exceeded during the course of the investment as a result of a deterioration in the carbon intensity of one or more issuers in the portfolio, the Fund will carry out the necessary arbitrages in order to ensure that the weighted average carbon intensity of the Fund is again at least 20% lower than that of its benchmark index at the end of the quarter following the quarter in which the excess was observed.

Promotion of ESG Criteria
For the purposes of the bottom-up analysis conducted prior to any investment, the Management Company will also assign to each company an ESG score (the **"ESG Score"**), ranging from 0% to 100%, (0% representing an ESG opportunity and 100% the highest- ESG risk company) :

	- 0 to 10% represents an ESG opportunity - 20 to 40% represents a company with moderate ESG risk - 40 to 60% represents a company with an average ESG risk - 60 to 80% represents a company with a material ESG risk - 80 to 100% represents a company with significant ESG risk

This ESG Score is determined pursuant to the ESG Criteria defined in paragraph **4.4** "Information on ESG criteria" below by applying a proprietary tool developed with an ESG expert.

To ensure appropriate implementation of such ESG approach, the Fund will exclude any companies having an ESG profile of more than 80% from its portfolio. Furthermore, the Fund will systematically submit issuers with an ESG profile ranging from 60% to 80% to the ESG Committee, which holds veto power.
In any case, the initial ESG score of each portfolio company of the Fund shall be reviewed on a periodic basis. If, following a downgrading of its ESG Note, an issuer from the Fund's portfolio is no longer eligible under the above criteria, the Fund must remove the issuer from its investment universe and divest within 12 months, unless the issuer manages to correct its ESG Score before the end of this period.

Limitation in methodology
This Non-Financial Approach presents certain methodological limitations according to the Management Company:

- a limited number of companies publish audited GHG data on scopes 1, 2 and 3 (upstream and/or downstream), the Management Company may have difficulties in identifying data relating to a given emitter and using, for example, data from its sector of activity;
- due to the lack of robust data, the Management Company does not take into account GHG data on Scope 3 (upstream and/or downstream), which leads to not taking into account greenhouse gas emissions linked to the value chain which may represent the bulk of the emissions. Therefore, not considering scope 3 in the selection of emitters represents a significant risk of under-optimising indirect emissions;
- the GHG data available for an emitter may be erroneous or incomplete either because of the databases of data providers such as Bloomberg or Trucost, or because of emitters who, when carrying out voluntary GHG reporting, may vary the scope of this reporting without the figures being corrected. In such cases, the Management Company may have to make certain restatements or additions to complete the available data in the light of the information available to it;
- the Internal ESG Note is relies on a tool developed by an external service provider and based on sources which must be updated periodically and which may become obsolete between two updates;
- with the exception of sectors identified under the group exclusion policy described above, the investment strategy does not exclude per se any specific economic sector and may be exposed to certain controversies related to some of these sectors as described in the description of Sustainability Risk hereafter.

Taxonomy Regulation
This Fund product promotes environmental characteristics, as described by article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "SFDR Regulation"). However, the Fund does not commit to making sustainable investments and does not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (the **"Taxonomy Regulation"**) and its portfolio alignment with such Taxonomy Regulation is not calculated. Therefore, the "do no significant harm" principle does not apply to any of the investments of this financial product.

3. Asset classes and financial contracts used

To implement the investment strategy, the Fund's portfolio is mainly invested in the following securities:

<u>Assets used, excluding embedded derivatives</u>

- Traded equities directly held

The Fund may be exposed to equities from all geographic regions (including emerging markets) and denominated in euros or international currencies, of small, mid within the limit of 20% of the Net Assets in the case of companies whose valuation is less than one billion (1,000,000,000) euros, and large capitalised companies, up to 110% of its net assets. As such, the Fund shall be exposed to currency risk in proportion to the portion of net assets invested outside the eurozone and not hedged against this risk.

Allocation between sectors and countries is subject to discretionary review at any time based on their expected returns.

Net exposure to the equity markets is between 90% and 110%.

- Money market instruments

For cash management purposes, the Fund may invest in money market instruments denominated in euros or international currencies, from all geographic regions (OECD countries and emerging countries) up to 10% of its net assets. As such, the Fund shall be exposed to currency risk in proportion to the portion of net assets invested outside the eurozone and not hedged against this risk.

These assets invested in interest rate markets may include sovereign bonds, i.e. financial instruments issued or guaranteed by a member state of the OECD, by local authorities of a member state of the European Union or party to the agreement on the European Economic Area or an international public body to which one or more member states of the European Union or party to the agreement on the European Economic Area belong.

- Units or shares of UCTIS and investments funds (AIF)

None.

<u>Securities with embedded derivatives</u>:

To achieve its management objective, the Fund may also use warrants traded on euro zone and/or international, regulated, organized or over-the-counter markets in order to be exposed to equity risk up to a limit of 110% of the Net Assets in accordance with the management objective:

Types of markets:

- Regulated;
- Organised;
- Over-the-counter.

Risks to which the Management company seeks exposure:

- Equity risks;

Types of investment limited to fulfilling the investment objective:

- Equity risk hedging (up to 110 % of Net Asset);

Types of instrument used:

- Warrants only.

<u>Derivative instruments</u>:

To achieve its management objective, the Fund may also use securities incorporating derivatives traded on eurozone and/or international, regulated, organised or over-the-counter markets under the conditions defined below:

Type of markets:

- Regulated;
- Organised;
- Over-the-counter.

Risks to which the Management company seeks exposure:

- Currency risk;

Types of investment limited to fulfilling the investment objective:

- Currency risk hedging;

Types of instrument used:

- Futures;
- Forward;
- Foreign exchange

Authorised counterparties

The selection of counterparties for OTC derivatives follows a procedure known as "best selection". In the context of over-the-counter transactions, counterparties are financial institutions specialised in this type of transaction. Additional information on the counterparties to transactions are included in the Fund's annuel report. These counterparties will have no discretion over the composition or the management of the Fund portfolio.

Management of financial guarantees

In connection with the conclusion of financial contracts, the Fund may receive/remit financial guarantees in the form of full ownership transfer of securities and/or of cash.

Securities received as collateral must meet the criteria set by regulations and must be granted by credit institutions or other entities that meet the criteria of legal form, country and other financial criteria set out in the French Monetary and Financial Code.

Financial guarantees received must be able to be fully enforced by the Fund at any time and without consulting or obtaining the approval of the counterparty. The level of financial guarantees and the discount policy are set by the internal processes of the Management Company in accordance with the regulations in force and cover the categories below:

- Financial guarantees in cash;
- Financial guarantees in debt securities or in equity securities according to a precise nomenclature.

The eligibility policy for financial guarantees explicitly defines the required level of guarantee and the discounts applied for each financial guarantee according to rules that depend on their specific characteristics. It also specifies, in accordance with the regulations in force, rules for risk diversification, correlation, valuation, credit quality and regular stress tests on the liquidity of guarantees.

In the event that financial guarantees in cash are received, these may, under conditions set by regulation, only be:

- Placed in deposit;
- Invested in high-quality government bonds;
- Used in a reverse repurchase agreement;
- Invested in short-term monetary undertakings for collective investment (funds).

Financial guarantees other than received cash may not be sold, reinvested or used as collateral.

The Management Company will, in accordance with the valuation rules provided for in this prospectus, carry out a daily valuation of the guarantees received on a market price basis (mark-to-market). Margin calls will be made on a daily basis.

The guarantees received by the Fund will be kept by the Fund's depositary or, failing that, by any third-party depositary subject to prudential supervision and which has no connection with the provider of the guarantee.

The risks associated with financial contracts and the management of inherent collateral are described in the risk profile section.

Cash

On an ancillary basis and within the strict limits of the needs related to the management of flows, the UCITS may hold cash.

<u>Deposits</u>

None.

<u>Cash borrowings</u>

The Fund may temporarily use cash borrowings, notably in order to optimise the Fund's cash flow management and manage the different subscription/redemption value dates of the underlying UCIs. This type of transaction will nevertheless be used on an ancillary basis.

Temporary purchases and sales securities
None.

RISK PROFIL

Your money will mainly be invested in financial instruments selected by the Management Company. These instruments will be subject to market trends and risks.

Holders of units in the Fund are exposed to the following risks through the Fund:

General risks

i. **Risk of capital loss**

The Fund offers no guarantee of capital protection. The investor is hereby notified that his capital is not guaranteed and there is a possibility that it may not be returned to him or returned to him only in part. The value of portfolio assets depends on market trends and developments, and no guarantee may be offered on their future returns. Past performances of portfolio assets are not a reliable guide to future performances. Potential investors must not undertake an investment in the Fund if they are unable to bear the consequences of such a loss. Potential investors are urged to consult their financial advisors regarding the financial consequences of an investment in the Fund with reference to their own situations and level of risk aversion.

ii. **Discretionary management risks**

No guarantee is offered that the Fund will achieve its investment objective. Although the investment strategies used should allow the Fund to achieve its investment objective, the possibility cannot be ruled out that market circumstances or a mistaken assessment of opportunities by the Management Company could lead to a depreciation of managed assets and hence a decline in net asset value.

Risks linked to the investment strategy.

iii. **Risks associated with investment in equities**

The decline in share prices may result in a decrease in the net asset value of the Fund if the Fund has exposure to equity risk. The small and mid caps market (within the limit of 20% of the Net Assets in the case of companies whose valuation is less than one billion (1,000,000,000) euros) may suffer greater fluctuations and may result in a more rapid decline in the Fund's net asset value.

iv. **Credit risk**

The Fund may be exposed to credit risk on public issuers on an ancillary basis. In the event of a worsening in their situation or their bankruptcy, debt securities may fall in value and lead to a decline in the net asset value of the Fund.

v. **Emerging markets risk**

Exposure to emerging markets risk may represent up to 20% of the Fund's Net Assets. Market and credit risks are increased by investing in emerging countries in which market fluctuations, both upwards and downwards, can be more acute and more abrupt than in the major international markets.

vi. **Interest rate risks**

The Fund may be exposed to interest rate risk on its investments. Hence, shifts in interest rates could have a negative impact on Fund performance.

Rising interest rates may cause a decline in the net asset value; similarly, in the event of negative sensitivity of the portfolio, lower rates may lead to a decline in the net asset value. Sensitivity measures the variation of capital depending on interest rates.

vii. **Risk associated with commitments on financial futures**

The use of forward financial instruments will enable the Fund to adjust its exposure to currency and equity risk; the cost of this protection may entail a risk of decline in the net asset value of the Fund.

viii. **Currency risk**

The Fund may be exposed to currency risk in the proportion to that part of the net assets invested outside the euro zone not hedged against this risk, which could lead to a decrease in its net asset value. The maximum proportion of assets exposed to currency risk is 110% of Net Assets.

Secondary risks

ix. **Liquidity risk**

Liquidity risk is the difficulty that the Fund could have in selling certain assets within a brief timeframe in order to raise cash, if needed, or in reaction to a decline in their market value. Over-the-counter markets in particular do not offer immediate liquidity or divestment at the price expected by the Fund.

x. **Counterparty risk**

Counterparty risk is the risk of default of a market counterparty or debtors leading to a payment default. The payment default by a counterparty could lead to a decline in the Fund's net asset value.

xi. **Sustainability risk**

"Sustainability Risk" refers to an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made by this Fund.

The Fund takes into account risks and sustainability factors through sector exclusion measures and the rating of the non-financial profile implemented by the Fund as described in the section "Investment Strategy - Extra-Financial Approach".

Such risk is linked to a variety of risks which may result in unanticipated losses that could affect this Fund's investments and financial condition. Three risks appear to dominate in terms of likelihood and materiality if they unfold:

(i) Environmental risks: comprise adverse effects on living organisms and the environment by effluents, emissions, wastes, resource depletion, etc., arising out of an organization's activities. Climate risks comprise both an organization's activities' effect on climate change and the effect of climate change on the organization itself.

The Management Company specifically considers climate-related events and biodiversity loss resulting from climate change (a.k.a physical risks such as sustained increased temperatures, sea level rise, flooding, fire, droughts, and other weather calamities) or to the organization's response to climate change (a.k.a transition risks related to regulatory, technology, market risks, etc.). As the frequency of extreme weather events increases, the exposure of this Fund's assets to these events increases too.

(ii) Social risks: include risks associated with health and safety, social risks in the supply chain, management of the social climate and development of human capital, management of quality and risks associated with consumers' safety, management and materiality of social/society-related controversies, management of the innovation capabilities and the immaterial capital.

The Management Company specifically considers pandemic risks. On average, a new infectious disease emerges in humans every four months. In a connected world, an outbreak anywhere can become a global risk and halt the economy. A pandemic is defined as an epidemic occurring worldwide, or over a very wide area, crossing international boundaries and usually affecting a large number of people. Despite significant medical progress over the last centuries, infectious diseases represent a considerable threat to society and to a wide array of economic sectors.

(iii) Governance risks: refer to risks around an organization functional management, regulatory risks, management and integration of sustainability into the business' strategy quality.

Governance shortcomings e.g. significant breach of international agreements, non-respect for human rights, corruption and bribery issues, etc. translate into material Sustainability Risks.

The Management Company specifically considers cybersecurity risks results from the increasing use of digital technologies across all sectors. As cyber-attacks become more sophisticated, the exposure of this Fund's assets to data fraud, theft and cyberattacks increases.

Social events (e.g. inequality, inclusiveness, labour relations, accident prevention, investment in human capital, changing customer behavior, product quality and safety, selling practices, etc.) or governance shortcomings (e.g. recurrent significant breach of international agreements, bribery issues, etc.) also translate into Sustainability Risks.

The impacts following the occurrence of a Sustainability Risk may be numerous and vary depending on the specific risk, region and asset class. Assessment of the likely impacts of Sustainability Risks on the returns of a Sub-Fund is therefore conducted at the portfolio level. Further details on the impacts of Sustainability Risks on the returns of Sub-Funds can be found in the Risk Profile section in the Supplement for the relevant Sub-Fund.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

US Persons

The Fund's units are not open to investors with the status of "US Person" as defined in Regulation S of the SEC (Part 230-17 CFR 230.903).

The Fund is not, and will not be, registered under the US Investment Company Act of 1940. Any resale or transfer of units in the United States of America or to a "US Person" may constitute a violation of US law and requires the prior written consent of the Fund's Management Company. Those wishing to acquire or subscribe for units must certify in writing that they are not "US Persons".

The Fund's Management Company is empowered to impose restrictions (i) on the holding of units by a "US Person" and consequently effect the compulsory redemption of units held; or (ii) on the transfer of units to a "US Person". This power also extends to any person (a) who is shown to be directly or indirectly in contravention of the laws and regulations of any country or government authority, or (b) who could, in the opinion of the Fund's Management Company, cause the Fund to suffer harm that it would not otherwise have undergone or suffered.

The offer of units has not been authorised or rejected by the SEC, by the specialist commission of a U.S. state or any other U.S. regulatory authority, nor have those authorities pronounced on or sanctioned the merits of such offer, or the accuracy or adequacy of documents relating to this offer. Any statement to this effect is contrary to law.

Any unitholder must immediately inform the Fund's Management Company in the event that they become a "US Person". Any unitholder who becomes a US Person shall not be allowed to acquire new units and may be requested to dispose of his units at any time to persons who do not have the status of "US Person". The Fund's Management Company reserves the right to compulsorily redeem any units held directly or indirectly by a "US Person", or if the holding of units by any person whatsoever is contrary to law or to the interests of the Fund.

The definition of "US Person(s)" as defined in Regulation S of the SEC (Part 230-17 CFR 230.903) is available at the following address: http://www.sec.gov/laws/secrulesregs.htm.

Recommended investment period

Minimum recommended investment period: 5 years.

The reasonable amount for each investor to invest in this Fund depends on their personal situation. To determine this amount, investors must consider their personal assets, the applicable regulation, their current needs over an investment period of at least five years, and whether they wish to take risks or rather favour a cautious investment. Investors are also strongly advised to sufficiently diversify their investments so as not to be exposed solely to the risks of this Fund.

They are strongly recommended to diversify their choice in order not to expose their investments solely to the risks of this Fund. Diversifying one's portfolio into different assets (money market, bonds, equities) in specific sectors of activity and different geographical regions, both allows a better spread of risk and an optimisation of portfolio management, taking market developments into account.

Typical investor profile and minimum initial subscription amount

R-Acc-EUR units: all investors. The minimum initial subscription amount is set at EUR 100.

F-Acc-EUR units: Investors investing through (i) an intermediary providing a management under mandate service (discretionary portfolio management) or an independent advisory service, as defined by MiFID II, and/or (ii) non-independent or restricted advisers who have agreed not to receive retrocession fees or who are not authorised to receive retrocession fees in accordance with regulatory requirements enforced by local regulatory authorities and/or (iii) the management company.
The minimum initial subscription amount is set at EUR 100.

This Fund is particularly suitable for investors who wish to invest in global equity markets, of any capitalisation and in any sector.

I-Acc-EUR units: all subscribers, in particular institutional investors, with a minimum initial subscription of EUR 1,000,000.

E-Acc-EUR units: reserved exclusively for executive officers and employees (investing either directly, or through any company under their control), shareholders, companies or investment funds under the control (i) of the Management Company or (ii) of any company directly or indirectly controlling the Management Company, the term "control" being used according to the meaning of Article L233-3 of the French Commercial Code. The minimum initial subscription amount is set at EUR 100.

Form of the units
The units are in bearer form.

2. CHANGES AFFECTING THE UCI

<table>
<tr><th>FUND</th><th>Reason for change</th><th>Effective date</th></tr>
<tr><td colspan="3">FR UCITS</td></tr>
<tr><td rowspan="5">Tikehau Equity Selection</td><td>• The Management Company has decided to update the method for calculating the Funds' performance fees. The current method of calculating the Funds' performance relative to its benchmark index only takes into account any performance achieved during the current financial year.
• The Management Company has therefore decided to introduce a mechanism whereby the Fund's underperformance relative to the index is recovered over a rolling reference period of five (5) years. In addition, this new mechanism also imposes a condition of positive absolute performance during this reference period.</td><td rowspan="2">01/01/2022</td></tr>
<tr><td>• Alignment with the Taxonomy Regulation:
o As the Fund promotes environmental characteristics as described in article 8 of the SFDR, the Taxonomy Regulation requires that information about environmentally sustainable investments be disclosed, as specified in further details in the Fund's documentation.

o The Fund does not have a sustainable investment objective within the meaning of the SFDR; however, it aims to invest, to a certain extent, in economic activities that may be considered as environmentally sustainable within the meaning of the Taxonomy Regulation, as specified in the prospectus. For these investments, which are defined as sustainable in accordance with article 3 of the Taxonomy Regulation alone, the "do no significant harm" principle applies.</td></tr>
<tr><td>• Annual performance fee update</td><td>18/02/2022</td></tr>
<tr><td>• Addition of the possibility for the Management Company to charge additional fees to third parties including distributors, placement agents, sub-managers, fund shareholders and Tikehau entities.
• Clarification of the SFDR policy:
o Clarification of portfolio exclusions to ensure the effectiveness of the financial approach: systematic submission to the Compliance and ESG teams, which have right of veto, of issuers with an ESG Score of between 60% and 80%.
o Compliance with the internal Taxonomy alignment policy and regulatory update.
o Clarification that the Management Company does not commit to investing a minimum proportion of its portfolio in sustainable investments.
• Change in valuation date: from December to June.</td><td>29/07/2022</td></tr>
<tr><td>• Update of the SRRI</td><td>14/11/2022</td></tr>
<tr><td>Tikehau Equity Selection</td><td>In light of the constantly changing regulatory environment and while awaiting greater clarity and stability, Tikehau Investment Management (the "Management Company"), acting as the management company of the Tikehau Crédit Plus FCP (the "Fund") has decided to adjust the level of communication regarding the Fund's consideration of non-financial criteria within the meaning of AMF Position-Recommendation 2020-03 (the "Position"). The Management Company has decided to "limit communication to the prospectus" instead of "communicating centrally" on the consideration of non-financial criteria.

However, it is important to note that the non-financial approach will remain unchanged and that the Fund will continue to be classed under article 8 on funds that promote, among others, environmental characteristics within the meaning of EU Regulation 2019/2088 on sustainability-related disclosures in the financial services sector (the "SFDR").
Furthermore, to reflect the entry into force of level 2 of the SFDR, the Management Company has decided to amend the Fund's prospectus by creating a new appendix of precontractual information on the Fund's environmental and/or social characteristics.</td><td>01/01/2023</td></tr>
</table>

3. MANAGEMENT REPORT

2022 Chronology

2022 was one of the worst years on record for credit markets, with total returns deeply in negative territory driven by a combination of several factors including high and sticky inflation figures, major Central Banks being "behind the curve" and embarking on a very aggressive hiking cycle, geopolitical risks, and a deteriorating macroeconomic environment. January set the tone with the publication of the Fed's December FOMC meeting minutes showing a markedly more hawkish tone than what was expected by the market, leading to a significant adjustment in market expectations regarding the path for rates going forward. Market downturn was then further exacerbated in February as growing tensions between Russia and Ukraine led to the worst-case scenario; the invasion of Ukraine by Russian troops and the start of a war that is still ongoing to date. The response from the EU and its allies was swift and unprecedented, with a large range of sanctions applied to the Russian government and those close to it, including the exclusion of Russian banks from the SWIFT system (making all transactions with foreign banks problematic) and the freezing of Russian central bank assets. This led to further inflationary pressures in Europe, given the importance of Russian Oil & Gas in the EU's energy mix.

Given the stickiness of inflation, further fuelled by China's "Zero-Covid policy" impacting supply chains and transports on the back of harsh lockdowns, the Federal Reserve hiked interest rates at its March meeting by 25bps and for the first time since 2018. In an attempt to contain rapidly the ever-rising inflation figures the Institution embarked on an aggressive tightening cycle, accelerating the pace of hikes to +50bps in May and then to +75bps in June and July. The Bank of England and the European Central Bank followed suit, starting their own monetary tightening with a +25bps hike in June and a +50bps hike in July respectively. It is worth noting that the European institution hiked interest rates for the first time in 11 years. However, to avoid the "fragmentation" risk, the ECB introduced the TPI (Transmission Protection Instrument), a new tool implicitly aiming at containing any undue widening in government spreads between "core" and "peripheral" European countries. By the end of June, all markets were sharply down, with the Equity markets down between -15% in Europe and -20% in the US, and the Credit markets not holding up better, with the Investment Grade universe down between -12% in Europe and -14% in the US driven by their high rates' sensitivity: the 10-year US Treasuries and the 10-year German Bund reached 3.0% and 1.33% respectively (having started the year at 1.6% and -0.12% respectively). At this point, there was no de-escalation on the Ukrainian front, with remote expectations for peace talk, leading to further pressure on raw material and energy prices.

Nonetheless, markets somehow enjoyed a summer rally on investors' hopes for a quicker pivot from Central Banks given increasing prospects of growth slowing down, inexorably leading to a recession. But that summer hype was short lived as hopes were dampened at Jackson Hole by J. Powell's comments and his strong will to control/tame inflation and anchor inflation expectations even if this could lead to a recession. Shortly after those comments, markets were caught on the wrong foot with the UK's mini budget announcement in September and took another sharp leg down given the debt sustainability tantrum that follow suit. Indeed, newly appointed leaders in the UK announced unexpected major tax measures without quantifying/clarifying how they would be paid for through potential reductions in public spending. The pound quickly plunged and long rates soared (+150bps on the 30-year Gilts in 3 days) before the BoE intervened. Inevitably this led both the new PM Liz Truss and her Chancellor K. Kwarteng to step down, leaving the leadership to the pair Sunak/Hunt, who corrected the budget (almost all announces were dropped) in order to restore confidence. All this led to markets reaching their low point in mid-October: 10-year US Treasuries reached 4.25%, the S&P 500 lost 9% in September (its worst monthly performance this year) while the credit markets lost between 5% and 7% in Europe. Investors had to wait until the last quarter of the year to see a long-awaited rebound in performance and a return in risk appetite materializing through inflows in the different asset classes. Indeed, towards the end of the year, declining inflation figures in the US, a restored UK confidence, mild winter conditions and successful gas storage in Europe leading to declining pressure on energy costs, a resilient labour market and some relaxation of the Zero-Covid policy in China all drove renewed investor optimism, especially on the back of attractive valuations. At its last meeting of the year, the Fed decided to slow down the pace of hikes to +50 bps (after several consecutive 75bps hikes), even if guiding for further hikes in 1H23.

Market performance

Sovereign bonds
- The U.S. 10-year period increased by 236 bp to close the year at 3.87%
- The 10-year German Bund rose 275 bp to end the year at 2.56%
- The 10-year GDP increased by 353 bp to close the year at 4.70%
- The U.S. 2-year/10-year curve gradually reversed over the year, closing 2022 at -55 bp after reaching a record low of -84 bp in December. This is important information, because all of the recessions in the US were preceded by a yield curve inversion.

Equity markets
- -18.13% for the S&P 500 in the US this year
- -9.98% for the Stoxx 600 index in Europe this year
- -12.56% for the Hang Seng index in China this year

Credit indices
United States
- -15.45% for IG Corporate Credit Index this year
- -11.22% for HY Corporate Credit Index this year

Europe
- -13.95% for IG Corporate Credit this year
- -11.48% for HY Corporate Credit HECO this year
- -12.05% for Financial Subordinated HEBC Index this year

Sources: Bloomberg, Federal Reserve.

Market review

2022 saw the lowest levels of performance since the financial crisis of 2008. In a very rare phenomenon on the financial markets, both the equity and bond markets closed largely in the red. Inflation* remained the central theme of the past quarter. While inflation is coming down, we see it becoming a long-term issue, under the influence of structural changes linked to demography (aging working-age world population), changes in the energy mix (the energy transition is inflationary, as is the failure to restart investment in shale gas and oil and less access to cheap Russian gas) and de-globalisation (globalisation was a deflationary factor and lesser optimisation in the production of goods and services is now inflationary).

At the same time, we are gradually beginning to see the form that the recession* will take, particularly in Europe, and many macroeconomic indicators have already begun to slow.
We are therefore witnessing systemic change in the financial markets marked by more structural inflation coupled with a risk of recession, which could have long-term repercussions. The markets must therefore adjust to this new dynamic. This shift will lead to higher volatility and dispersion, two factors that contribute to strong market dislocation.

Performance of Tikehau Equity Selection

Contribution to historical performance:

Contribution to performance (gross of fees)	***2019***	***2020***	***2021***	***2022***
Equity	*27,5%*	*14,5%*	*29,0%*	*-17,1%*
Cash & short-term investments	*-0,2%*	*-0,1%*	*0,00%*	*0,0%*
Currency	*0,3%*	*-3,1%*	*1,9%*	*-2,7%*
Fund performance gross of fees	*27,6%*	*11,3%*	*30,8%*	*-19,5%*

In 2022, Tikehau Equity Selection was down -20,1% (for the R-Acc-EUR unit class) and -20,3% (for the I-Acc-EUR unit class), net of management fees.

Our equity component is concentrated, with an average of 25 stocks spread across different sectors and geographies.

Top 3 positive contributors in 2022:

- Beiersdorf: +0.7%
- Activision Blizzard: +0.7%
- Hershey: +0.5%

The top contributors to 2022 performance were Activision Blizzard, Beiersdorf and Hershey.[3]

Beiersdorf (consumer staples) benefited from a strong operational performance in 2022. Sales were strong, with Nivea, the Group's flagship brand, showing a clear improvement in market share and significant price increases. Margins also held up well against inflationary pressures.

Activision Blizzard (video game publisher) was the main positive contributor to performance. We invested in this company in September 2021, when the stock price had hit a multi-year low after initial reports of serious workplace misconduct. Furthermore, our analysis led us to conclude that the strength of Activision's franchises, the bedrock of the stock's intrinsic value, was largely intact. The company should therefore capitalize on what we believe are attractive long-term trends in the video game industry. On January 18, 2022, Microsoft announced that it had reached an agreement with Activision's board of directors to acquire the company. From our point of view, the proposed price seems fair (45% premium over the price before the announcement). The deal has not yet been completed, as it requires antitrust review in an environment unfavorable to large acquisitions in the technology sector. That said, the announcement by Microsoft, one of the best allocators in the technology sector to date, tends to confirm our initial analysis of Activision's valuation. From an ESG point of view, we believe that Microsoft's acquisition is a favorable signal to continue the efforts to improve the company's culture that have been initiated by the company since 2021 (new resources, commitments and investments concerning the prevention of harassment and discrimination in particular).

Hershey's share price (consumer staples) was supported by strong revenue growth driven by volumes and prices. Margins remained relatively stable despite raw material pressures.

Top 3 negative contributors in 2022:

- Meta Platforms: -8.4%
- Alphabet: -3.6%
- Amazon: -1.9%

The negative contributors [4] to the performance in 2022 were Meta Platforms, Alphabet, and Amazon.

In a context of sharp decline in technology stocks, **Meta Platforms** (social networks and digital advertising) suffered from the slowdown in digital advertising linked to an unfavourable post-Covid comparison basis, combined with the sluggishness of the advertising market: one of the first easily adjustable expenditure items in an uncertain economic context. Added to this is concern about margins linked to the announcement of a sharp increase in investments in 2023 in an economic environment that is deteriorating.

The price of **Alphabet** (digital advertising and cloud) has also been affected by the slowdown in digital advertising and the reduction in the group's margins. **Amazon** (e-commerce and cloud), added to our portfolio in April 2022, has contributed negatively following slowdowns in Cloud growth and deteriorating prospects for the group's e-commerce business in Europe.

<u>Main movements within the portfolio</u>

In 2022, the main additions to our portfolio were **Kone Oyj**, a global leader in the elevator and escalator industry, and **Starbucks**, the world's leading coffee chain. We also initiated a position in **Waters**, a provider of laboratory equipment, hardware and software for scientists, with a strong presence in the liquid chromatography sector. In the technology sector, we added **Amazon**, an online retailer and cloud provider, and **Adobe**, a leader in creative software (Photoshop, Illustrator, etc.) with a strong presence in digital marketing and e-commerce optimization solutions.

The main divestment in 2022 was **Meta Platforms** (social networks and digital advertising), notably due to the continuation of higher than expected investments in a more competitive context than before and a deteriorating macro-economic environment.*

After a period of outperformance and a deterioration in our view of the risk/return trade-off over the period, we sold our positions in some of the portfolio companies in the consumer staples sector: **PepsiCo**, **Procter & Gamble** and **Church & Dwight**.

Positioning

We are exclusively invested in what we consider to be quality companies that are trading at a reasonable price in our view. Quality has generally outperformed in times of market stress (Covid, 2008/09 recession...), although surprisingly this has not been the case in 2022. With all of the risks remaining (inflation, high policy rates, and recession risk), we believe that exposure to quality assets at a reasonable price should prove to be an appropriate positioning for 2023.

2023 Outlook

After a tough year for markets in 2022, there are still a lot of uncertainties ahead for 2023:

1. Has inflation reached a peak level, and if so, at what pace will it decrease?
2. Will Europe and the US be able to avoid a recession in 2023?
3. What will be the path of the monetary policy of the main central banks?

Inflation will, once again, be a key focus for investors. The latest prints of 2022 were showing signs of cooling for headline figures, mainly due to the fast decrease in energy prices while core inflation seems more persistent for now. The trajectory of core inflation towards the 2% target set by the Fed and ECB will be a key element for monetary policy moves in 2023.

Additionally, economic activity will also be of importance, as we are left with GDP figures still in positive territory, a resilient labour market (US unemployment rate is still at its lowest level) and the PMIs are not yet showing signs of any significant contraction.

When combining a sticky core inflation with a strong labour market and resilient economies, this supports the hawkish narrative of central banks willing to keep hiking rates further, and to maintain rates at high levels for longer to tame inflation.

Finally, geopolitical risks are still something to keep in mind in 2023. We haven't seen any progress on a potential end to the Ukraine war yet. US and China tensions around the Taiwan situation are still elevated. Political and fiscal risks are also high given the impact of high inflation on both individuals and corporates, especially on the energy front in Europe.

We are starting the year on a constructive tone, as recession fears are being pushed to 2023, if a recession is to happen as the soft-landing narrative is gaining grounds. Moreover, the terminal rates priced by the market participants at 5.0% in the US and 3.5% in Europe look realistic in our opinion.

Performances

					Fund	**Benchmark**
TES	E-Acc-EUR	FR0012127397	EUR	2022	-19,70%	-17,86%
TES	F-Acc-EUR	FR0013314796	EUR	2022	-20,34%	-17,86%
TES	I-Acc-EUR	FR0012127371	EUR	2022	-20,26%	-17,86%
TES	R-Acc-EUR	FR0012127389	EUR	2022	-20,97%	-17,86%

Past performance is no guarantee of future performance.

Movements in portfolio listing during the period

Securities	Movements (in amount)	
	Acquisitions	Transfers
Meta Platforms - A	5,086,237.21	6,998,266.96
KONE OY B NEW	6,217,305.46	2,502,120.12
ARISTA NETWORKS INC	3,960,308.05	4,081,945.68
ALPHABET- A	2,713,399.96	4,964,703.64
STARBUCKS CORP	4,954,432.04	2,558,086.48
WATERS CORPORATION	4,423,336.83	2,491,352.82
CHURCH DWIGHT INC	1,233,163.35	4,446,247.63
3M CO	1,224,819.78	4,304,035.90
AMAZON.COM INC	5,026,892.39	329,203.15
BEIERSDORF AG	2,401,223.06	2,831,240.11

4. REGULATORY INFORMATIONS

EFFICIENT PORTFOLIO MANAGEMENT (EPM) TECHNIQUES AND FINANCIAL DERIVATIVE INSTRUMENTS (EURO)

a) Exposure obtained through the EPM techniques and Financial derivative instruments

- **Exposure obtained through the EPM techniques:**
  - o Securities lending:
  - o Securities loans:
  - o Reverse repurchase agreement:
  - o Repurchase:

- **Underlying exposure reached through financial derivative instruments: 48,939,200.25**
  - o Forward transaction: 48,939,200.25
  - o Future:
  - o Options:
  - o Swap:

b) Identity of the counterparty(ies) to EPM techniques and financial derivative instruments

Identity of the counterparty(ies) to EPM techniques	Financial derivative instruments (*)
	GOLDMAN SACHS INTERNATIONAL LTD

(*) Except the listed derivatives.

c) Type and amount of collateral received by the UCITS to reduce counterparty risk

Types of financial instruments	Amount portfolio currency
EPM	
. Term deposit	
. Equities	
. Bonds	
. UCITS	
. Cash (*)	
Total	
Financial derivative instruments	
. Term deposit	
. Equities	
. Bonds	
. UCITS	
. Cash	270,000.00
Total	**270,000.00**

(*) The Cash account also integrates the liquidities resulting from repurchase transactions.

d) Revenues and operational cost/fees from EPM

Revenues and operational cost/fees	Amount portfolio currency
. Revenues (*)	
. Other revenues	
Total revenues	
. Direct operational fees	
. Indirects operational fees	
. Other fees	
Total fees	

(*) Income received on loans and reverse repurchase agreements.

SFTR REGULATIONS IN EUR

Over the course of the reporting period, the UCI was not involved in any transactions governed by the Securities Financing Transactions Regulation (SFTR).

CONSIDERATION OF THE MACROECONOMIC CONTEXT

The economic and geopolitical environment remains uncertain and the companies or assets in which the funds managed by the management company have invested may be negatively affected in terms of their valuation, cash flow, prospects and capacity to distribute dividends, pay interest or, more generally, meet their commitments.
The management company remains extremely cautious as to the opportunities that arise and the current macroeconomic environment encourages it to continue to remain prudent and rigorous in its investment choices.

RISK EXPOSURE TO THE SITUATION IN UKRAINE AND RUSSIA

The management company and the group to which it belongs do not have any employees, offices or subsidiaries domiciled in Russia or Ukraine.
Since the outbreak of the crisis, a thorough review of all portfolio companies held through the funds managed by the management company has been conducted and has concluded that none of these companies are domiciled in Ukraine or Russia and that the proportion of their revenues exposed to these regions is not material.

REGULATORY REQUIREMENTS

Information relating to operations during the year and on the securities for which the Management Company is informed that his group has a particular interest

	Net Asset Value in EUR
Securities issued by the promoter group	None
Loans issued by the promoter group	None
UCITS issued by the promoter group	None

INVESTMENT MANAGEMENT DELEGATION

None.

SELECTION CRITERIA OF MARKET INTERMEDIARIES

Article 24 (1) of the Markets in Financial Instruments Directive 2014/65/EU ("MiFID 2") and Article 26 of Regulation (EU) No 600/2014 ("MiFID") of the European Parliament and of the Council of 15 May 2014 extended and strengthened the "best execution" requirements for orders already implemented under the Markets in Financial Instruments Directive 2004/39/EC ("MiFID 1").

The "best execution" obligation is implemented by taking all reasonable measures to obtain the best possible execution result taking into account, inter alia, the following factors: price, cost, timeliness, likelihood of execution and settlement, size and nature of the order. These execution factors are to be weighted depending of the characteristics of the order, the financial instruments concerned, the execution venues and the characteristics of the client.

The "best execution" requirement takes the form of "best selection" when the investment services provider does not execute the orders itself but transmits them to a market member. In this case, its obligation is to select the market intermediary most likely to deliver the best possible execution.

Broker selection policy

Scope of application

The broker selection policy applies to all financial instruments and financial contracts traded on regulated markets or multilateral trading facilities.

The financial instruments and contracts that fall under the scope are as follows:

- shares and similar instruments,
- futures and similar instruments,
- standardised options and similar instruments.

Principles

Tikehau Investment Management is not a market member and does not execute directly the orders placed on behalf of the funds under management.

The fund managers of Tikehau Investment Management transmit their orders to the internal trading desk, who then transmit them to the brokers in charge of their execution.

Tikehau Investment Management is always careful to be categorized as a "professional client" within the meaning of MiFID 2 by its market intermediaries, in order to benefit from a sufficient level of protection and assurance as to the best execution of the orders it transmits to them.

Selection and listing of market intermediaries

Tikehau Investment Management carefully selects the market intermediaries it trusts to execute the orders it receives. The selection of market intermediaries is based in particular on their ability to meet the following criteria:

- reputation and recognition,
- best execution policy adopted,
- level of proposed prices in relation to available liquidity,
- quality of order execution services,
- quality of investment decision support services,
- quality of administrative processes (back-office and middle-office),
- range of services offered,
- proposed level of transparency,
- costs and fees.

The listing of a market intermediary is only done after the usual due diligence procedures have been carried out to ensure good reputation of the counterparty and to compile a broker file. Commercial relations with new brokers are subject to the approval of the RCCI of Tikehau Investment Management.

Choice of market intermediaries

Tikehau Investment Management only transmits its orders to referenced intermediaries in order to guarantee the best possible execution. To determine the most suitable broker to deliver best execution, the trading teams consider the following factors:

- characteristics and constraints of the portfolio,
- characteristics and specificities of the broker,
- proposed prices,
- associated costs,
- speed of execution,
- probability of execution and outcome,
- size and nature of the order,
- any other considerations related to the execution of the order.

Periodic Evaluation

The evaluation of market intermediaries is formalised annually by the "Broker Committee", made up of representatives from Management, Trading, Middle Office and Compliance teams. Brokers who have been assigned orders during the financial year are evaluated on the basis of the following criteria:

- price level in relation to the liquidity offered,
- quality of order execution,
- quality of investment decision support services,
- scope of services offered,
- quality of administrative processes,
- proposed level of transparency,
- availability and reactivity,
- costs and fees.

Tikehau Investment Management also takes into account the results of the valuation in the allocation of brokerage volumes and the continuation of its business relationships with the referenced brokers.

<u>Best Execution Policy</u>

Scope of application

As Tikehau Investment Management is not a market member, the best execution policy applies only to financial securities traded over-the-counter (OTC) or traded through multilateral trading facilities (MTF) and to financial contracts traded over-the-counter.

The financial instruments concerned are as follows:

- bonds and similar (sovereign bonds, corporate bonds, convertible bonds)
- negotiable debt instruments
- interest rate, foreign exchange or credit derivatives (total return swaps, FX forwards, credit default swaps)

Principles

Transactions in OTC financial instruments

Tikehau Investment Management takes all necessary measures to ensure the best execution of OTC orders. To this end, the Company takes into account the following criteria in particular:

- characteristics and constraints of the portfolio,
- characteristics and specificities of the counterparty,
- proposed prices,
- associated costs,
- speed of execution,
- probability of execution and outcome,
- size and nature of the order,
- any other consideration related to the execution of the order.

In order to attain best execution, the traders request quotes from different counterparties hereby ensuring a fair competition amongst them and select the offer that best meets the above-mentioned criteria.

Transactions in OTC financial contracts

Tikehau Investment Management enters into OTC financial contracts only with authorized counterparties, i.e. with whom ISDA/CSAs have been concluded.

Transactions in financial instruments via multilateral trading facilities

Tikehau Investment Management may use multilateral trading facilities to execute orders placed on behalf of the funds under management. The selection of the platforms used is made in particular on the basis of the following criteria:

- reputation and market recognition,
- regulation of the platform by a financial market regulatory authority established in a European Union country or in an equivalent third country,
- existence and robustness of the system for the admission of participants,
- scope of the instruments covered,
- quality of the proposed tool, quality of the services provided,
- requested remuneration, and, liquidity offered by the platform.

As most multilateral trading facilities do not offer a guarantee of best execution, Tikehau Investment Management takes all necessary measures to ensure the best execution of orders traded through them.

To do so, the Company takes into account the following criteria in particular:

- characteristics and constraints of the portfolio,
- characteristics and specificities of the counterparty,
- prices offered,
- associated costs,
- speed of execution,
- probability of execution and outcome,
- size and nature of the order,
- any other consideration related to the execution of the order.

The structuring of certain financing operations may, in accordance with the fund's regulations, lead to the collection by the Management Company of arrangement fees. The arrangement fee is paid by the issuer to the arranger of the transaction and is calculated pro rata to the commitments.
Those fees are then equally divided between the fund which perceives 50% of them and the management company which keeps the remaining 50%.

REPORT ON INTERMEDIARY FEES

In accordance with the provisions of article 321-122 of the AMF's General Regulation, OPCVM management companies are required to report intermediation fees paid annually if they exceed €500, 000.
A report related to the intermediation fees paid by Tikehau Investment Management during the previous year is updated annually. This document is available on the website of Tikehau Investment Management : https://www.tikehaucapital.com/fr/funds-and-portfolio/tikehauim/legal

VOTING AND ENGAGEMENT POLICY

The Shareholder Engagement and Voting Policy of the Management Company for all UCI it manages is available on the website of Tikehau Investment Management https://www.tikehaucapital.com/en/investor-client/legal or in the head office of the Management Company, in accordance with Articles L. 533-22 et R 533-16 of the French Monetary and Financial Code .

ENVIRONMENTAL, SOCIAL AND GOVERNANCE QUALITY CRITERIONS

Pursuant to the provisions of Article L.533-22-1 of the French Monetary and Financial Code, information on how social, environmental and governance criteria are taken into account is provided on the management company website : https://www.tikehaucapital.com/

SFDR PERIODIC DISCLOSURE CALCULATIONS
1 DATA SOURCES & LIMITATIONS

Financial Data

The financial data is extracted from our Information Systems and is the data used for the accounting reporting.

ESG data

We rely on SFDR Principal Impact Solution from ISS ESG to collect the ESG data required for PAI disclosures and as such rely on ISS ESG definitions and calculations for each PAI.
ISS ESG relies on data reported by companies but can also use estimates.
We rely on EU Taxonomy solution from ISS ESG to report the Taxonomy related data. ISS ESG relies on data reported by companies but can also use estimates.
We rely on S&P Trucost for the scope 1,2 and 3 sector average of each Global Industry Classification Standard (GICS®) sector.
We try to limit the number of overrides to the minimum[1].

Indicator Proxies

It has to be noted that ISS ESG is committed to attempt to follow the regulatory-prescribed metrics as closely as possible within the SFDR Principal Impact Solution and Taxonomy Solution. As disclosed in ISS ESG's methodologies, in some occurrences, proxies are used, and the definitions of the indicators do not exactly match the regulatory definitions.

Most of the time, the use of proxies is justified by lack of data availability at companies' level. The proxy indicators disclosed within the report are the following:

- Activities negatively affecting biodiversity-sensitive areas: ISS ESG links controversies to some, but not all, of the standards referenced in the Principal Adverse Impact (PAI) definition of "activities negatively affecting biodiversity-sensitive areas". However, the standards/directives referenced in the regulation overlap with those applied in the proxy to a large extent.
- Investments in companies without carbon emission reduction initiatives: For the purpose of this PAI indicator, ISS ESG considers companies to have carbon emission reduction initiatives aimed at aligning with the Paris Agreement only if they have set themselves or are formally committed to setting themselves carbon reduction targets approved by the Science Based Targets initiative.

Calculation logics and methodological limitations

ISS ESG is committed to attempt to follow the regulatory-prescribed metrics as closely as possible within the SFDR Principal Impact Solution but in some occurrences, calculation logics doesn't exactly match the regulatory requirements. The following shortcomings have been identified:

Based on our analysis, the computation of the PAI "Carbon footprint" is not consistent with the latest ESMA guidelines: the value "for all investments" used by ISS ESG does not include cash, liquidity ancillary, and derivatives instruments. It can lead to a slight overestimation of the indicator compared to the regulatory guidelines.

The PAI "GHG intensity of investee companies" which can also be designated as Weighted Average Carbon Intensity is manually retreated at fund level as described in the section "Sustainability indicators of the fund - weighted average carbon intensity (WACI)" of this document and the value of all investments is consistent with the regulatory requirements.

Specific case of Sustainable Instruments

For Green Bonds and Sustainability Linked Bonds, the PAI and Taxonomy indicators reported are those of the corporates that have issued the sustainable instruments but are not specific on the project or activities covered by the Bond framework. This is due to data availability.

[1] We allow data overrides when a data point is deemed to be an outlier or corrupted.

Data source updates

Funds financial data:
- Fund financial data is based on the accounting inventory of the reference period.

Regarding ISS ESG data:
- Market capitalization and EV used is the most recent (same quarter within the calendar year reference period)
- For the PAI indicator "GHG intensity of investee companies", Carbon emissions and Revenue data used are the latest available, i.e., N-1 for Q4, N-2 for other quarters compared to the calendar year reference period)
- The other indicators use the latest available data with a variable temporality depending on the indicators.
- The Taxonomy indicators use the latest available data with a variable temporality depending on the indicators.

Regarding S&P Trucost ESG data:
- The Emission Factor scope 1,2 and 3 of the investee company's industry are the latest available at the provider level (N-2).

2 COMPUTATION OF REGULATORY INDICATORS AT FUND LEVEL

Pai corporate assets
The regulation requires the disclosure of PAI indicators to be based on, at a minimum, the average of four calculations made on March 31st, June 30th, September 30th, and December 31st of a reference period. We rely on the standard applied by ISS ESG to compute PAI indicators at portfolio level unless otherwise specified.

For each PAI, we disclose the percentage of the portfolio that is "covered" by data (i.e where the required indicator is known for the corporates) within the "eligible" securities (that is, the percentage of the portfolio invested in securities[2] the PAI is measuring).

Taxonomy use of proxy
As stated in Article 17(2)(b) and Recital (35) of the Delegated Regulation, when Taxonomy alignment of investments is not available from the public disclosures of investee companies, then the use of 'equivalent information' from investee companies or third-party providers is permitted.

In such exceptional cases and only for those economic activities for which complete, reliable and timely information could not be obtained, financial market participants are allowed to make complementary assessments and estimates on the basis of information from other sources. Assessments and estimates should only compensate for limited and specific parts of the desired data elements and produce a prudent outcome. Financial market participants should clearly explain the basis for their conclusions as well as the reasons for having to make such complementary assessments and estimates for the purposes of disclosure to end investors.

To provide disclosures in assessing the alignment of corporate issuers with Taxonomy criteria, we decided to use data from ISS ESG to deal with the lack of corporate disclosures. Once the reporting prescribed by Regulation (EU) 2021/2178 on the Taxonomy-aligned activities of non-financial undertakings (from January 2023) and financial undertakings (from January 2024) starts, the disclosure of Taxonomy-aligned investments is expected to become more straightforward.

Taxonomy alignement
Taxonomy indicators at fund level have been computed relying on the standard applied by ISS ESG Taxonomy Solution:
- "Aligned": ISS ESG collects the company's reported data and the company discloses that it operates in alignment with all relevant Taxonomy criteria
- "Likely aligned": ISS ESG proxy data indicates alignment with all relevant Taxonomy criteria

The data disclosed in the report is at end of 2022 and has been aggregated as per the following rules to match the regulatory reporting template:
- Taxonomy-Aligned no gas and nuclear (Turnover, CapEx, OpEx) is the sum of fund relevant indicators flagged as "Aligned" or "Likely Aligned", and not involved in the fossil gas and nuclear sectors under ISS ESG Taxonomy methodology.
- Non-Taxonomy-aligned (Turnover, CapEx, OpEx): is the sum of fund relevant indicators flagged as "Potentially Aligned", "Likely Not Aligned", "Not Aligned", "Not Collected" and "Not Covered".

[2] For example, investments not promoting environmental or social characteristics are not included.

- Taxonomy-aligned - Nuclear (Turnover, CapEx, OpEx) is the sum of sum of fund relevant indicators flagged as "Aligned" or "Likely Aligned" and disclosed as involved in the fossil gas and nuclear sectors under ISS ESG Taxonomy methodology. There is currently no way to split indicator between fossil gas and nuclear relying on ISS ESG data, so we decided to disclose the nuclear and fossil gas aggregated under the nuclear section.
- Taxonomy-aligned - Fossil Gas (Turnover, CapEx, OpEx): this indicator is assigned to 0 as the indicator is disclosed within the nuclear indicators due to the limitations highlighted above.

3 SUSTAINABILITY INDICATORS OF THE FUND

Weighted average carbon intensity (WACI)
The weighted average carbon intensity (WACI) of the funds and their investment universe is monitored as part of our non-financial approach.
To ensure the highest possible coverage, we use a several data sources. We use the corporate data (greenhouse gas ("GHG") emissions scope 1,2 and 3 per million euros of turnover) when it is available from ISS ESG and, if not, we rely on the corporate's sector average provided by S&P Trucost.

It has to be noted that following the regulatory clarifications on the computation of the PAI "GHG intensity of investee companies" which is the same indicator as the WACI, we changed our methodology and there is no more rebalancing of the weight of the fund's investment to exclude investment with non-disclosed values and investments not promoting Environmental and Social characteristics (for example cash). This makes the comparison with Benchmark Index less straightforward.

Indicators used under the SRI label approach
The fund granted with the SRI label follows the requirements of the label for computation of non-financial performance indicators. Please refer to the Funds' Transparency Code for more information on the SRI approach and methodology implemented within the funds.

Impact approach
We are not able to report the indicators "the score of the issuer under a proprietary Impact grid" mentioned in the pre-contractual approach for the reference period. The proprietary grid was released at the beginning of 2023 and we disclose some proxy indicator which relate to the asset repartition within the funds.

SFDR AND TAXONOMIE REGULATION

Article 8
"As required by Article 50 (2 SFDR) of COMMISSION DELEGATED REGULATION, information on the environmental or social characteristics promoted by the financial product is available in an annex to this report."

REGULATORY DEVELOPMENTS WITH AN IMPACT ON THE FUND

1. Performance fees

The Management Company has decided to update the method for calculating the Fund's performance fees. The current method of calculating the Fund's performance relative to its benchmark index only takes into account any performance achieved during the current financial year.
The Management Company has therefore decided to introduce a mechanism whereby the Fund's underperformance relative to the index is recovered over a rolling reference period of five (5) years. In addition, this new mechanism also imposes a condition of positive absolute performance during this reference period.
This update is compliant with the European Securities and Markets Authority's Guidelines on performance fees in UCITS and certain types of AIFs (ESMA34-39-992) of 5 November 2020, and the AMF's Position DOC-2021-01 on performance fees in UCITS and certain types of AIFs.
These measures entered in force on January, 1st 2022 and are details in the legal documentation of the fund.

2. Taxonomy Regulation

The Management Company has decided to bring the Fund's documentation in line with Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (the Taxonomy Regulation). Compliance with the Taxonomy Regulation means that we can ensure unitholders are kept better informed and improve transparency as regards sustainable investment objectives. From 2022 and in connection with this regulation, the Management Company will implement its reporting obligations under the Taxonomy Regulation ((EU) 2020/852).

3. CSDR (Central Securities Depositories Regulation)

Measures related to the application of cash penalties for settlement fail (discipline measures) introduced by the european regulation CSDR (Central Securities Depositories Regulation) entered in force on February 1st, 2022.
As a reminder the Regulation (EU) No 909/2014 on improving securities settlement in the European Union and on central securities depositories aims to improve securities settlement in the European Union.
In order to comply with, Tikehau IM decided to introduced the following means:

- Allowances receivable and any cash penalties payable are allocated or debited to the fund's account.
- A monthly flow's monitoring is conducted

In case of disagree with a request for cash penalties Tikehau IM claims the request (about its origin or the amounts to be paid).

POST-CLOSING EVENTS APPLICABLE AS OF JANUARY 2023 OR IN THE FUTURE (AND SUBJECT TO CHANGE).

1. Entry into force of the key information document (KID)

On January 1, 2023, in accordance with the European PRIIPS regulation, the Key Investor Information Document (KIID) is replaced by the Key Information Document (KID). The KID is a new document format which aims to present to investors the characteristics of financial investment vehicles in a clear and synthetic way.
The change from the KIID to the KID has had the effect of modifying the risk indicator level of certain share classes as indicated in the table below. KIDs are available on the Management Company's website.

Tikehau Equity Selection		The change from the KIID to the KID has had the effect of modifying the risk indicator level of the fund for certain share classes as indicated in the table below :	
Share class	**ISIN**	**SRRI (old)**	**SRI (new)**
R-Acc-EUR	FR0012127389	5	4
E-Acc-EUR	FR0012127397	5	4
F-Acc-EUR	FR0013314796	5	4
I-Acc-EUR	FR0012127371	5	4
R-Acc-EUR	FR0012127389	5	4

2. Evolution of the AMF doctrine concerning liquidity management tools

Mechanism for capping requests for "gates"(*), swing pricing and anti-dilution levies (*)

Following the update of the AMF doctrine relating to the introduction of liquidity management tools during the month of November 2022, the Management Company will decide by December 31, 2023 at the latest whether or not to introduce the mechanisms of capping requests for redemptions "gates" on the one hand and swing pricing and anti-dilution levies mechanisms on the other hand.

(*) The mechanism of capping redemption requests "gates" allows to spread redemption requests over several net asset values as soon as they exceed a certain level, determined in an objective way. Moreover, it should not be conceived as a mechanism for routine liquidity management.

(*) The mechanisms of swing pricing and anti-dilution levies make it possible to compensate or reduce the costs of portfolio reorganization borne by all the holders at the time of subscriptions and redemptions.

RISK MEASUREMENT AND THE CALCULATION OF GLOBAL EXPOSURE AND COUNTERPARTY RISK

The Management Company uses the commitment approach for the calculation of the Global Exposure of the fund.

SWING PRICING

None.

COMPENSATION POLICY

Principles

This compensation policy is designed in accordance with the provisions related to compensation of the Directive 2001/61/EU of the European Parliament and Council of June 8, 2011 (hereinafter the "**AIFM directive**") and the directive 2014/91/EU of the European Parliament and Council of July 23, 2014 (hereinafter the "**UCITS V directive**") applicable to the asset management sector.

I. SCOPE OF APPLICATION

1.1. Identified Employees

The process of identifying the regulated population is carried out jointly by the Human Capital department, the Compliance department and is submitted to the "Nominations and Remuneration Committee" of Tikehau Capital, the parent company of Tikehau IM.

Given the internal organisation of Tikehau IM, the identified personnel (hereinafter the "Identified Personnel") within the meaning of the AIFM Directive and the UCITS V Directive is composed of the following categories of personnel

- The executives of Tikehau IM,
- The portfolio managers,
- The heads of the control functions, namely the Head of Risk of Tikehau IM, the RCCI of Tikehau IM and the Head of Internal Audit of Tikehau Capital,
- The head of the support functions (Marketing, HR, administrative managers, etc.) of Tikehau IM,
- All employees with a global remuneration in the same remuneration bracket as Tikehau IM's general management and risk takers, and who have a significant impact on the risk profile of Tikehau IM or of the UCITS and AIFs managed by Tikehau IM.

1.2. Remuneration principles within Tikehau IM

The total compensation of Tikehau IM's employees is made of the following elements:

- Fixed remuneration;
- Annual variable compensation;
- Employee savings schemes that do not fall within the scope of the AIFM and UCITS V directives.

Each employee is subject to all or part of these different remuneration components depending on his/her responsibilities, skills and performance.

The variable remuneration is determined on the basis of Tikehau IM's financial and extra-financial performance and the individual performance of the employee, assessed on the basis of the achievement of qualitative and quantitative objectives and his level of commitment. The evaluation of the individual performance takes into account the participation of the employee in Tikehau IM's policy on environmental, social and governance criteria (hereafter "ESG") which integrates sustainability issues as well as the respect of the applicable procedures in this field. It also takes into account the respect of the regulations in force as well as the internal policies and procedures applicable to compliance and risk management.

It is specified that any variable remuneration is not a vested right, including the deferred portion which is only paid or vested if (i) it is justified by the performance of the business unit and the individual concerned and (ii) its amount is compatible with the financial situation of Tikehau IM.

Thus, the total amount of variable remuneration is generally significantly reduced when the portfolio management company and/or the portfolios it manages record poor or negative financial performance.

The remuneration terms and conditions are established in accordance with the applicable regulations.

Finally, it is specified that:

- Guaranteed variable compensation is prohibited, except in the event of employment outside of Tikehau group. In this case, the warranty is strictly limited to the first year.
- The use of coverage or insurance strategies that would limit the scope of this compensation policy for the Identified personnel is strictly prohibited.

1.3. Rules applicable to the variable part of the remuneration of members of the relevant employees

Tikehau IM has set up a deferred variable remuneration system applicable to members of the Identified Personnel who are not excluded in application of the principle of proportionality in accordance with Section **1.4** below (the "Relevant Employees") in compliance with the regulations in force.

Upon the attainment of the applicable threshold, members of the Identified personnel are subject to the following rules for the variable portion of their remuneration:

- at least 50% of the variable portion of the compensation is deferred;
- The deferral of this portion of the variable compensation is applied on a period of minimum three years;
- The deferred portion of the variable compensation is not definitively acquired by the employee until the effective payment date and it cannot be received by the employee before this date;
- the remaining part of the variable part of the remuneration is paid immediately in cash.

1.4. Structure of the variable remuneration of the relevant employees

In application of the principle of proportionality, Tikehau IM excludes from the requirements relating to the remuneration of Relevant employ, any employee who is part of the Identified Personnel:

- whose variable remuneration is lower than one of the two following thresholds:
    - o the percentage of the variable remuneration is less than 30% of the fixed remuneration; or
    - o the amount of the variable remuneration is less than €200k gross or its equivalent in foreign currency.

or

- who does not have a significant influence on the risk profile of Tikehau IM or of the UCITS and AIF managed by Tikehau IM.

Any Concerned Employee will see his variable remuneration structured as follows:

- At least 50% of the variable remuneration will take the form of financial instruments (hereinafter "Eligible Financial Instruments", see Section 2), which may take the form of Cash Units (see Section 2.2) and/or listed shares of Tikehau Capital, the parent company of Tikehau IM (see Section 2.3), and its payment will be deferred over a minimum of 3 years,
- the deferred payment in Eligible Financial Instruments will be indexed to the performance of an index composed of UCITS and FIAs managed by Tikehau IM (hereinafter "Benchmark Index", see Section 2.1),
- the deferred payment will be made in equal tranches
- the remaining part of the variable remuneration will take the form of a cash payment, paid in year N (date of grant of the variable remuneration for the previous year).

1.5. Payment and acquisition of the variable compensation of the relevant employees

The vesting and payment of the deferred variable compensation elements are subject to (i) the achievement of performance conditions related to the company's results and individual criteria (including appropriate risk management), (ii) the absence of fraudulent behaviour or serious error in relation to applicable regulations and internal policies and procedures regarding compliance and risk management and ESG, and (iii) an attendance condition.

These conditions shall be precisely and explicitly defined at the time of granting such remuneration.

Where any of the above vesting conditions are not met, the unvested portion of the deferred variable remuneration may be so reduced, or not paid.

Without prejudice to the general principles of national labour law, in the event that the performance of Tikehau IM's business involves the generation of a negative net result, Tikehau IM will be entitled to recover all or part of the variable remuneration previously deferred, announced but not yet vested.

2. ELIGIBLE FINANCIAL INSTRUMENTS

2.1. Definition of the Benchmark Index

The deferred payment in Eligible Financial Instruments is indexed on the performance of the Benchmark Index.

The Benchmark Index is composed of UCITS and FIAs managed by Tikehau IM, representing the 4 main asset management strategies of Tikehau IM:

- Capital Markets Strategies (formerly known as Liquid Strategies),
- Private Debt,
- Real Assets (formerly known as Real Estate),
- Private Equity.

Tikehau IM shall select, at the moment of the allocation of the variable compensation, the representative fund(s) of each of the four strategies, taking into account the opinion of the Head of Risk and the Head of Compliance and internal Control, and will determine the respective weight of each of the four strategies on the basis of the ventilation of the assets at the end of the financial year to which the variable remuneration relates. The funds and their respective weight shall remain identical during the deferred years for the variable compensation relating to a given year.

The performance of the Benchmark Index will be calculated by measuring the evolution in the net asset value per share of the relevant funds between 31 December of the financial year preceding the date of initial award date of the Eligible Financial Instruments and 31 December of the financial year preceding the date of effective acquisition of the Eligible Financial Instruments.

Shall one of the funds whose performance is taken into account for the calculation of the Benchmark Index be liquidated before the acquisition date of one or several portions of deferred compensation, it shall be substituted for calculation purposes of the Benchmark Index after this liquidation by a fund considered as representative of the business line of Tikehau IM.

2.2 Implementation of Cash Units as a support for the alignment of interests

Tikehau IM can implement a Cash Units framework consisting in variable cash compensation, blocked and deferred on a minimum of three years per equal tranche, the valuation of which is based on the performance of the Benchmark Index on the period considered.

2.3. Tikehau Capital Shares

Tikehau IM can use Tikehau Capital shares as Eligible Financial Instruments.

These free share grants would take place in accordance with the requirements of Articles L. 225-197-1 et seq. of the French Commercial Code.

The grant shall be structured in a minimum of three equal tranches. The number of shares of each of the tranches definitively acquired would be based on the performance of the Benchmark Index.
In case of a negative performance of the Benchmark Index on a period considered, the final number of granted shares can be proportionally reduced and rounded down to the next whole number.

The grant of the free shares does not allow to increase the number of granted shares, a compensatory mechanism under the form of Eligible Financial Instruments could be implemented to compensate for the shortfall of the beneficiaries.

Breakdown of fixed and variable remuneration as of 31/12/2022

	Number of beneficiaries	Fixed remuneration (€)	Variable Cash remuneration (€)	Carried interest and performance fees (€)	Total (€)
TIM Staff	283	29 179 738	11 805 162	0	40 984 900
Identified Staff	67	12 294 104	7 195 567	0	194 89 671
Concerned Staff	43	8 951 895	6 221 342	0	15 173 237

Source: Tikehau IM Human Resources

COMMISSIONS ARRANGEMENT

The structuring of certain financing operations may, in accordance with the fund's regulations, lead to the collection by the Management Company of arrangement fees.
The arrangement fee is paid by the issuer to the arranger of the transaction and is calculated pro rata to the commitments.
Those fees are then equally divided between the fund which perceives 50% of them and the management company which keeps the remaining 50%.

Tikehau Equity Selection – *Summary of arrangement fees collected over the last three years (in €)*

None.

OTHER INFORMATION

The Fund's regulations and the latest annual and periodic reports can be sent upon written request to:

Tikehau Investment Management
32 rue de Monceau,
75008 PARIS, FRANCE
E-mail: client-service@tikehaucapital.com

5. STATUTORY AUDITOR'S CERTIFICATION

ERNST & YOUNG et Autres
Tour First
TSA 14444
92037 Paris-La Défense cedex

Tél. : +33 (0) 1 46 93 60 00
www.ey.com/fr

Tikehau Equity Selection

Exercice clos le 30 décembre 2022

Rapport du commissaire aux comptes sur les comptes annuels

Aux Porteurs de parts du fonds Tikehau Equity Selection,

Opinion

En exécution de la mission qui nous a été confiée par la société de gestion, nous avons effectué l'audit des comptes annuels de l'organisme de placement collectif Tikehau Equity Selection constitué sous forme de fonds commun de placement (FCP) relatifs à l'exercice clos le 30 décembre 2022, tels qu'ils sont joints au présent rapport.

Nous certifions que les comptes annuels sont, au regard des règles et principes comptables français, réguliers et sincères et donnent une image fidèle du résultat des opérations de l'exercice écoulé ainsi que de la situation financière et du patrimoine du fonds à la fin de cet exercice.

Fondement de l'opinion

Référentiel d'audit

Nous avons effectué notre audit selon les normes d'exercice professionnel applicables en France. Nous estimons que les éléments que nous avons collectés sont suffisants et appropriés pour fonder notre opinion.

Les responsabilités qui nous incombent en vertu de ces normes sont indiquées dans la partie « Responsabilités du commissaire aux comptes relatives à l'audit des comptes annuels » du présent rapport.

Indépendance

Nous avons réalisé notre mission d'audit dans le respect des règles d'indépendance prévues par le Code de commerce et par le Code de déontologie de la profession de commissaire aux comptes, sur la période du 1er janvier 2022 à la date d'émission de notre rapport.

Justification des appréciations

En application des dispositions des articles L. 823-9 et R. 823-7 du Code de commerce relatives à la justification de nos appréciations, nous vous informons que les appréciations les plus importantes auxquelles nous avons procédé, selon notre jugement professionnel, ont porté sur le caractère approprié des principes comptables appliqués, notamment pour ce qui concerne les instruments financiers en portefeuille et sur la présentation d'ensemble des comptes au regard du plan comptable des organismes de placement collectif à capital variable.

Les appréciations ainsi portées s'inscrivent dans le contexte de l'audit des comptes annuels pris dans leur ensemble et de la formation de notre opinion exprimée ci-avant. Nous n'exprimons pas d'opinion sur des éléments de ces comptes annuels pris isolément.

Vérifications spécifiques

Nous avons également procédé, conformément aux normes d'exercice professionnel applicables en France, aux vérifications spécifiques prévues par les textes légaux et réglementaires.

Nous n'avons pas d'observation à formuler sur la sincérité et la concordance avec les comptes annuels des informations données dans le rapport de gestion établi par la société de gestion.

Responsabilités de la société de gestion relatives aux comptes annuels

Il appartient à la société de gestion d'établir des comptes annuels présentant une image fidèle conformément aux règles et principes comptables français ainsi que de mettre en place le contrôle interne qu'elle estime nécessaire à l'établissement de comptes annuels ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

Lors de l'établissement des comptes annuels, il incombe à la société de gestion d'évaluer la capacité du fonds à poursuivre son exploitation, de présenter dans ces comptes, le cas échéant, les informations nécessaires relatives à la continuité d'exploitation et d'appliquer la convention comptable de continuité d'exploitation, sauf s'il est prévu de liquider le fonds ou de cesser son activité.

Les comptes annuels ont été établis par la société de gestion.

Responsabilités du commissaire aux comptes relatives à l'audit des comptes annuels

Il nous appartient d'établir un rapport sur les comptes annuels. Notre objectif est d'obtenir l'assurance raisonnable que les comptes annuels pris dans leur ensemble ne comportent pas d'anomalies significatives. L'assurance raisonnable correspond à un niveau élevé d'assurance, sans toutefois garantir qu'un audit réalisé conformément aux normes d'exercice professionnel permet de systématiquement détecter toute anomalie significative. Les anomalies peuvent provenir de fraudes ou résulter d'erreurs et sont considérées comme significatives lorsque l'on peut raisonnablement s'attendre à ce qu'elles puissent, prises individuellement ou en cumulé, influencer les décisions économiques que les utilisateurs des comptes prennent en se fondant sur ceux-ci.

Comme précisé par l'article L. 823-10-1 du Code de commerce, notre mission de certification des comptes ne consiste pas à garantir la viabilité ou la qualité de la gestion de votre fonds.

Dans le cadre d'un audit réalisé conformément aux normes d'exercice professionnel applicables en France, le commissaire aux comptes exerce son jugement professionnel tout au long de cet audit. En outre :

- il identifie et évalue les risques que les comptes annuels comportent des anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, définit et met en œuvre des procédures d'audit face à ces risques, et recueille des éléments qu'il estime suffisants et appropriés pour fonder son opinion. Le risque de non-détection d'une anomalie significative provenant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne ;

- il prend connaissance du contrôle interne pertinent pour l'audit afin de définir des procédures d'audit appropriées en la circonstance, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne ;

- il apprécie le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par la société de gestion, ainsi que les informations les concernant fournies dans les comptes annuels ;

- il apprécie le caractère approprié de l'application par la société de gestion de la convention comptable de continuité d'exploitation et, selon les éléments collectés, l'existence ou non d'une incertitude significative liée à des événements ou à des circonstances susceptibles de mettre en cause la capacité du fonds à poursuivre son exploitation. Cette appréciation s'appuie sur les éléments collectés jusqu'à la date de son rapport, étant toutefois rappelé que des circonstances ou événements ultérieurs pourraient mettre en cause la continuité d'exploitation. S'il conclut à l'existence d'une incertitude significative, il attire l'attention des lecteurs de son rapport sur les informations fournies dans les comptes annuels au sujet de cette incertitude ou, si ces informations ne sont pas fournies ou ne sont pas pertinentes, il formule une certification avec réserve ou un refus de certifier ;

- il apprécie la présentation d'ensemble des comptes annuels et évalue si les comptes annuels reflètent les opérations et événements sous-jacents de manière à en donner une image fidèle.

Paris-La Défense, le 14 avril 2023

Le Commissaire aux Comptes
ERNST & YOUNG et Autres

Hassan Baaj

6. ANNUAL ACCOUNTS STATEMENTS

BALANCE SHEET AT 30/12/2022 in EUR

ASSETS

	12/30/2022	12/31/2021
FIXED ASSETS, NET		
DEPOSITS		
FINANCIAL INSTRUMENTS	**88,332,517.30**	**105,241,240.46**
Equities and similar securities	**88,332,517.30**	**105,241,240.46**
Traded in a regulated market or equivalent	88,332,517.30	105,241,240.46
Not traded in a regulated market or equivalent		
Bonds and similar securities		
Traded in a regulated market or equivalent		
Not traded in a regulated market or equivalent		
Credit instruments		
Traded in a regulated market or equivalent		
Negotiable credit instruments (Notes)		
Other credit instruments		
Not traded in a regulated market or equivalent		
Collective investment undertakings		
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries		
Other Funds intended for non-professionals and equivalents in other EU Member States		
General-purpose professional funds and equivalents in other EU Member States and listed securitisation entities		
Other professional investment funds and equivalents in other EU Member States and listed securitisation agencies		
Other non-European entities		
Temporary transactions in securities		
Credits for securities held under sell-back deals		
Credits for loaned securities		
Borrowed securities		
Securities sold under buy-back deals		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other operations		
Other financial instruments		
RECEIVABLES	**49,003,665.16**	**53,227,400.75**
Forward currency transactions	48,939,200.25	52,105,927.29
Others	64,464.91	1,121,473.46
FINANCIAL ACCOUNTS	**4,652,132.52**	**11,098,002.93**
Cash and cash equivalents	4,652,132.52	11,098,002.93
TOTAL ASSETS	**141,988,314.98**	**169,566,644.14**

LIABILITIES

	12/30/2022	12/31/2021
SHAREHOLDERS' FUNDS		
Capital	99,677,722.10	100,729,661.12
Allocation Report of distributed items (a)		
Brought forward (a)		
Allocation Report of distributed items on Net Income (a,b)	-6,702,280.70	15,154,148.82
Result (a,b)	-172,723.85	-1,236,385.24
TOTAL NET SHAREHOLDERS' FUNDS *	**92,802,717.55**	**114,647,424.70**
** Net Assets*		
FINANCIAL INSTRUMENTS		
Transactions involving transfer of financial instruments		
Temporary transactions in securities		
Sums owed for securities sold under buy-back deals		
Sums owed for borrowed securities		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other hedges		
PAYABLES	**49,185,597.43**	**54,919,219.44**
Forward currency transactions	48,643,570.03	51,803,259.74
Others	542,027.40	3,115,959.70
FINANCIAL ACCOUNTS		
Short-term credit		
Loans received		
TOTAL LIABILITIES	**141,988,314.98**	**169,566,644.14**

(a) Including adjusment
(b) Decreased interim distribution paid during the business year

OFF-BALANCE SHEET AT 30/12/2022 in EUR

	12/30/2022	12/31/2021
HEDGES		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		
OTHER OPERATIONS		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		

INCOME STATEMENT at 30/12/2022 in EUR

	12/30/2022	12/31/2021
Revenues from financial operations		
Revenues from deposits and financial accounts	24,142.94	
Revenues from equities and similar securities	1,604,468.82	1,291,982.67
Revenues from bonds and similar securities		
Revenues from credit instruments		
Revenues from temporary acquisition and disposal of securities		427.32
Revenues from hedges		
Other financial revenues	2,175.05	
TOTAL (1)	**1,630,786.81**	**1,292,409.99**
Charges on financial operations		
Charges on temporary acquisition and disposal of securities		2,270.66
Charges on hedges		
Charges on financial debts	18,991.64	40,962.29
Other financial charges	2,925.33	
TOTAL (2)	**21,916.97**	**43,232.95**
NET INCOME FROM FINANCIAL OPERATIONS (1 - 2)	**1,608,869.84**	**1,249,177.04**
Other income (3)		
Management fees and depreciation provisions (4)	1,791,703.32	2,472,134.57
NET INCOME OF THE BUSINESS YEAR (L.214-17-1) (1 - 2 + 3 - 4)	**-182,833.48**	**-1,222,957.53**
Revenue adjustment (5)	10,109.63	-13,427.71
Interim Distribution on Net Income paid during the business year (6)		
NET PROFIT (1 - 2 + 3 - 4 + 5 - 6)	**-172,723.85**	**-1,236,385.24**

ACCOUNTING ANNEX

1. ACCOUNTING RULES AND METHODS

The annual accounts are presented as provided by the ANC Regulation 2014-01, modified.

General accounting principles apply, viz:
- fair picture, comparability, ongoing business,
- proper practice & trustworthiness,
- prudence,
- no unreported change in methods from one period to the next.

The accrued interest method is used to recognize income from fixed income securities.

Acquisitions and disposals of securities are recognized exclusive of costs.
The accounting currency of the portfolio is the EURO.
The accounting period reported is 12 months.

Asset valuation rules

General principle

In accordance with the appropriate rules and principles outlined below, the Fund's investments will be valued at "market value".
Financial instruments traded on a regulated market, a recognized foreign market or a multilateral trading system.
Financial instruments traded in a regulated market or multilateral trading system are valued at the closing price on the day the Liquidative Value is established. When these financial instruments are traded in several regulated markets, recognized foreign markets or multilateral trading systems at the same time, the closing price is that found in the market in which they are primarily traded.
Financial instruments traded in a regulated market, a recognized foreign market or a multilateral trading system whose price has not been recognized or whose price has been corrected are valued at their likely trading value under the responsibility of the Management Corporation.
Firm or conditional futures financial instruments traded on regulated markets, recognized foreign markets or multilateral trading systems.
Firm or conditional futures financial instruments traded in these organized markets are valued at the clearing price of the day prior to the liquid value calculation day.

Firm or conditional term financial instruments traded over the counter

Firm or conditional financial instruments traded over the counter are valued at the price given by the counterparty of the financial instrument. The Management Company independently conducts a review of this assessment.

Deposits

Deposits are valued at face value, plus accrued interest.

Financial securities (including debt securities) and over-the-counter receivables

Financial securities and unseered receivables in a regulated market, a recognized foreign market or a multilateral trading system are assessed using the historical cost method found on the day of their acquisition.
In the event that regular quotes from external contributors are available, financial securities are valued on the basis of the quotes of these contributors.

Accounting method

The Fund will comply with the accounting rules prescribed by existing regulations, including the accounting plan for UCITS.
Accounts are submitted in accord with the regulations relating to the establishment and publication of the accounts of mutual funds in securities (new accounting plan, approved by decree of December 16, 2003).

- Method of accounting for the revenues of financial instruments: The method used is that of accrued interest.
- Method of accounting for transaction fee registration: The method used is that of excluded fees.
- Method of accounting for trading costs: The method used is that of excluded fees.
- Fixed income accounting method: The method used is the run coupon method.

The Fund is accounted for in euros.

Management fees

These fees cover all costs charged directly to the Fund, except for intermediary costs (brokerage, stock market taxes, etc.) except in the case of entry and/ or exit charges paid by the Fund when buying or selling units of another collective investment vehicle.

Fees may also include:
- Outperformance fees. Such fees reward the Management Company when the Fund exceeds its objectives. They are therefore charged to the Fund.
- Turnover fees charged to the Fund.
- A portion of the income from temporary acquisitions and divestments of securities

Fees invoiced to the Fund	Base	Rate scale
Management fees (including management fees external to the Management Company)	Net asset	R-Acc-EUR units: Maximum 1.80%, inclusive of tax E-Acc-EUR units: Maximum 0.20%, inclusive of tax I-Acc-EUR unit: Maximum 0.90%, inclusive of tax F-Acc-EUR units: Maximum 1.00%, inclusive of tax
Maximum indirect fees (management fees and commissions)	Net asset	None
Turnover fee	Charge for each transaction	None
Outperformance fees	Net asset	E-Acc-EUR units: None I-Acc-EUR, R-Acc-EUR and F-Acc-EUR units: 15% outperformance of the benchmark, with High Water Mark

Outperformance fees

E-Acc-EUR units: None.
I-Acc-EUR, R-Acc-EUR and F-Acc-EUR units:
These fees are paid to the Management Company when the Fund exceeds its objectives. They are therefore charged to the Fund.

The amount of the performance fee corresponds to 15% including all taxes of the positive performance of the Fund's Net Assets in excess of the benchmark for units I-Acc-EUR, R-Acc-EUR and F-Acc-EUR, calculated after deduction of all management fees (the "Performance").

For each unit, the Performance, determined at each Net Asset Value calculation date, is equal to the positive difference between (i) the Net Assets at the calculation date, and (ii) a reference net asset value corresponding to the Net Asset Value calculated at the previous calculation date, after taking into account the subscription and redemption amounts on that day's calculation date and then adjusted according to the investment objective (the "Reference Net Asset Value").

When calculating each asset value in a given accounting financial year, and for each share category, the amount of the overperformance fee will be charged and provisioned as follows in accordance with the "High Water Mark" principle:

- If the net asset value of the relevant portion (net of management costs) is less than (a) the theoretical asset value calculated on the basis of the Net Reference Asset, or (b) the HWM LV, there is no provision for overperformance fees and a write-back of provisions is applied if applicable (see below);

- If the net asset value of the relevant portion (net of management costs) is greater than (a) the theoretical asset value calculated on the basis of the Net Reference Asset and (b) the HWM LV, a performance fee provision shall be constituted.

The final payment of the amounts provisioned under the overperformance fee in favor of the Management Company shall be made at the end of each reference period as defined below, it being made clear that in the case of an underperformance of the FCP in relation to the last calculated net asset value, the provision shall be adjusted by means of a write-back of provisions. Write-backs of provisions are capped at the expense.

The overperformance fee shall be calculated on the basis of a reference period which corresponds to the social financial year of the Fund (the "Reference Period") and, where applicable, shall be payable at the close of each Reference Period. The overperformance fee will be charged for the first time, if applicable, at the close of financial year 2015.

Upon a repurchase of shares in the course of financial year, the overperformance fee corresponding to these shares, if any, is immediately crystallized and purchased from the Management Company.

Direct and indirect operating costs and fees resulting from efficient portfolio management techniques:
All revenues resulting from efficient portfolio management techniques, net of direct and indirect operating costs, are returned to the Fund. The Management Company will not receive any remuneration for all these operations.
For further information, please refer to the Fund’s annual report.

Affectation of distribuable amounts

Définition of distribuable sums

Distribuable sums consist of:

The Income :

The net result for the financial year is equal to the amount of interest, arrears, bonuses and prizes, dividends, directors' fees and all other income relating to the securities constituting the portfolio, increased by the income from the sums currently available and reduced by the amount of the costs of management and charge of loans.
It is increased by retained earnings and increased or decreased by the balance of the income adjustment account.

Capital Gains and Losses:

Realized capital gains, net of costs, less realized capital losses, net of costs, recorded during the year, increased by net capital gains of the same nature recorded during previous years that have not been the object of a distribution or capitalization and reduced or increased by the balance of the capital gains adjustment account.

Methods for allocating distribuable amounts:

Units(s)	Allocation of net income	Allocation of net realised capital gains or losses
Unit TIKEHAU EQUITY SELECTION F Acc EUR	Capitalised	Capitalised
Unit TIKEHAU EQUITY SELECTION I Acc EUR	Capitalised	Capitalised
Unit TIKEHAU EQUITY SELECTION E Acc EUR	Capitalised	Capitalised
Unit TIKEHAU EQUITY SELECTION R Acc EUR	Capitalised	Capitalised

2. CHANGES IN NET ASSETS AT 30/12/2022 in EUR

	12/30/2022	12/31/2021
NET ASSETS IN START OF PERIOD	**114,647,424.70**	**84,723,865.32**
Subscriptions (including subscription fees received by the fund)	48,641,196.23	60,220,178.67
Redemptions (net of redemption fees received by the fund)	-43,843,789.24	-57,421,806.90
Capital gains realised on deposits and financial instruments	4,545,284.68	20,716,809.16
Capital losses realised on deposits and financial instruments	-11,818,091.66	-977,767.01
Capital gains realised on hedges	3,583,785.44	529,361.51
Capital losses realised on hedges	-9,436,642.73	-4,106,241.60
Dealing costs	-95,306.79	-168,521.69
Exchange gains/losses	5,522,456.23	5,868,945.93
Changes in difference on estimation (deposits and financial instruments)	-18,760,765.83	6,485,558.84
Difference on estimation, period N	*-4,363,243.95*	*14,397,521.88*
Difference on estimation, period N-1	*-14,397,521.88*	*-7,911,963.04*
Changes in difference on estimation (hedges)		
Difference on estimation, period N		
Difference on estimation, period N-1		
Net Capital gains and losses Accumulated from Previous business year		
Distribution on Net Capital Gains and Losses from previous business year		
Net profit for the period, before adjustment prepayments	-182,833.48	-1,222,957.53
Allocation Report of distributed items on Net Income		
Interim Distribution on Net Income paid during the business year		
Other items		
NET ASSETS IN END OF PERIOD	**92,802,717.55**	**114,647,424.70**

OTHERS INFORMATIONS

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR COMMERCIAL TYPE

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
TOTAL BONDS AND SIMILAR SECURITIES		
CREDIT INSTRUMENTS		
TOTAL CREDIT INSTRUMENTS		
LIABILITIES		
TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
TOTAL TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGES		
TOTAL HEDGES		
OTHERS OPERATIONS		
TOTAL OTHERS OPERATIONS		

3.2. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TYPE

	Fixed rate	%	Variable rate	%	Rate subject to review	%	Others	%
ASSETS								
Deposits								
Bonds and similar securities								
Credit instruments								
Temporary transactions in securities								
Financial accounts							4,652,132.52	5.01
LIABILITIES								
Temporary transactions in securities								
Financial accounts								
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.3. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TIME TO MATURITY(*)

	< 3 months	%	]3 months - 1 year]	%	]1 - 3 years]	%	]3 - 5 years]	%	> 5 years	%
ASSETS										
Deposits										
Bonds and similar securities										
Credit instruments										
Temporary transactions in securities										
Financial accounts	4,652,132.52	5.01								
LIABILITIES										
Temporary transactions in securities										
Financial accounts										
OFF-BALANCE SHEET										
Hedges										
Others operations										

(*) All hedges are shown in terms of time to maturity of the underlying securities.

3.4. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY LISTING OR EVALUATION EUR

	Currency 1 GBP		Currency 2 USD		Currency 3 CHF		Currency N Others currencies	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and similar securities	17,877,289.79	19.26	51,458,653.29	55.45	1,511,872.64	1.63		
Bonds and similar securities								
Credit instruments								
Mutual fund								
Temporary transactions in securities								
Receivables			1,999,579.06	2.15				
Financial accounts	148,192.63	0.16	2,599,493.93	2.80	57,847.41	0.06	2,337.74	
LIABILITIES								
Transactions involving transfer of financial instruments								
Temporary transactions in securities								
Debts			46,643,570.03	50.26				
Financial accounts								
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Type of debit/credit	12/30/2022
RECEIVABLES		
	Forward foreign exchange purchase	1,999,579.06
	Funds to be accepted on urgent sale of currencies	46,939,621.19
	Subscription receivable	64,464.91
TOTAL RECEIVABLES		**49,003,665.16**
PAYABLES		
	Urgent sale of currency	46,643,570.03
	Forward foreign exchange sale	2,000,000.00
	Redemptions to be paid	15,631.11
	Fixed management fees	256,396.29
	Collateral	270,000.00
TOTAL PAYABLES		**49,185,597.43**
TOTAL PAYABLES AND RECEIVABLES		**-181,932.27**

3.6. SHAREHOLDERS' FUNDS

3.6.1. NUMBER OF UNITS ISSUED OR REDEEMED

	Units	Value
Unit TIKEHAU EQUITY SELECTION F Acc EUR		
Units subscribed during the period	3,930.489	3,076,098.79
Units redeemed during the period	-4,296.254	-2,903,733.23
Net Subscriptions/Redemptions	-365.765	172,365.56
Units in circulation at the end of the period	1,192.363	
Unit TIKEHAU EQUITY SELECTION I Acc EUR		
Units subscribed during the period	9,596.813	7,345,677.38
Units redeemed during the period	-2,885.983	-2,288,002.76
Net Subscriptions/Redemptions	6,710.830	5,057,674.62
Units in circulation at the end of the period	17,197.087	
Unit TIKEHAU EQUITY SELECTION E Acc EUR		
Units subscribed during the period	63.402	67,612.59
Units redeemed during the period	-1,355.547	-1,471,288.39
Net Subscriptions/Redemptions	-1,292.145	-1,403,675.80
Units in circulation at the end of the period	2,729.891	
Unit TIKEHAU EQUITY SELECTION R Acc EUR		
Units subscribed during the period	40,886.001	38,151,807.47
Units redeemed during the period	-42,314.516	-37,180,764.86
Net Subscriptions/Redemptions	-1,428.515	971,042.61
Units in circulation at the end of the period	95,453.134	

3.6.2. SUBSCRIPTION AND/OR REDEMPTION FEES

	Value
Unit TIKEHAU EQUITY SELECTION F Acc EUR	
Total of subscription and/or redemption fees received	
Subscription fees received	
Redemption fees received	
Unit TIKEHAU EQUITY SELECTION I Acc EUR	
Total of subscription and/or redemption fees received	
Subscription fees received	
Redemption fees received	
Unit TIKEHAU EQUITY SELECTION E Acc EUR	
Total of subscription and/or redemption fees received	
Subscription fees received	
Redemption fees received	
Unit TIKEHAU EQUITY SELECTION R Acc EUR	
Total of subscription and/or redemption fees received	
Subscription fees received	
Redemption fees received	

3.7. MANAGEMENT FEES CHARGEABLE TO THE FUND

	12/30/2022
Unit TIKEHAU EQUITY SELECTION F Acc EUR	
Underwriting commission	
Fixed management fees	27,147.16
Percentage set for fixed management fees	1.00
Accrued variable management fees	
Percentage of accrued variable management fees	
Earned variable management fees	
Percentage of earned variable management fees	
Trailer fees	
Unit TIKEHAU EQUITY SELECTION I Acc EUR	
Underwriting commission	
Fixed management fees	97,619.24
Percentage set for fixed management fees	0.90
Accrued variable management fees	
Percentage of accrued variable management fees	
Earned variable management fees	
Percentage of earned variable management fees	
Trailer fees	
Unit TIKEHAU EQUITY SELECTION E Acc EUR	
Underwriting commission	
Fixed management fees	6,163.87
Percentage set for fixed management fees	0.20
Accrued variable management fees	
Percentage of accrued variable management fees	
Earned variable management fees	
Percentage of earned variable management fees	
Trailer fees	
Unit TIKEHAU EQUITY SELECTION R Acc EUR	
Underwriting commission	
Fixed management fees	1,660,773.05
Percentage set for fixed management fees	1.80
Accrued variable management fees	
Percentage of accrued variable management fees	
Earned variable management fees	
Percentage of earned variable management fees	
Trailer fees	

3.8. COMMITMENTS RECEIVED AND GIVEN

3.8.1. Guarantees received by the UCI:

None.

3.8.2. Other commitments received and/or given:

None.

3.9. FUTHER DETAILS

3.9.1. STOCK MARKET VALUES OF TEMPORARILY ACQUIRED SECURITIES

	12/30/2022
Securities held under sell-back deals Borrowed securities	

3.9.2. STOCK MARKET VALUES OF PLEDGED SECURITIES

	12/30/2022
Financial instruments pledged but not reclassified Financial instruments received as pledges but not recognized in the Balance Sheet	

3.9.3. GROUP FINANCIAL INSTRUMENTS HELD BY THE FUND

	ISIN code	Name of security	12/30/2022
Equities			
Bonds			
Notes			
UCITS			
Hedges			
Total group financial instruments			

3.10. TABLE OF ALLOCATION OF THE DISTRIBUTABLE SUMS

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO PROFIT (LOSS)

	12/30/2022	12/31/2021
Sums not yet allocated		
Brought forward		
Profit (loss)	-172,723.85	-1,236,385.24
Allocation Report of distributed items on Profit (loss)		
Total	**-172,723.85**	**-1,236,385.24**

	12/30/2022	12/31/2021
Unit TIKEHAU EQUITY SELECTION F Acc EUR		
Allocation		
Distribution		
Brought forward		
Capitalized	3,865.71	-8,401.41
Total	**3,865.71**	**-8,401.41**

	12/30/2022	12/31/2021
Unit TIKEHAU EQUITY SELECTION I Acc EUR		
Allocation		
Distribution		
Brought forward		
Capitalized	72,658.53	-45,371.68
Total	**72,658.53**	**-45,371.68**

	12/30/2022	12/31/2021
Unit TIKEHAU EQUITY SELECTION E Acc EUR		
Allocation		
Distribution		
Brought forward		
Capitalized	34,737.36	38,110.96
Total	**34,737.36**	**38,110.96**

	12/30/2022	12/31/2021
Unit TIKEHAU EQUITY SELECTION R Acc EUR		
Allocation		
Distribution		
Brought forward		
Capitalized	-283,985.45	-1,220,723.11
Total	**-283,985.45**	**-1,220,723.11**

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO CAPITAL GAINS AND LOSSES

	12/30/2022	12/31/2021
Sums not yet allocated		
Net Capital gains and losses Accumulated from Previous business year		
Net Capital gains and losses of the business year	-6,702,280.70	15,154,148.82
Allocation Report of distributed items on Net Capital Gains and Losses		
Total	**-6,702,280.70**	**15,154,148.82**

	12/30/2022	12/31/2021
Unit TIKEHAU EQUITY SELECTION F Acc EUR		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-55,929.24	167,837.66
Total	**-55,929.24**	**167,837.66**

	12/30/2022	12/31/2021
Unit TIKEHAU EQUITY SELECTION I Acc EUR		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-864,348.71	1,208,513.55
Total	**-864,348.71**	**1,208,513.55**

	12/30/2022	12/31/2021
Unit TIKEHAU EQUITY SELECTION E Acc EUR		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-184,444.89	615,272.07
Total	**-184,444.89**	**615,272.07**

	12/30/2022	12/31/2021
Unit TIKEHAU EQUITY SELECTION R Acc EUR		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-5,597,557.86	13,162,525.54
Total	**-5,597,557.86**	**13,162,525.54**

3.11. TABLE OF PROFIT (LOSS) AND OTHER TYPICAL FEATURES OF THE FUND OVER THE PAST FIVE FINANCIAL PERIODS

	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/30/2022
Global Net Assets in EUR	**20,368,746.06**	**32,509,432.61**	**84,723,865.32**	**114,647,424.70**	**92,802,717.55**
Unit TIKEHAU EQUITY SELECTION F Acc EUR in EUR					
Net assets		809,494.17	872,920.81	1,271,791.45	775,289.84
Number of shares/units		1,384.687	1,369.000	1,558.128	1,192.363
NAV per share/unit		584.60	637.63	816.23	650.21
Net Capital Gains and Losses Accumulated per share		44.62	73.40	107.71	-46.90
Net income Accumulated on the result		-1.23	-0.48	-5.39	3.24
Unit TIKEHAU EQUITY SELECTION I Acc EUR in EUR					
Net assets	12,466,997.18	15,119,780.39	31,618,858.53	9,164,459.57	11,983,728.74
Number of shares/units	25,290.715	24,299.000	46,398.000	10,486.257	17,197.087
NAV per share/unit	492.94	622.23	681.47	873.94	696.84
Net Capital Gains and Losses Accumulated per share	27.76	43.80	78.39	115.24	-50.26
Net income Accumulated on the result	1.11	0.94	1.95	-4.32	4.22
Unit TIKEHAU EQUITY SELECTION E Acc EUR in EUR					
Net assets	2,400,123.45	3,158,305.49	3,770,855.03	4,698,282.07	2,560,626.59
Number of shares/units	3,755.226	3,883.226	4,200.369	4,022.036	2,729.891
NAV per share/unit	639.14	813.32	897.74	1,168.13	937.99
Net Capital Gains and Losses Accumulated per share	35.84	57.07	102.94	152.97	-67.56
Net income Accumulated on the result	6.81	7.11	8.96	9.47	12.72

	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/30/2022
Unit TIKEHAU EQUITY SELECTION R Acc EUR in EUR					
Net assets	5,501,625.43	13,421,852.56	48,461,230.95	99,512,891.61	77,483,072.38
Number of shares/units	9,247.230	18,017.119	60,007.255	96,881.649	95,453.134
NAV per share/unit	594.94	744.94	807.58	1,027.15	811.73
Net Capital Gains and Losses Accumulated per share	33.68	52.62	93.34	135.86	-58.64
Net income Accumulated on the result	-3.67	-4.36	-5.04	-12.60	-2.97

3.12. PORTFOLIO LISTING in EUR

Name of security	Currency	Quantity	Market value	% Net Assets
Equities and similar securities				
Listed equities and similar securities				
FINLAND				
KONE OY B NEW	EUR	69,740	3,368,442.00	3.63
TOTAL FINLAND			**3,368,442.00**	**3.63**
GERMANY				
BEIERSDORF AG	EUR	38,356	4,111,763.20	4.43
TOTAL GERMANY			**4,111,763.20**	**4.43**
NETHERLANDS				
HEINEKEN	EUR	21,980	1,931,602.40	2.08
TOTAL NETHERLANDS			**1,931,602.40**	**2.08**
SPAIN				
AMADEUS IT GROUP SA	EUR	62,887	3,053,163.85	3.29
TOTAL SPAIN			**3,053,163.85**	**3.29**
SWITZERLAND				
NESTLE NOM.	CHF	13,930	1,511,872.64	1.63
TOTAL SWITZERLAND			**1,511,872.64**	**1.63**
UNITED KINGDOM				
ADMIRAL GROUP PLC	GBP	183,058	4,410,563.68	4.75
DOMINO'S PIZZA GROUP PLC	GBP	906,918	3,000,053.45	3.23
INTERCONTINENTAL HOTELS GROUP PLC	GBP	65,403	3,498,188.53	3.77
INTERTEK GROUP	GBP	48,221	2,193,173.39	2.37
PATISSERIE HOLDINGS PLC	GBP	64,700		
RECKITT BENCKISER GROUP PLC	GBP	73,609	4,775,310.74	5.14
UNILEVER PLC	EUR	107,099	5,019,730.13	5.41
TOTAL UNITED KINGDOM			**22,897,019.92**	**24.67**
UNITED STATES OF AMERICA				
ACTIVISION BLIZZARD	USD	43,443	3,117,762.76	3.36
ADOBE INC	USD	9,250	2,918,391.69	3.15
ALPHABET- A	USD	61,440	5,082,127.41	5.47
AMAZON.COM INC	USD	35,789	2,818,427.79	3.04
ARISTA NETWORKS INC	USD	31,483	3,581,739.14	3.86
CLOROX CO	USD	25,040	3,294,298.22	3.55
COLGATE PALMOLIVE	USD	48,156	3,557,128.62	3.83
HERSHEY FOODS CORP	USD	11,172	2,425,444.19	2.61
JOHNSON & JOHNSON	USD	15,987	2,647,638.45	2.85
MICROSOFT CORP	USD	25,084	5,639,755.20	6.08
NVR	USD	834	3,606,517.34	3.88
STARBUCKS CORP	USD	30,607	2,846,495.48	3.07
THE COCA COLA COMPANY	USD	51,201	3,053,387.34	3.29
VISA INC CLASS A	USD	22,961	4,472,298.65	4.82
WATERS CORPORATION	USD	7,464	2,397,241.01	2.59
TOTAL UNITED STATES OF AMERICA			**51,458,653.29**	**55.45**
TOTAL Listed equities and similar securities			**88,332,517.30**	**95.18**
TOTAL Equities and similar securities			**88,332,517.30**	**95.18**

3.12. PORTFOLIO LISTING in EUR

Name of security	Currency	Quantity	Market value	% Net Assets
Receivables			**49,003,665.16**	**52.81**
Payables			**-49,185,597.43**	**-53.00**
Financial accounts			**4,652,132.52**	**5.01**
Net assets			**92,802,717.55**	**100.00**

Unit TIKEHAU EQUITY SELECTION F Acc EUR	**EUR**	**1,192.363**	**650.21**
Unit TIKEHAU EQUITY SELECTION E Acc EUR	**EUR**	**2,729.891**	**937.99**
Unit TIKEHAU EQUITY SELECTION R Acc EUR	**EUR**	**95,453.134**	**811.73**
Unit TIKEHAU EQUITY SELECTION I Acc EUR	**EUR**	**17,197.087**	**696.84**

7. ANNEXE

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: Tikehau Equity Selection **Legal entity identifier:** 9695007ZSDR1KXXR5W64

Environmental and/or social characteristics

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.

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ 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
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

Please refer to the Annex 1 for details about data sources, methodologies and limitations.

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

How did the sustainability indicators perform?

The sustainability indicators of the Fund are:

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

Sustainability indicator	Metric	Unit	Value
Weighted average carbon intensity (WACI) of fund compared to its investment universe	Weighted average carbon intensity (annual average)	Tons CO2e / Million Euros Revenue	- Fund: 696 - Benchmark: 1196 - Comparison: fund is 42% lower than benchmark
Number of holdings in the Fund found to be in breach of the Exclusion Policy adopted by the Tikehau Capital Group			0

Number of companies that are in violation of UNGC and OECD guidelines			0
Proprietary ESG profile Score of companies in portfolio	Split per level of ESG risk	Percentage	- ESG opportunity: 34% - Moderate ESG risk: 58% - Average ESG risk: 8% - Material ESG risk: 0% - Significant ESG risk: 0% - Not scored: 0%

…and compared to previous periods?

Not applicable as this is the fund's first periodic report.

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

Not applicable as this fund promotes environmental characteristics but does not make any 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?

Not applicable as this fund promotes environmental characteristics but does not make any sustainable investment.

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

Not applicable as this fund promotes environmental characteristics but does not make any sustainable investment.

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?

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.

Adverse sustainability indicator	Metric	Unit	Portfolio current	Coverage
1. GHG emissions	Scope 1 GHG emissions	Tons CO2e / Million Euros Enterprise Value	336	100%
	Scope 2 GHG emissions	Tons CO2e / Million Euros Enterprise Value	590	100%
	Scope 3 GHG emissions	Tons CO2e / Million Euros Enterprise Value	15,749	100%
	Total GHG emissions	Tons CO2e / Million Euros Enterprise Value	16,675	100%
2. Carbon footprint	Carbon footprint	Tons CO2e / Million Euros Enterprise Value	169	100%
3. GHG intensity of investee companies[1]	GHG intensity of investee companies	Tons CO2e / Million Euros Revenue	696	95.16%
4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	Percentage	0.00%	100%
7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	Percentage	0.00%	100%
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	Percentage	2.89%	100%
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	Percentage	0.00%	46%
4. Investments in companies without carbon emission reduction initiatives	Share of companies without Carbon Emission Reduction initiatives	Percentage	30.61%	100%

[1] Please refer to the Annex 1 for more details about the computation methodology

The provider we use to perform our SFDR reporting developed its own methodology to define what constitute a Violation of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

In the specific case of the investee company responsible for the share of investments flagged as involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises, we have a different opinion than our provider. Indeed, we performed a detailed analysis of the case that generates the breach according to the provider, and decided not to consider it as a breach based on the following elements: the case generating the breach is linked to a trial in a single country, where the company was firstly judged guilty but where they subsequently won in appeal; moreover, the activities associated to the case represent a very limited share of the total sales of the company. We decided to put the case under close watch to monitor any potential new element.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/01/2022 to 30/12/2022

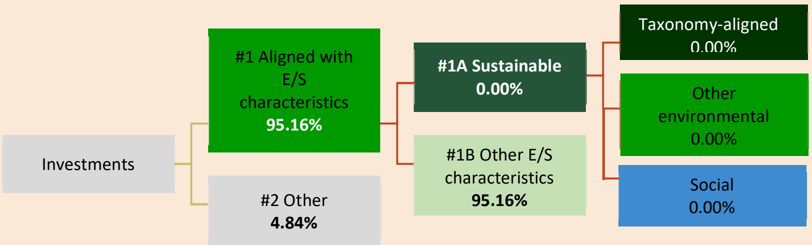
Largest investments as of 30/12/2022	Sector	% Assets	Country
MICROSOFT CORP	Software & Tech Services	6.08%	UNITED STATES
ALPHABET- A	Media	5.48%	UNITED STATES
UNILEVER PLC	Consumer Staple Products	5.41%	BRITAIN
RECKITT BENCKISE	Consumer Staple Products	5.15%	BRITAIN
VISA CL A	Software & Tech Services	4.82%	UNITED STATES
ADMIRAL GROUP PLC	Insurance	4.75%	BRITAIN
BEIERSDORF AG	Consumer Staple Products	4.43%	GERMANY
NVR	Consumer Discretionary Products	3.89%	UNITED STATES
ARISTA NETWORKS	Tech Hardware & Semiconductors	3.86%	UNITED STATES
COLGATE PALMOLIVE	Consumer Staple Products	3.83%	UNITED STATES
INTERCONTINENTAL HOT	Consumer Discretionary Services	3.77%	BRITAIN

What was the proportion of sustainability-related investments?

- ***What was the asset allocation?***

Asset allocation describes the share of investments in specific assets.

[Include only relevant boxes, remove irrelevant ones for the financial product]



#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.

[Include note below where the financial product commits to making 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?

Sector - BICS Level 2	Weight at 30/12/2022
Consumer Staple Products	31.98%
Software & Tech Services	17.33%
Industrial Products	3.63%
Industrial Services	2.36%
Insurance	4.75%
Consumer Discretionary Services	10.07%
Media	8.84%
Tech Hardware & Semiconductors	3.86%
Health Care	5.44%
Consumer Discretionary Products	3.89%
Retail & Wholesale - Discretionary	3.04%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

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

Did this financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?

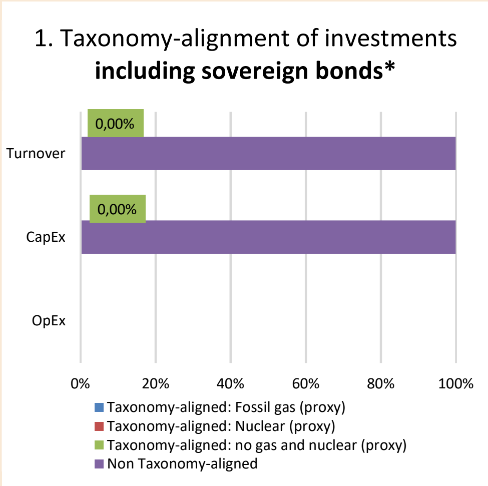
Yes: *[specify below, and details in the graphs of the box]*

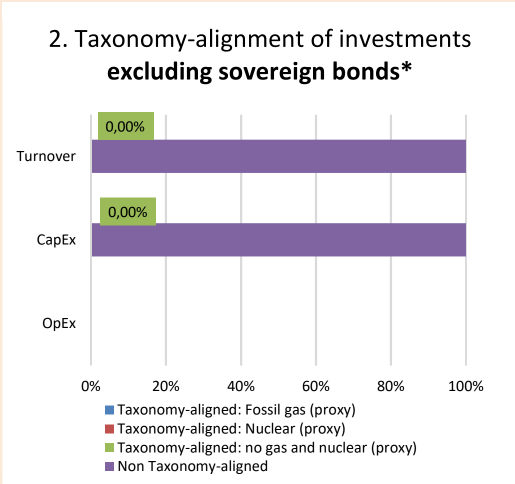
In fossil gas　　In nuclear energy

X No

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

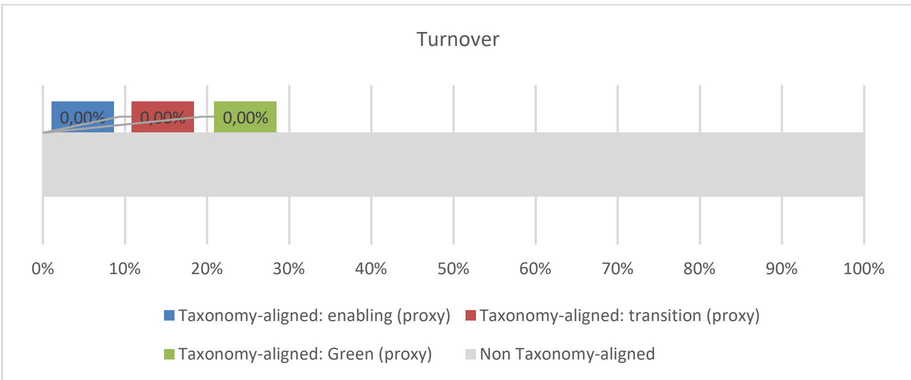
The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product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



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

Not applicable as this is the fund's first periodic report.

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

Not applicable as the Fund promotes environmental characteristics but does not commit to making any sustainable investments.

What was the share of socially sustainable investments?

Not applicable.

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

Other investments include bonds and other debt securities issued by public or quasi-public issuers, cash held on an ancillary basis, and joint assets, and derivative instruments for hedging purposes. As such, they are not subject to any minimum environmental or social safeguards.

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

In Q4 2022, we implemented some modifications in the calculation of the weighted average carbon intensity (WACI) of the fund and its investment universe:

- The source of data was switched from Bloomberg to ISS ESG
- The scope was modified to include scope 3 within our WACI computation
- Following the regulatory clarifications on the computation of the PAI "GHG intensity of investee companies", there is no more rebalancing to exclude non-disclosed values and investments not promoting Environmental and Social characteristics.

In order to meet the environmental and/or social characteristics during the reference period, the following actions have been taken during the various investment stages.

In pre-investment phase, issuer selection has been key process to ensure the respect of the sustainability indicators: potential issuers have been analysed to ensure they meet the sectoral and norm-based exclusion criteria, present the appropriate level of ESG risk and is in a range of GHG emissions intensity that is consistent with the investment universe's WACI.

During the investment period:

- The periodic review of companies' ESG risks and monitoring of controverses can have led to some variations in the level of ESG risks of companies in portfolio but they remain within outhorized threshold.
- During the reference period, one company was flagged by our ESG data provider as in breach of violations of the UNGC and OECD guidelines. Additional analysis was performed as explained above and engagement was conducted with the ESG data provider to discuss the classification of the case and some aspects of their methodology. The challenge of the case led us to put the company under watch and not consider the company in breach.
- The periodic monitoring of the fund's WACI versus the investment universe's WACI is deemed to ensure the respect of the constraints. No overshot was identified. Should an overshot be identified, divestment or reallocation from major contribution would be performed in order to ensure the fund's WACI remains below its investment universe.

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

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

- ***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.