

The biggest challenges in asset management  
as seen by Covéa Finance

# VIEWPOINTS



N°2 | ANNUAL REPORT

**CO**  
**vea** Finance

For the second consecutive year, we are publishing Viewpoints, a document that sets out our strategy and results and reviews the trends underpinning them.

We will repeat this exercise each year for the duration of our strategic plan, which runs until the end of 2026. An exercise made all the more essential in a world in which risks are multiplying and benchmarks and long-term prospects are needed.

### Covéa Finance

As the portfolio management arm of the Covéa Group, Covéa Finance offers a wide range of funds covering the world's major financial centres and the main asset classes.

### Covéa

The Covéa mutual insurance group is the leading property and liability insurer in France, operating via three brands, MAAF, MMA and GMF, and the tenth largest global reinsurer via the PartnerRe brand.

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# 2022, a world in disarray

**Ghislaine Bailly**  
Chairwoman of  
Covéa Finance

“After the shock of the pandemic, the world faced two new setbacks in 2022, the war in Europe and inflation. In response to the new challenges affecting the financial markets and to continue serving the best interests of its parent company, Covéa Finance took stock and galvanised its teams around its ‘Ambition 2026’ strategic plan.”



**“Along with the end of peace and disinflation in the West after a lengthy reign, 2022 brought with it an acceleration of extreme climate events. Such upheavals have consequences for both corporate financing and the financial markets in the broad sense, with all trends worldwide having a profound impact on the asset management sector.”**

Like the two years preceding it, 2022 was a year synonymous with disorder and successive shocks, the crowning issues being the return of **war** in Europe and **inflation** taking up an entrenched position, having returned in 2021. After two years dealing with the health crisis, 2022 brought us face to face with several phenomena, which defied the odds by transpiring simultaneously.

Firstly, we saw a long period of disinflation come to an end, and with it extremely low interest rates. We also saw a long period of peace on the European continent come to an end, speeding up the arms race that had been taking shape in recent years and sounding the death knell for globalisation as we knew it and the return of a far more confrontational world, one in which the West could not automatically count on the support of most countries as it had become accustomed to since the post-war period.

Finally, 2022 saw the occurrence of extreme climate events within a short timeframe, reminding us of the challenges of **the climate crisis** and putting pressure on the fossil energy and consumption-based development model.

This context has profoundly changed the geopolitical, economic and regulatory frameworks underpinning the global economy in which companies operate, as reflected in their financing methods and in the financial markets themselves. Our teams discuss this further in this 2022 annual report.

While the euro, a victim of the power of the dollar like other major currencies, has long been a source of concern for investors, today the very **structure of the European Union** has come under pressure from the ensuing geopolitical recomposition and the revival of the notions of sovereignty and strategic sectors.

**“The events of 2022 sounded the death knell of globalisation as we knew it.”**

The Russian-Ukrainian conflict and its consequences, particularly in terms of energy security, as well as the organisation of the European electricity market, are illustrations of diverging interests among the members of the Union, but also reveal dysfunctions in decision-making in Brussels, sometimes seeming contrary to the very interests of Europe, for instance, the case of nuclear power. All of these movements at a global scale are not without consequences for the asset management sector and therefore for Covéa Finance, as explained in the following pages of this document.

# A pivotal year for Covéa Finance

**In 2022, Covéa Finance stepped up efforts to remain efficient in an increasingly complex environment for asset management companies due to regulations, increased competition and the appearance of new risks. Through its “Ambition 2026” strategic plan, the company intends to adapt to and support change by the choices it makes, drawing on the values it upholds, namely understanding the world, preserving the capital entrusted to it and the desire to be an actor rather than a spectator.**

In 2022, asset management continued to be dominated by underlying trends, in particular **the ramp-up of so-called passive management**. Initially focused on equities, this management approach is now gaining ground in other asset classes. Another important factor was an investor need for **returns** on their investments, which encouraged them to broaden said investments and even turn to less regulated asset classes. Added

to this was a tightening of **investment restrictions** or institutional investors, for instance the limiting of insurers’ ability to invest in listed shares. Competition from both new asset classes and new management approaches put pressure on the remuneration of traditional management approaches at a time of persistently increasing costs, due in particular to the growing weight of regulations, the return of inflation and the emergence of new risks like cybersecurity. All challenges that our company, which is active in the listed bond and corporate equity markets, had to face.

The methods we have been using for many years to understand the world around us remain central to our philosophy. We strive **to understand how the world evolves** by adopting methods to better understand the universe in which our company operates, in terms of our activities and the investment choices we make for our clients. During the past year, we successfully deployed the new themes identified in previous years in the portfolios entrusted to us and complied with the associated regulatory requirements. These include our environmental range, our certified funds, Covéa Rupture and Covéa Renouveau France.

After many years building our expertise in the major international markets, Covéa Finance was equipped to position itself in new **private equity** and **private debt** assets as complementary solutions to meet the needs of our clients, particularly institutional clients. Firmly rooted in its universe and in the changing world around us, Covéa Finance is also sensitive to certain themes that are more relevant than ever: reindustrialisation, sovereignty, strategic sectors, and more recently energy independence and the **climate emergency**.



Covéa Finance strives rigorously, methodically and with discipline to address these issues through its asset allocation and stock picking. Although it faces certain difficulties, it remains committed to these challenge: for example, in relation to extra-financial reporting, faced with multiple methods for calculating data and their recovery, the task is particularly difficult for investors, especially as they were first to be targeted by the regulations before companies and governments whose financing needs are met via the markets.

Over the last number of years, we have kept a clear-cut approach to the excesses of the financial markets amid extraordinary, if not unorthodox, economic and monetary policies. We have kept close to our guiding principle: preserve the capital entrusted to us. In 2022, this led us to take advantage of the rise in long-term interest rates to strengthen our positions in bonds, without jeopardising our exposure to the equity markets.

**“Collective responsibility remains a corner stone of our philosophy. By working together, we recognise the expertise contributed by each individual, we develop mutual trust, we engage and jointly pursue excellence for the benefit of our clients.”**

In 2022, Covéa Finance also forged ahead with the **“Ambition 2026”** strategic plan. This is a unifying project that gives us direction and inspires us to move forward together, to adapt and to support change through our choices, while remaining focused on our value: understanding the world in which we are stakeholders, **preserving the capital entrusted to us** and being an agent of change rather than a spectator. Another value that we hold dear and which is a founding principle of our company is that of **collective responsibility**. By working together, we recognise the

expertise contributed by each individual, we develop mutual trust, we engage and jointly pursue excellence for the benefit of our clients. In short, being a team player means being able to pool our expertise while also sharing our successes and failures. The latter are always an opportunity to move forward.

A big thank you to all the teams at Covéa Finance, who were able to respond and rise to the challenges that faced us in a particularly eventful year in 2022, and in which we completed many projects.

# “Ambition 2026”

## A plan for the future built on historical foundations

The development of our client base remains a core objective of Covéa Finance in the year ahead and beyond. This is the common thread running through all of the projects and actions of the “Ambition 2026” plan. It is therefore a certain notion of our business that we seek to defend and reflect in our motto, “Finance at the service of Insurance”.

Companies and individuals take steps to protect themselves against the hazards of life, uncertainties and unknowns in a fast-moving world, with the aim of reducing the costs associated with these risks. “Finance at the service of Insurance” means making **allocation choices** and **offering investment solutions** with a strong understanding of what is covered by the capital entrusted to us, by systematically measuring our level of exposure to financial market risks.

Through our “Ambition 2026” plan, we convey this understanding of the role of finance, a role that in our view is not at odds with that of achieving growth in savings and thus financing economic development, quite the reverse. In symbiosis with the mutualist values of the Covéa Group, our shareholder and our biggest client, we are also driven by cross-border social debates. Whether it is environmental, climate, social or governance issues, we seek to adapt our structure to the increasing regulatory obligations related to these issues, constantly remaining aware of our **responsibility as an investor** on behalf of our partners and clients. This year, we will continue to devote our best efforts to improving our practices and thus strengthening the notion of “sustainability” in our activities. The “Ambition 2026” plan is based on a business strategy around which a number of projects relating to digitalisation, management processes and sustainable finance revolve. Its success hinges on strong collaboration between the teams, whatever their field of activity.

“In 2023, through its ‘Ambition 2026’ plan, Covéa Finance will continue to defend a certain notion of its business by drawing on its historical values as genuine differentiating attributes.”

This is why we are focusing in particular on projects relating to **knowledge transfer** and **support for our employees**, who are central to many of our initiatives. By continuing to enrich our **in-house university** in 2023, we enable our employees to acquire new skills to deal with a constantly changing world, which we believe is essential for the company’s long-term future.

We will need to continue adapting our management processes and strengthen the role of Research and Risk Control over the coming year in order to maintain our ability to invest outside our “natural borders” (France, Europe) in view of the stronger regulations governing **responsible investment** and **ESG** (environment, social, governance) criteria.

We will also continue to support our clients, as we have done in the past, by contributing to the new requirements under which France and the European Union must rethink their growth models, entailing a resolute return to the need for sovereignty in a number of sectors considered strategic today.

### “AMBITION 2026” 4 big challenges



#### #Asset under management

The battle for assets under management will enable Covéa Finance to secure its current assets, at a time when it is increasingly challenged by European competitors and cost control requires critical mass to be maintained.



#### #Innovation

The battle for innovation and attractiveness will enable Covéa Finance to constantly enrich its expertise in all its business lines so that it can anticipate the consequences of the current disruptions and remain competitive and attractive at the same time.



#### #Inflows

The battle for inflows will be played out against heightened competition for Covéa Finance. It must enable the company to increase the size of its assets under management by winning and retaining new clients. This offensive is to be carried out while continuing to support the Covéa Group’s growth targets.



#### #Teamwork

The teamwork battle reflects Covéa Finance’s belief that only teamwork will enable it to achieve its “Ambition 2026” strategic plan, through the commitment of all staff and strong links between employees. It makes team cohesion the cornerstone of the plan’s success

# Key figures

at 31 December 2022

Assets under management

€80.9 Bn

54 UCIs

€13.6 Bn OFUCI AUM

Gender equality index

89/100

Shareholders' equity

€72.7M (after distribution)

23 % ROE Return on equity

Distributable net income

€16.3M

78.3%

Cost-to-income ratio

€119.7M

In Revenue

10<sup>th</sup>

French Asset Manager in the Top 500 Investment & Pensions Europe (IPE) ranking\*

\* Based on AUM at 31/12/2021.

184 employees

20 management mandates

## CSR INDICATORS

11.96%

Percentage of senior citizens aged over 55

Staff with disabilities

2.17%

43.48%

Women working at the company

34.48%

Percentage of women in governance and investment bodies (Rixain law)



Revenue invested in the public interest

0.13%

94%

Staff having followed non-mandatory training

Water consumption

1,124m<sup>3</sup>

Energy consumption



297 MWh

# Covéa Group's vision

## INTERVIEW with Olivier Le Borgne

### Olivier Le Borgne

Managing Director  
of Investments,  
Covéa Group



**“In view of the new global financial paradigm, Covéa Finance’s goal this year is to be resolutely tactical in preserving the average rate of return on Covéa’s insurance portfolios from a long-term perspective.”**

### How would you sum up 2022?

**Olivier Le Borgne:** It was a year in which the risks identified at the end of 2021 came to pass. First and foremost, the geopolitical issue of the return of war on European soil and its consequences for the global economy. This led to a further widespread spike in raw material prices, in particular energy and food prices, and increasing pressure on central banks which were forced to accelerate monetary tightening. It quickly became clear that inflation was here to stay, sparking a significant rise in interest rates and ending more than three years of negative interest rates, in turn causing a bond shock on a scale not seen in recent history.

### How did Covéa Group and Covéa Finance respond to this environment?

**O. L. B.:** We had to be very tactical in order to adapt to this very uncertain environment. We made good on this, with several achievements, including substantial capital gains on the equity markets, particularly at the beginning of the year, and dealt with the rise in interest rates through regular reinvestments in bond products, which enabled us to gradually increase the average rate of return on our portfolios over the long term.

**“In the current environment, between inflation, rising interest rates and the increasing importance of extra-financial reporting, by completely aligning the interests of the Group and its subsidiary, we can perfectly meet the needs of insurance companies.”**

### To what extent does Covéa Finance respond more than ever to the Group’s needs?

**O. L. B.:** We are going through a period of change that is affecting both insurers and asset managers, whether it is the global financial situation or the application of new regulations, particularly around extra-financial criteria. In this new context, by completely aligning the interests of the Group and its subsidiary, we can perfectly meet the needs of insurance companies. Rising interest rates, increasing importance of ESG criteria, diversification of investments, labelling of fund: in all of these key areas, Covéa Finance is providing more support than ever to the Group by putting finance to work for the benefit of insurance.

### What is the outlook for 2023?

**O. L. B.:** The start of 2023 was a good time for investment across all fixed income products. Sovereign bonds, to begin with, are now offering returns on short maturities. Public debt, for its part, is showing significant yield spreads in relation to sovereign

debt. Then in corporate debt, risk premiums have widened significantly and remuneration levels are now more attractive. All of these factors will help us to increase recurring financial income over the coming years, a particularly important issue for an insurer. We will also be less dependent on achieving capital gains on equities, even if they still hold significant sources of value capable of generating future results.

# 20

The number of management mandates entrusted to Covéa Finance, reflecting the trust placed in it by Group companies and partner mutual companies.

# Revamped governance

## INSIGHT by Ludovic Jacquier,

Managing Director, in charge of all Support and Control functions

**In terms of governance, 2022 was a pivotal year for Covéa Finance,** with a change in its bodies to ensure we permanently uphold the fundamentals that are the company's DNA.

During 2022, Covéa Finance finalised the work on developing its governance system which it started at the end of 2021. Its objectives were to ensure the transmission of knowledge, continuation of the management philosophy and risk control, as well as the continuity of all key positions, particularly in view of the retirement of some of its executives. "The idea was also to take the opportunity to involve a growing number of division managers in strategic and operational decisions, to acquaint them with all of the company's management restrictions in view of increasingly abundant regulations, and to deal with the demanding expectations of our shareholder. This formed part of the succession and business continuity plan necessary for our shareholder and our clients", says

Ludovic Jacquier, Managing Director, in charge of all Support and Control functions.

### Redefine levels of responsibility

As part of this change in governance, Covéa Finance began by putting in place a first level of responsibility and autonomy for a number of its managers, in order to reduce decision-making by the Executive Committee only as this had become counterproductive over time and in view of the company's growth. This led to an additional layer in which everyone is autonomous within their area of expertise, thus increasing agility. All of this was achieved as part of a reasonable learning curve and without changing the structure, maintaining all statutory provisions in terms of governance given that the model in place has demonstrated success during various crises.

### Refocus the scope of the Executive Committee

One of the first measures was to refocus the Executive Committee solely on strategic issues, by delegating regulatory issues and the operational implementation of its strategic decisions. At the same time, to meet the requirements of the French Financial Markets Authority (AMF), the three executives (the Chairwoman and the two Managing Directors) are now joined by an Executive Director to form a tight-knit Executive Committee. This body meets once a month to record the company's strategic decisions.



A B C D

### Executive Committee

As at 31/12/2022

- A Ghislaine Bailly**  
Chairwoman
- B Franck Ibalot**  
Executive Director, in charge of Risk, Operations and Information Systems
- C Francis Jaisson**  
Managing Director, in charge of Asset Management, Marketing, Trading and Research
- D Ludovic Jacquier**  
Managing Director, in charge of all Support and Control functions

### Operational Executive Committee

As at 31/12/2022

- Francis Jaisson**
- Ludovic Jacquier**
- Franck Ibalot**
- Yannick Tatibouët**  
Executive Director, in charge of Strategic Intelligence, External Relations & Group Coordination
- Nadia Ben Salah**  
Head of Legal and Compliance
- Guillaume Gilmant**  
Head of Human Resources

### Supervisory Board

As at 31/12/2022

- Chairman:**  
Olivier Le Borgne
- Vice-Chairwoman:**  
MMA Vie, représentée par Béatrice Savouré
- Other member:**  
Sophie Landais  
Covéa Coopérations, représentée by Laurent Tollié
- Other participant:**  
CSE Covéa Finance, represented by Clément Renard (CFDT)  
Members of the Executive Committee

### Remuneration Committee

As at 31/12/2022

- Chairman:**  
Amaury de Hauteclocque
- Olivier Le Borgne  
Thierry França  
Ghislaine Bailly





### UPDATING OF INTERNAL REGULATIONS

In line with other changes in its governance, Covéa Finance carried out a review of its internal regulations in 2022, which take effect from 1 January 2023. They now include a summary of a number of internal codes and policies on issues such as market abuse, the prevention of conflicts of interest and the risk of harassment, and the fight against corruption. The updates take account of the new work organisations and, as such, include provisions on remote working, the proper use of IT tools and cybersecurity. All of this is supplemented by a review of ethical commitments signed by all employees.

resources, as well as to question or modify guidelines according to the context and feedback from the managers.

### Articulating the strategic vision

Since 1 May 2022, Covéa Finance has had an Operational Executive Committee (COMEX) under the responsibility of Francis Jaisson, which meets every month and is responsible for the operational implementation of the Executive Committee's strategic vision. At the end of 2022, this body had six members, including the two Managing Directors, the Head of Legal and Compliance and the Head of Human Resources. This Operational Executive Committee oversees the various internal plans and the conditions of their implementation: recruitment, training, IT, budget monitoring, etc. Priorities are reallocated according to regulatory developments, changes in the market and competition. Its composition is not fixed and is intended to be adapted as part of the gradual implementation of the succession plan.

### Oversight of audit and compliance

Covéa Finance set up an Audit and Compliance Committee in 2021, remaining in line with the approach defined by the AMF, which requires us to have our own internal control structure. This committee meets three times a year in the presence of the two Managing Directors, the Head of Compliance and Internal Control and all of the division managers, representing all of the company's business lines. This committee is responsible for all regulatory issue: implementation of control and analysis systems, audit reports, action plans, etc. "In 2022, this committee oversaw work on our financial ethics policy. It also received feedback from several audit assignments and monitored the implementation of actions aimed at reducing the risks identified," says Ludovic Jacquier.

### Managing the "Ambition 2026" plan

The ramp-up of the "Ambition 2026" plan led in early 2022 to a repositioning of the Steering Committee responsible for managing and implementing all projects related to the strategic plan. Currently with thirteen members, i.e. the main division managers and heads, this committee, chaired by Francis Jaisson, meets every six weeks to decide on priorities and



### BUSINESS ETHICS CHARTER AND WHISTLEBLOWER SYSTEM

In 2022, Covéa Finance published a code of conduct, which is appended to the internal regulations and is governed by a business ethics charter. The idea is that, beyond the internal mechanisms intended for employees, the company can also capitalise on this commitment in the context of its external communications, and in particular when responding to calls for tender. This code of conduct reflects the Executive Committee's desire to commit the entire company to engage in a process that helps prevent and detect acts of corruption, but also to ensure compliance with a set of business ethics provisions that has guided Covéa Finance since its creation. The code also refers to the whistleblower system devised by the company in 2022 and effective since 1 January 2023, which allows everyone, including employees and all stakeholders, to report potential breaches using an open and anonymous platform.

### Strengthening the separation of control and management functions

In addition to gains in terms of agility, this new organisation helps to ensure the stability of the governance bodies. At the same time, the role of the Executive Committee was refocused on the company's main strategic issues. The other governance bodies mentioned above report to it. This organisation ensures a complete separation of the control functions from the management functions at the highest level.

### Reorganising the control functions

In 2022, Covéa Finance carried out a broad reorganisation of its control functions. The objectives were to avoid overlapping, improve agility between the different scopes of responsibility and improve business continuity and transmission of knowledge in terms of operational risk management. It entailed multiple dimensions, including compliance, internal control, audit, risk management, the anti-corruption system and ethics. In this context, the management entrusted Nadia Ben Salah, already in charge of the Legal and Compliance Division, with

responsibility for the second-level permanent internal control function, i.e. control of operational risks and monitoring and control of regulatory compliance, and thus the title of Compliance and Internal Control Manager. "A strategic reporting line helping to increase efficiency while making a distinction between two professional functions with different and complementary profile: on the one hand, compliance, with business and regulatory expertise within the meaning of the AMF-ESMA and, on the other hand, internal control with expertise in controlling and recording transaction processing. All with the aim of consolidating our risk control chain", adds Ludovic Jacquier. Covéa Finance also maintained an independent audit function whose role is to report to the highest level, providing a cross-cutting vision of the effectiveness of the entire control system. All of these changes led to an update of the company's control system approval details. This approach will continue in 2023 in the area of market risk control.

# Macroeconomic overview

## INTERVIEW with Sébastien Berthelot



**Sébastien Berthelot**  
Head of the  
Macroeconomic  
Research team

### What was the impact of the Russian invasion of Ukraine on the global economic landscape?

**Sébastien Berthelot:** There were many impacts, which will have a long-term effect. First of all, this crisis had an immediate impact on energy prices, highlighting Europe's high level of dependence on Russian hydrocarbons and the importance of Russian and Ukrainian agricultural raw materials at a global level. From a geopolitical perspective, we saw the re-emergence of "block" allegiances, with Western countries on one hand and, on the other, a camp of "non-aligned" countries representing more than half of the world's population. Such a situation could structurally and

sustainably redefine supply chains, and further imperil globalisation, bringing, as a corollary, an end to a kind of golden age of free trade. Also of note is that the conflict has led to a marked increase in military budgets, which will have to be financed and which could further increase already heavy debt burdens after the pandemic.

### Why did inflation rise so much in 2022?

**S. B.:** The inflationary environment resulted from massive fiscal and monetary support which boosted demand at a time when supply chains were completely disrupted by the Covid-19 pandemic, causing a restriction of supply. Russia's invasion of Ukraine heightened tensions around energy and agricultural raw material prices. There were also structural factors, such as the increase in costs incurred by companies to implement necessary energy transition projects, the end of "imported deflation" and a desire by Western countries to relocate certain strategic activities. All of these conditions underpinned a lasting inflationary trend.

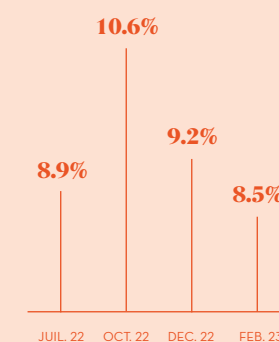
### OVERVIEW of the year in figures

**+425**  
basis points

The rise in the US Federal Reserve's key rate in 2022, the fastest pace of tightening since the early 1980s..

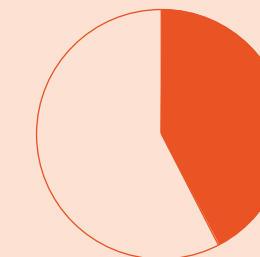
**10.6%**

The high point of inflation in the Eurozone (in October 2022).



**40%**

The share of European Union gas imports from Russia (before the pandemic), with the level varying considerably between countries.



### In this context, what was the stance of the central banks?

**S. B.:** Having denied for too long that inflation was here to stay, central banks were compelled to act with force. Monetary tightening was applied on a scale not seen for decades, starting in emerging countries and then moving to developed countries. Key interest rate hikes were particularly pronounced in the United States, the United Kingdom and the Eurozone, even though the European Central Bank was slower to act given the scale of uncertainty as to the impact of the energy shock on European activity. It was a historic reversal and the fastest pace of tightening since the early 1980s.

### How does this raise fears of a recession and a currency shock? How are you approaching 2023?

**S. B.:** The repercussions of this new monetary situation will be felt by businesses in 2023. This

**“The conflict in Ukraine has had a strong and immediate impact on energy prices and the supply of raw materials, but also on Western military spending, which has picked up again.”**

tightening of financial conditions will affect demand and lead to higher costs for companies, which in turn will increase caution on their part in relation to investments. In addition, there are two major uncertainties. The first relates to Covid-19 and the health situation in China, where the risks of supply chain disruption remain, which could lead to further inflationary pressures and greater monetary tightening. Then there is the situation in eastern Europe: the risk

of conflict spreading cannot be ruled out, and we must prepare ourselves to be able to deal sustainably with the resulting impacts on our supplies in the broad sense.

# Financial market overview

## INTERVIEW with Francis Jaisson



**Francis Jaisson**  
Managing Director,  
in charge of Asset  
Management, Marketing,  
Trading and Research

### What major trends did you see in the financial markets in 2022?

**Francis Jaisson:** The return of war on European soil very quickly led to the cessation of Russian gas exports to the European Union. In addition to the volume effect generated by this measure, European economies have had to cope with a price effect that has crippled households and businesses, while the conflict has given a new illustration of the geopolitical dimension of supplies. Another key factor in 2022 was the stagnant nature of debt, which remains at a high level. Despite the

increase in financing costs, issuance of government, bank and corporate debt increased sharply to offset the fiscal support measures, the reduction in financing by the European Central Bank (ECB) and the necessary capital requirements, a situation that could be difficult for the lowest rated issuers. 2022 also marked an end to easy money after a decade of monetary easing. In Europe, the ECB ended its asset purchase programme, which had allowed it to shower the financial markets in cash, while raising its key interest rates. Against this backdrop, listed companies experienced sharp declines and major global stock markets posted significant losses.

### What was Covéa Finance's investment strategy?

**F. J.:** In relation to our bond portfolio, we applied the same patient approach throughout the year as we did in 2021. This allowed us, on the one hand, to meet the Group's needs in terms of strategic investment in reinsurance and, on the other, to invest at rates higher than the portfolio's average rates during the fourth quarter. In relation to credit, our teams continued to question whether to adopt a shareholder or creditor status on a case-by-case basis. But it was clear that risk premiums on corporate debt were not yet sufficient to compensate for this risk. Our equity investment strategy was based on our diagnosis of an uncooperative world and a high level of fragility given the debt levels of governments and private players. The fact that equity

### OVERVIEW of the year in figures

**\$14.4Bn**

The amount of asset impairment recorded in the accounts of TotalEnergies.

Due to international sanctions, the French oil company had to record an impairment in value of its fixed assets and holdings in Russia in its balance sheet. A reflection of geopolitical risks on the strategies of globalised companies.

**1**  
million

The number of clients of FTX, the cryptocurrency trading platform that went bankrupt in 2022.

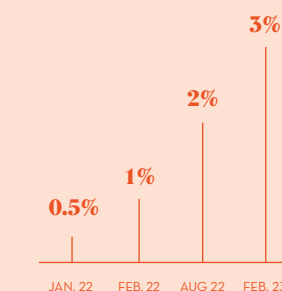
**\$8Bn**

The amount relating to the fraud committed by FTX, in particular through its alternative management subsidiary Alameda Research.

**\$500M**

The threshold of deposit outstandings exceeded in Livret A and LDDS passbook accounts at the end of 2022.

Evolution over time of the yield on the Livret A passbook account



Source: servicepublic.fr

indices remained at high levels at the beginning of 2022 enabled us to secure capital gains for our principals as from January. The subsequent sharp fall in the various stock markets gave us the opportunity to reach purchase thresholds, favouring direct Eurozone securities.

### What are the challenges for 2023?

**F. J.:** We risk facing a synchronised slowdown in all the major economies. After a period of transition in 2022, we will see a total reversal of central bank policies to battle against inflation, in the traditional form of key rate hikes. The ensuing challenge for governments, companies and households will be to adapt their policies, strategies and behaviour to this major financial paradigm shift. Listed companies

will have to contend with higher financing costs and repay the loans granted by banks under government guarantees. On foot of the surge in energy prices, European countries face a real risk of deindustrialisation in favour of America or Asia, which took unprecedented measures to benefit their sectors at the same time as Europe implemented its first carbon tax. The very survival of the European Union as it currently stands

is increasingly seen as a challenge, as the polarisation of the world around two blocks, the US and China, gains strength. This rivalry is having an impact on the strategies of the companies that we support as they find themselves embedded in an all-out economic war.

**“In our bond portfolio, we applied a patient approach throughout 2022, while in the credit component, our teams continued to raise questions on a case-by-case basis; in equities, our strategy enabled us to secure capital gains for our principals.”**

# Insight & reflection

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Strengthening our analytical capacity to increase agility and sustain performance, in a more uncertain environment than ever before.

# The inside story

**“The conflict between Russia and Ukraine has uncovered a new bipolarisation of the world.”**

**P**erilous: this, in my opinion, is the adjective that best describes the geopolitical situation we experienced in

2022. Russia's invasion of Ukraine was a grave event that resulted in a more pronounced bipolarisation of the world. The resulting pressure on raw material, energy and food prices created a particularly worrying environment.

This now full-fledged war between Ukraine and Russia did not come as a surprise, however, as it had been simmering since the events of Maidan Square in 2014 and the annexation of Crimea in the same year. In our Economic and Financial Outlook, we indicated on several occasions our observation of a less cooperative world, with two new blocks emerging at the global level. These new positions became evident during four successive votes at the UN General Assembly in 2022 on the Russian-Ukrainian conflict.

On those occasions, **fault lines** could be seen dividing member states through their political systems primarily but also through strategic and commercial partnerships which influenced the votes of certain third countries, depending on their level of dependence on China on the one hand, or on Western countries on the other. Positions that could lead to a new type of cold war, this time

against the backdrop of a clash for global leadership between the United States and China.

It seems unlikely, given the forces involved, that the conflict will reach a favourable outcome by the end of 2023. Energy and raw material supply issues will therefore remain a cause for concern for the European Union (EU). In this scenario, the EU's very unity could be tested since member countries have differing levels of dependence on Russian gas, which could give rise to controversial decisions being made by certain governments. At the global level, **the destabilisation of economic balances** is likely to continue weighing on the relationship between Beijing and Washington, with fears of an increase in conflict zones, involving Taiwan in particular. All of this amid an increasingly evident inability of international institutions (UN, WTO, etc.) to resolve disputes.



**Frédéric Kleiss**  
Head of Research

**“The current redistribution is giving rise to huge competition for access to energy resources.”**

**U**nsurprisingly, 2022 saw the global energy landscape altered by the conflict in Ukraine, which

toppled a number of established balances while also highlighting the dependence of certain countries, particularly in Europe, on Russian gas. Having decided to drastically cut imports from Russia to minimum levels, European countries had to find new sources of supply: a situation that mainly benefited the United States, with Europe becoming the leading export market for US gas in 2022.

Globally, this redistribution inflated competition for access to various energy resources, leading to rising costs that fuelled inflationary pressures. In this landscape, some players opted on the side of neutrality, refusing to take sides in the conflict. Another factor is that **the energy models** of many countries are being challenged, for instance Germany whose economic model was based on abundant energy at low prices. The United States, via its “Inflation Reduction Act”, and the European Union, with its “REPowerEU” plan, opted to speed up their energy models, spurring a form of competition with both looking to attract projects and capital to their territories. Last but not least,

the subject of nuclear power returned, also a major change. The major energy trends in the future will be part of a broader reshaping of the economic balance of power at the global level. One unknown factor is that with the 2022 energy crisis having come at a time when the Chinese economy was at a standstill, what consequences can we expect when that economy recovers? Another question to be answered is will Europe be able to maintain its attractiveness as a region for developing alternative energy projects? These are all subjects that Covéa Finance keeps a close eye on.



**Jacques-André Nadal**  
Head of European Equities



**The Energy Committee**  
(from left to right) Jacques-André Nadal, Chicuong Dang, Louis Martin, Matthieu Ohana, Sophie Pons

# N° 1 Responsiveness

## Backdrop

As soon as the Russian-Ukrainian conflict broke out, Covéa Finance activated its crisis unit to analyse and anticipate any resulting new threats to its portfolios.



**T**aking action to deal collectively and effectively with exceptional situations:

this is the function of Covéa Finance's market crisis unit. On this occasion, it was activated following the outbreak of conflict between Russia and Ukraine. "We had to react quickly, as we would

for any major event likely to present a risk of contagion or have a lasting impact on all our asset classes," says Francis Jaisson, Managing Director in charge of Asset Management, Marketing, Trading and Research. Activated at the very beginning of March 2022, this unit included all of Covéa Finance's value chain

# 13

The number of services mobilised for the crisis unit.

managers in order to report areas of tension and identify potential risks of deterioration in the conditions of our activities, as well as risks of a deterioration in the value of the assets entrusted to the company.

### Responding to different types of threats

"The return of war on European soil and the ensuing total disorganisation of the essential raw materials markets meant it was vital that we trigger our crisis unit," adds Francis Jaisson. It met at the start of each week and then on a monthly basis to discuss the reports of the work and studies requested from each department. "The unit also managed another financial crisis that occurred in 2022 relating to the collapse of the FTX cryptocurrency ecosystem and

the resulting threats of propagation to the financial system," says Francis Jaisson.

### Championing collective responsibility

The work within this crisis unit was an opportunity for Covéa Finance's teams to accentuate their collective responsibility, one of the founding principles of the company. "We show collective responsibility on a daily basis, which makes us all the more able to react effectively during periods of tension and to better absorb certain shocks, such as those suffered this year," says Francis Jaisson. Within the unit, the company's different activities, including Research, Management, Legal, Risk Control, Internal Control, Compliance, IT, Middle Office, Trading and Communication, all agreed to provide a holistic view of the impact of this conflict on the portfolios managed by Covéa Finance and the related asset management chain. As part of this approach, the unit ordered in-depth studies to be drawn up by three of the company's cross-functional committees (banking, foreign exchange and energy) on the effects of this major event.

# 18

The number of crisis unit meetings on Ukraine held over four months.

## FOCUS mobilisation of the teams



**Damien Sabot**

Deputy Head of the Markets and Operations Legal team

### BROAD IN-HOUSE MOBILISATION TO ANALYSE THE CONSEQUENCES OF THE CRISIS

As soon as the crisis hit, all of Covéa Finance's teams sprang into action to identify and prevent risks to the company's business. The Markets and Operations Legal team monitored, analysed and summarised the successive sanctions adopted by the West against Russia as well as the retaliatory measures taken by Russia. "The goal was to help the managers identify risks and anticipate their potential consequences for our portfolio investments, for instance the exclusion of Russian banks from the SWIFT interbank system", explains Damien Sabot, Deputy Head of the Markets and Operations Legal team. Another goal of this work was to understand the institutional mechanisms underlying the adoption of the sanctions and their scope, for States and for portfolio management companies like Covéa Finance. "There was an economic objective to manage our investments in this new context, but also a legal objective since new sanctions were regularly being adopted and we were

required to understand them in detail in order to comply with them immediately," adds Damien Sabot. In addition to these analyses, the Markets and Operations Legal team endeavoured to provide concrete answers to the managers' questions when they faced new issues related, among other things, to the operation of certain trading platforms as a direct result of the geopolitical situation. "Our team's participation in this crisis unit helped us to understand the expectations and questions coming from the Executive Committee and the management teams and to respond in the most precise and quickest way possible, thus demonstrating our reactivity, agility, intellectual rigour and team spirit", concludes Damien Sabot.

N° 2

# Vision

## Backdrop

Covéa Finance's **Economic and Financial Outlook** stimulates long-term reflection and critical examination, helping to avoid bias and pre-conceived ideas.

**S**ince its creation, Covéa Finance has cultivated its independence by conducting its own research and analysis, with the aim of giving the management teams the necessary perspective to construct long-term investment scenarios. This work is presented in the "Economic and Financial Outlook" that we put out three times a year. "Thanks to this document and the teamwork involving many of the company's activities that goes into producing it, Covéa Finance's teams are able to make informed

management decisions that take into account economic, financial and geopolitical dimensions", says Frédéric Kleiss, Head of the Research division.

### Making informed choices

Such autonomy of thought is particularly useful during crises. The work highlights structural and fundamental transformations of economies and changes in the geopolitical landscape on a multi-year basis of five to ten years. "The Economic and Financial Outlook focuses on three themes, all of which continued to be relevant during the current crisis: the dollar, oil and raw materials. Key in helping us to understand the current tensions, these themes will also be germane to our future reflections on the impact of ESG<sup>1</sup> criteria and climate change on major global balances. They will notably help us to make informed investment choices in a world in which energy could become increasingly scarce", concludes Frédéric Kleiss.

1. ESG: environmental, social and governance.

3

The number of Economic and Financial Outlooks put out each year: Structural, Financial and Thematic.



## RESPONSIVENESS and perspective in the midst of events

### SHARING COVÉA FINANCE'S VISION

Throughout the year, the Marketing team talks to clients and prospective clients to share Covéa Finance's interpretation of the current economic and financial situation and its understanding of the world. These communications take the form of an information letter containing a weekly market overview, the quality and the depth and relevance of analysis of which are regularly extolled by clients. The high point of our communications is an annual Economic and Financial Outlook event for institutional clients, during which Covéa Finance presents an in-depth analysis of the financial situation.

52

The number of information letters sent each year to clients and prospective clients.

### CONTINUATION OF OUR EXPERT DISCUSSIONS

In building its portfolios, Covéa Finance endeavours to take account of all factors that contribute to the performance of the financial markets. It does not hesitate to talk to experts outside the economic and financial sphere (historians, academics, military specialists, etc.) to enrich its strategic thinking. It was with this in mind that it began a cycle of discussions on the subject of debt in 2021, which it continued in 2022 and will hold again in 2023, in view of the sudden rise in interest rates and the sustainability risk which that poses for public and private debt. The events are broadcast online, but there is also an interactive dimension during which participants can ask the speaker questions.

2,778

The total number of people who have watched our first three expert discussions live and in replay.

### COVÉA FINANCE AT THE INSTITUTIONAL INVESTORS FORUM

By taking part in market events such as the Institutional Investors Forum, Covéa Finance can promote its anticipatory skills and preparatory work for dealing with crises. This event is also an opportunity to chat with clients and prospective clients, talk about allocation choices, and explain how our collective responsibility and the interaction between our research and management teams differentiate us from other portfolio management companies. Additionally, it is a platform for Covéa Finance to demonstrate how its fund range is built on the basis of a long-term approach rather than a strategy of creating "opportunistic" products.

182

The number of people who attended the 2022 Institutional Investors Forum.

Source: AGEFI.



# N° 3 Expertise

## Backdrop

**In order to form its own opinions,** Covéa Finance has an in-house research division of around twenty expert analysts with complementary profiles.



**C**ovéa Finance has its own in-house research and deliberation resources, unlike other asset management companies that outsource this function. "This is a significant feature of our approach, and also has to do with the fact that we are an asset manager serving an insurance company. We pool skills and know-how, resources and methods within our structure, as does Covéa," points out Frédéric Kleiss, Head of the Research division.

### Multiple points of view

The Research division draws on around twenty employees, split into three teams, to help it establish independent points of view for the company. The **Macroeconomic Analysis** team looks in particular at sovereign States and fuels reflection for the purpose of preparing the Economic and Financial Outlook. The **Financial and Extra-financial Analysis team** focuses on companies, carrying out critical examination the management

# 20

The number of employees in the Research division, i.e. nearly 11% of the company's workforce at the end of 2022.

of shareholder relationships. The **Quantitative Research** team takes a mathematical approach to market analysis to support managers with their day-to-day work in deciphering market developments, optimising stock picking, and creating and/or valuing complex financial products. "The division benefits from interesting synergy between the profiles within it, which vary in levels of seniority and training, to ensure plurality of points of view and foster competition and innovation within the team," says Frédéric Kleiss. In 2022, Covéa Finance took on two employees with CESGA<sup>1</sup> qualification as ESG analysts, while two other team members obtained qualification from the CFA<sup>2</sup> Institute in ESG investments. The latter certification is expected to be available for other employees in 2023.

1. ESG analysis certification issued by the SFAF (French Association of Financial Analysts) under the authority of the EFFAS (European Federation of Financial Analyst Societies).  
2. Certification in ESG investment by the CFA (Chartered Financial Analyst) Institute.

## EXPERTISE in the service of performance



### A MARKETING DIVISION THAT LISTENS TO CLIENTS

The Marketing division is often the first ambassador in the outside world of Covéa Finance's philosophy, but it is also the guarantor of a successful client experience. Its first duty, therefore, is to faithfully convey the company's vision as it is applied to all of the management portfolios. As such, the team has a responsibility and duty to know its clients, their needs and their constraints. With this in mind, it initiates exchanges and ensures that relevant information is provided to them in relation to their expectations and investments.

# 6

The number of employees who monitor clients and prospective clients, whether they are internal or external to the Group.

### GUARANTEE DATA RELIABILITY

Covéa Finance uses its Market Data service to ensure it has relevant financial information at its fingertips. In 2022, it put the necessary resources in place to deal with the increased need for data services brought about by the various regulations, particularly in relation to ESG criteria, while controlling the increase in acquisition costs linked to inflation. The Market Data team works closely with specialised external suppliers.

# 30

The number of specialised external suppliers working with the Market Data team.



### EVER MORE STRATEGIC MONITORING

At Covéa Finance, strategic monitoring takes three main forms: firstly monitoring in the strict sense to identify new trends in asset management; secondly, external representation, which involves active contribution to the working groups of professional bodies, particularly in the area of sustainable finance; and, thirdly, coordination with the Covéa Group. The company also strives to strengthen its positioning as an expert in finance and ESG and climate issues for the benefit of the Group by participating in various committees, meetings and associated working groups.

# 3

The number of employees focused on strategic monitoring at Covéa Finance in 2022.



N° 4

# Solutions

## Backdrop

**Funds designed and built** by Covéa Finance to meet both societal challenges and investors' expectations and needs.

**Pauline Brunaud**  
European Equities UCI manager

**Samir Ramdane**  
Head of the European Equities UCI team



## Responsible investments

Always keen to keep pace with societal changes and the economic environment, Covéa Finance has a **range of funds with an environmental theme**. This is part of a voluntary approach to integrate into corporate practices environmental issues such as climate change, deforestation, the decline of biodiversity, extreme weather events and the consequences of human activity. In 2020, the pandemic crisis revealed interdependencies between States while also highlighting the need to secure supplies in strategic areas, with a view to national sovereignty. Covéa Finance responded to this challenge with the launch of its Covéa Renouveau France fund in February 2021.

### **Combining financial performance with environmental conviction**

Given the multiple environmental issues at play, rather than opt for a global climate fund, in 2018 Covéa Finance created **four European funds** (Aqua, Aeris, Solis and Terra), each with a very specific theme. *“These funds are aimed at all categories of investors who seek to combine financial performance with environmental conviction. The fund range addresses long-term challenges and benefits from favourable*

*regulatory and political frameworks, which will help to generate significant investments in the coming years to meet the challenges of the energy and ecological transition”*, explains Pauline Brunaud, European Equities UCI manager. These funds are SRI (Socially Responsible Investment) certified. Since April 2022, the Covéa Terra fund has had both SRI and “Greenfin” certification. Above all, these labels guarantee transparency of the related investments and their sustainability credentials.

### **Participation in the equity financing of French companies**

What is special about the **Covéa Renouveau France** fund, which bears the France Relance label, is that its selection criteria are based on the companies' activities. *“The fund invests only in companies that contribute to securing supplies and production, respond to health and food safety issues, and help to strengthen sovereignty in strategic infrastructures. In addition, Covéa Renouveau supports companies that are committed to significant job creation and investment. As such, it aims to participate in the equity financing of French companies”*, explains Samir Ramdane, Head of the European Equities UCI team.

**€110M**  
Covéa Renouveau's  
outstandings in 2022.

**7.4 times**  
The increase in assets under  
management in the environmental  
range between its launch in 2018  
and the end of 2022.

## New areas of investment

As part of its “Ambition 2026” strategic plan, Covéa Finance has put in place a process of asset diversification, as part of which it launched its first **private equity** fund of funds in 2019 entitled Covéa Accompagnement, which was followed by three others<sup>1</sup>. *“This fund of funds aims to help finance the economy by investing in diversified sectors in the venture capital, growth capital and LBO buyout segments,”* says Xavier Simler, Head of the Multi-management division.

Through rigorous selection, the team invests over the long term in diversified or thematic funds that contribute to equity financing and support company development.

As with listed financial markets, 2022 was a turbulent year for private equity. Rising interest rates, inflationary pressures and supply chain pressures, exacerbated by the conflict in Ukraine, weakened the financial health of companies and called into question the valuation levels of some funds with high risk profiles. These uncertainties do not jeopardise the plans of Covéa Accompagnement, as its investment policy remains prudent, with a slow pace of investment and enhanced vigilance around the funds.

To further diversify, Covéa Finance made its first foray into **the private debt** market in September 2022 with the launch of Covéa Sélection Dette Privée, a Luxembourg-registered fund. This fund made an initial investment at the end of last year in a senior corporate debt fund.

<sup>1</sup> Covéa Accompagnement II, Covéa Accompagnement III, Covéa Accompagnement IV.



The Covéa Accompagnement, Covéa Accompagnement II, Covéa Accompagnement III and Covéa Accompagnement IV funds are professional private equity funds. They are not subject to approval by the AMF (French financial market authority) but have been the subject of a declaratory procedure in accordance with AMF instruction 2012-06. They may therefore adopt exceptional investment rules. These funds are subject to the risk of loss of principal and liquidity. Other risks to which they are exposed are described in the regulations. The funds are reserved for financially sophisticated investors (entities of the Covéa Group) and may not be the subject of any promotional action.

**Xavier Simler**  
Head of the  
Multi-management division



# Focus on major issues

## Our sustainable finance approach

these criteria, with a project spread over time and included in the business objectives for 2026.

The substantive work contained in the Economic and Financial Outlook is used to integrate ESG criteria into Covéa Finance's investment process. The company's committee structure was updated to help integrate financial and extra-financial analysis into the investment decision-making process and organise the inclusion of ESG criteria into investment decisions. These efforts are also reflected in the participation (in-person and through analysis) of the company's financial and extra-financial analysts in the investment committee meetings and those of several thematic cross-functional committees, including the raw materials, energy and banking committees.

1. ESG: environmental, social and governance.

**H**istorically, Covéa Finance takes a broad ESG<sup>1</sup> approach along its entire value chain. A position that is in line with its management model based on collective responsibility, cross functionality and the pursuit of absolute rather than relative performance, in a controlled risk framework (search for the best risk/return trade-off).

The main principles governing the application of ESG criteria at Covéa Finance are the alignment of interests between stakeholders (expressed in particular in the exercise of voting rights); the need for a balance between ESG criteria so that the search for performance in one does not come at the expense of the others, despite sometimes contradictory issues; and lastly the notion of progressively integrating



## Sustainable finance

The "Ambition 2026" strategic plan includes a project dedicated to sustainable finance, which should enable the company to consolidate its expertise in this area, in line with the ramp-up of regulations.



The ESG dimension is a central part of the "Ambition 2026" plan, with a specific objective: apply Covéa Finance's philosophy by taking internal ownership of the ratings of private issuers, in order to have total control over them. The company thus intends to consolidate the treatment of "ESG issues", strengthen their integration into the organisation, and facilitate dissemination and appropriation by all employees at all levels of the value chain. In this way it will be able to communicate as transparently as possible on these issues and take an active approach to environmental issues in order to comply with increasingly strict regulations.



## Non-financial data

As its name indicates, the non-financial data rating takes into account not only a company's economic performance but also its behaviour with regard to the environment, its respect for social



values, its societal engagement and its governance. These are all useful criteria for an investor looking to assess a company's social responsibility before deciding whether or not to include it in their portfolio. However, this rating, which is often obtained through external suppliers, remains somewhat opaque due to a lack of common standards across all bodies (issue of quality of data from companies, difference in methodology of ESG rating suppliers).

Thus, a company may be very well rated or very poorly rated depending on the perspective adopted by a given agency. As such, Covéa Finance aims to strengthen its independence and control over these particularly sensitive factors.



## Reporting

The reliability of extra-financial data is all the more essential as it is incorporated into the regulatory reporting that positions funds according to their extra-financial rating.

For Covéa Finance, this is obviously a major issue given its desire to systematically integrate these criteria into its decision-making process, so that it can look beyond financial performance. Increasing the transparency and clarity of the extra-financial rating therefore would seem an essential prerequisite in order to facilitate appropriation by the management teams.

The Covéa Group is itself required to report in this area as part of its own Declaration of Extra-Financial Performance (DPEF). To this end, it obtains information from its subsidiaries to fulfil its legal obligations, an approach to which Covéa Finance fully contributes.

# Know & Innovate

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**Drawing on our internal expertise to respond to new challenges and devise the most relevant solutions.**

# Regulations

## OUR analysis

“Our daily challenge: ensuring regulatory compliance for all Covéa Finance activities.”

**Nadia Ben Salah**  
Head of the Legal and Compliance

# 197

The number of contracts negotiated and implemented in 2022 in all business areas.



### What are currently the major regulatory issues for Covéa Finance?

#### **Nadia Ben Salah:**

As a portfolio management company regulated by the French financial markets authority (Autorité des marchés financiers - AMF), Covéa Finance is subject to two types of regulation. Firstly, financial sector regulations, including MiFID, UCITS and AIFM directives as well as more specific regulations such as EMIR, the Money Market Fund Regulation, CSDR, PRIIPS and SFDR on sustainable finance<sup>1</sup>.

Secondly, we must comply with regulations that are not specific to the financial sector but that impact the business of all companies, such as anti-corruption measures, professional whistleblowing and anti-money laundering obligations, and personal data protection under the GDPR<sup>2</sup>.

### What does the company risk if it is not vigilant?

#### **N.B.S.:**

We have obligations in terms of risk management and control systems. “Non-compliance risk” is defined as the risk of being subject

to penalties due to failure to comply with regulations or instructions from governing bodies. Such failure can also lead to reputation risk. Lawsuits or litigation can put the company in the public eye and have a direct impact on it, its managers and the employees concerned. As a subsidiary of Covéa, we have an obligation to comply with the Group as part of our duty of vigilance.

In order for us to be able to comply with all these requirements, including that of protecting the interests of our clients, Covéa Finance defines and implements a body of regulatory policies and procedures. It also offers training programmes to ensure staff are aware of risk management and compliance requirements. Thanks to the support of the Executive Committee and the Audit and Compliance Committee, the compliance and internal control teams ensure that they define effective control programmes aligned with Covéa Finance’s strategic plan to prevent any risk of non-compliance.

### It seems like there are more regulations every year. Is this the case?

#### **N.B.S.:**

Indeed, the number of subjects governed by a regulatory framework, mainly at the European level, is increasing. Directives are often

published as a result of a crisis or triggering event, even though the timeframe between the moment that political will is expressed and the date the regulation comes into force is generally very long, leading to reservations among some observers. Such measures also frequently stem from societal or environmental concerns, such as the SFDR or the European taxonomy, which concern the non-financial aspect of our activities. On this subject in particular, the French public authorities have also introduced laws, for instance the French energy and climate law and the French biodiversity restoration law. All of these regulations make our task particularly difficult but all the more fascinating too.

1. Directive: MiFID (obligations in terms of governance of financial instruments), UCITS (financial management of UCITS), AIFM (regulatory framework for the management of alternative funds), EMIR (obligations for players in derivatives markets), CSDR (extra-financial reporting), PRIIPS (standardisation of pre-contractual information provided to non-professional investors), SFDR (information to be provided by collective investments incorporating extra-financial approaches).  
2. GDPR: General Data Protection Regulation.

## OUR teams



### LEGAL AND COMPLIANCE DIVISION: EXPERT PROFILES

To meet these challenges, Covéa Finance draws on the work of lawyers who specialise in financial or business law and new technology law in the various areas concerned by its activity: profiles from law firms, banks and other management companies. With around ten employees, the division has a Products and Distribution team responsible for the legal compliance of UCIs and mandates, sales agreements and providing support in the creation and structuring of funds. It has a Markets and Operations team which oversees market contracts and interactions with counterparties, and contributes to management by providing legal analysis. It has an IT and Data team, which manages IT contracts with, for example, software publishers and ensures compliance with personal data protection obligations. It also has a Compliance team which provides advice and assistance to operational staff in the application of AMF regulations and market regulations. Since December 2022, a team of internal controllers responsible for the permanent control system and the monitoring of business continuity plan (BCP) obligations has been reporting to the division.

“The Legal and Compliance teams decipher the regulations and support the business lines in applying them, giving them a clear overview of their obligations, the related timeframes and the risks incurred in the event of a breach.”

# Progress made in 2022

**Assifata Assoumani-Ibrahimou**  
Middle Office Manager  
**Olivier Brion**  
Head of Trading



## CSDR: REGULATION RELATING TO SECURITIES SETTLEMENT

**The Central Securities Depository Regulation (CSDR)** concerns the settlement-delivery of securities and requires that asset management companies implement late payment penalties and automatic redemption procedures in the event of settlement failures. Covéa Finance had already formalised procedures in this area, which were further secured by the regulations. To comply with this regulation, the Legal and Compliance division worked hand in hand with the middle office and the trading desk.

# 40

The number of legal memos and reports prepared on regulatory or operational issues.

## A PROFESSIONAL WHISTLEBLOWER SYSTEM

**In line with the whistleblower directive**, in 2022 Covéa Finance launched a project for the set-up of a professional whistleblower system within the company. Under such a system, any third party, partner or employee can raise an alert, anonymously or otherwise, to identify and report any malfunction that may have negative impacts for the company, such as fraud, discrimination, harassment, and so on. This project reflects the wish of Covéa Finance’s management to be as watchful as possible in order to prevent negative consequences for the company, its managers and its employees.



## BETTER INFORM NON-PROFESSIONAL INVESTORS

**The PRIIPS regulation, which came into force in January 2023**, aims to standardise pre-contractual information by requiring the preparation of a key information document (KID). It applies to products offered to retail investors and, as such, the UCIs marketed by Covéa Finance. It requires that narrative

**Louis Peugnet**  
Financial lawyer

**Valérie Sandra**  
Head of the Product & Distribution and IT & Data Legal teams

and calculative information (performance scenarios, cost assumptions, etc.) be published. The company’s teams worked on this subject throughout 2022, in close collaboration with Covéa Group’s Life Insurance Department.

# 111

The number of PRIIPS KID published on the Covéa Finance website.



## SFDR: SUSTAINABLE FINANCE A CENTRAL PLANK OF THE “AMBITION 2026” PLAN

**The European SFDR is designed to enable investors** to more easily distinguish and compare the many sustainable investment strategies. It sets out transparency obligations and has multiple impacts on many aspects of Covéa Finance’s business, putting it at the centre of the “Ambition 2026” plan. Covéa Finance’s teams have prepared for the publication in January 2023 of 58 pre-contractual templates and 58 SFDR summaries on Covéa Finance’s website.

# 172

The number of regulatory deliverables published under the SFDR.

# Cybersecurity

## OUR analysis

“Covéa Finance is strengthening its teams and processes in response to the cyber threat.”

**François Valente**  
Head of the Information Systems Architecture and Security team

**What are the challenges in terms of cybersecurity for management companies and for Covéa Finance in particular?**

**François Valente:**  
According to the French Financial Management Association (AFG), cyber threats are among the top three risks for 71% of asset management companies. The risk can take several forms, such as unavailability of the information system, ransomware or phishing, etc. To prevent it, in 2022 Covéa Finance created a dedicated

Architecture and Security department, which I was entrusted with managing. However, the company was not starting from scratch, and much work had already been carried out in advance.

**Why has this topic escalated so quickly in recent years?**

**F.V.:**  
There has been an exponential increase in cyberattacks against organisations and companies, as a result of two major trends. Firstly, the widespread nature

of working from home during the pandemic, with information systems being adjusted for use by employees in their homes, thus creating potential new levels of exposure. Secondly, the Russian-Ukrainian conflict has highlighted the impact of cyberattacks in the geopolitical sphere. It is now recognised that some non-State actors have the technical capabilities to cause major damage through computer hacking in order to support political or social causes. This, moreover, was the subject of specific work by the “Ukraine” crisis unit in 2022.

come into effect in 2023. The regulator will focus in particular on processes relating to IT contractors, such as cloud service providers.

At the same time, we will continue to work on increasing the cross-functional nature of our crisis management, through training in how to respond to cyber risk to ensure the continuity of Covéa Finance’s business in any situation. The big challenge in relation to cybersecurity is resilience, and this must be prepared in advance.

**What are the trends for 2023 and what will you focus on?**

**F.V.:**  
The year ahead will see a focus on cybersecurity at the sector level. First of all, because in December 2022 the European Union approved DORA, the Digital Operational Resilience Act, which comes into effect in 2024 and will shape the cyber landscape of management companies. Beyond this directive, and in line with the ESMA (European Markets Authority), the French Financial Markets Authority (AMF) has approved a certain number of mechanisms around cybersecurity, together with audits and controls, which

## OUR teams



**The Information Systems Architecture and Security team**  
(from left to right): Claude De Oliveira, François Valente, Alix Plamin

### IS ARCHITECTURE AND SECURITY: COMPLEMENTARY EXPERTISE

**To meet these challenges, Covéa Finance relies on expert profiles.**  
First of all, the Head of the Information Systems Architecture and Security team, who oversees the department and the implementation of the Information Systems (IS) security policy, reporting, mapping of cyber risks and devising of the associated procedures. Alongside them is a person responsible for IS operational security (responding to attacks in particular), IS security projects, and awareness among of all Covéa Finance employees (an area addressed in conjunction with the Communication team). Since 1 January 2023, the department has also seen the arrival of an expert in technical architecture and security. In addition to this internal system, since 2022 Covéa Finance has used the services of an architecture and security service centre combining the skills and expertise required to implement the process of integrating security into the company’s projects. This centre also contributes to the examination and documentation of the technical architecture of the applications and flows of our information system. Lastly, day-to-day operational security draws on a Security Operations Centre (SOC) comprising IT security professionals who monitor the entire IT infrastructure, detect cybersecurity events in real time and provide incident response.

831

The number of known intrusions in 2022.

Source: ANSSI – French national cyberdefence and network and information security agency.

45%

The percentage of companies that experienced at least one cyberattack in 2022.

Source: CESIN - Information Security and Digital Experts Club.



“On issues relating to the GDPR<sup>1</sup>, we work closely with the Legal and Compliance division, whose head, Nadia Ben Salah, is also the Data Protection Officer (DPO) of Covéa Finance.”

1. GDPR: General Data Protection Regulation.

# Progress made in 2022



# 71%

The percentage of management companies that rank cyber threats among their top three risks.

Source: AFG - French Asset Management Association.

## CONSOLIDATING OPERATIONAL SECURITY

### A Security Operations Centre for Covéa Finance

In 2022, the company set up a Security Operations Centre with a recognised French leader. It contributes to the operational security of the IS 24 hours a day, 365 days a year, by providing oversight activities and monitoring alerts, in line with the deployment of EDR<sup>1</sup>-type software, a sophisticated technology enabling the detection of IT security threats on digital equipment. Two major cyber initiatives that form part of the action plan carried out by the “Ukraine” crisis unit.

1. Endpoint Detection and Response.



**Guillaume Dansaut**  
Multi-Management manager

## CYBERSECURITY IS INCORPORATED INTO DUE DILIGENCE PROCEDURES AND IS ALSO MANAGED AS AN AREA OF COLLECTIVE RESPONSIBILITY

Covéa Finance was one of the first companies to integrate cybersecurity into the due diligence questionnaire sent by the Multi-Management team to its counterparties. An additional attribute in the Covéa Finance value chain.

# 66

The number of due diligence reports sent by the Multi-Management team.

## RAISING AWARENESS AMONG EMPLOYEES OF THE CYBER THREAT

Employee awareness is one of the best barriers to cyber threats.

An internal campaign dedicated to this subject was carried out with the Communications team, starting with the creation of an Architecture & Security visual identity, as well as the publication of an educational brochure and numerous initiatives on the intranet. These measures are showing results, with Covéa Finance’s employees responding fairly well to fraud attempts. Another measure helping to raise awareness is the updating



of the information system user charter to incorporate cyber issues. This charter is appended to Covéa Finance’s internal regulations. A training module designed to help employees better control cyber risks is also being implemented.

# Risks

## OUR analysis

### “Optimisation of the risk-return ratio is a fundamental concern at Covéa Finance.”

**Soufiane Jaouani**  
Head of the Risk  
Control team

#### What financial risks does a management company face?

##### **Soufiane Jaouani:**

As an asset manager, Covéa Finance is exposed to various financial risks that may have a negative impact on the value of the investments made for its clients, through the funds managed, whether UCIs open to retail and professional clients or the mandates entrusted by our institutional clients. Always keen to invest in products that will generate performance for its clients, while controlling risks, the company has incorporated optimisation of the risk-return ratio as a fundamental part of its management

process, together with diversification of investments.

#### What is market risk?

##### **S.J.:**

The funds managed by Covéa Finance (equity, bond, diversified, etc.) will see their net assets increase or decrease depending on changes in the prices of the instruments in the portfolios. These price fluctuations are attributable to changes in market factors, such as in share prices, interest rates, foreign exchange

rates, the credit quality of an issuer, etc. This is commonly known as market risk.

Beyond the law of supply and demand, which governs the price of any asset, and which means that a particularly sought-after security will see its price increase and vice versa, prices can also fluctuate based on various economic, financial or non-financial factors. These factors can be a company's results, its debt, its capacity for innovation, its

prospects, its governance quality, its risk management, its impact on the environment, its regulatory framework, its shareholding structure, its geographical exposure, etc. The price of an asset is also dependent on more exogenous factors, such as the global economic environment. There are therefore many parameters that can impact a company's valuation, and therefore the market price at which it trades on the stock market.

#### We also talk about liquidity risk, what is it?

##### **S.J.:**

Liquidity is our ability to sell a position within a sufficiently short period of time and limit the cost for the client, particularly in times of market crisis. It allows us at any time to be able to meet our clients' redemption requests if necessary. The risk is monitored regularly, particularly through the volumes of transactions available on the markets.

#### What about counterparty risk?

##### **S.J.:**

This is the third biggest risk we face, and refers to the potential for default by a market operator, generally a bank counterparty, with which Covéa Finance is engaged in a transaction, for its funds or through derivative contracts, for example. To protect against this risk, Covéa Finance is very rigorous when selecting its counterparties, which are subject to internal ratings as well as a regular review at specific committee meetings.

#### Do you have concrete examples of the impact of these risks?

##### **S.J.:**

The 2008 bankruptcy of Lehman Brothers exposed an excessive use of

leveraged derivatives without effective counterparty risk management. The 2020 health crisis highlighted the liquidity risks of some funds which were unable to meet their clients' exit requests. These examples illustrate the need for controls, as well as risk diversification.

### “Diversification and liquidity. The alpha and omega of good financial risk management.”





“The Risk Control team is given details of the liabilities of our UCIs, which enables us to assess the concentration of unitholders. In a crisis, this helps the management teams to guarantee effective management of liquidity risk. Finally, we are in a position to rapidly convene an exceptional multi-asset risk committee meeting by capitalising on the flexibility of our tools and our existing reports.”

# Progress made in 2022



## CRISIS-PROOF TOOLS

The Russian-Ukrainian conflict provided a perfect illustration of the usefulness of updating the risk control work carried out in recent years, enabling the team to expand its scope of analysis through the development of effective reports and monitoring tools. In the early stages of the crisis, Risk Control was able to alert Management and the management teams about potential exposures to Russian or Eastern European stocks. Such a detailed analysis was only possible thanks to the provision of inventories allowing a look-through<sup>1</sup> of Covéa Finance’s multi-management funds of funds, which invest in external UCIs. The team also used internal business intelligence tools to rapidly produce daily monitoring reports related to the conflict, which were shared within the dedicated crisis unit.

1. “Look-through” transparency of assets = line by line identification of funds held in a portfolio of securities (Solvency II).

## 7

The number of banking counterparties with which Covéa Finance has a framework agreement for the treatment of derivatives.

## 100+

The number of quantitative or qualitative indicators monitored by the Risk Control team



## A SPECIFIC MULTI-MANAGEMENT RISK COMMITTEE

Monitoring the risks associated with multi-management portfolios requires information on the direct exposures of the underlying funds in which Covéa Finance invests. Such a process has been in place since 2020, with the monthly provision of inventories by an external service provider and their integration into the company’s various monitoring tools.

The Risk Control team was thus able to set up multi-management look-through risk committees in order to be able to report to Management and the management teams on indirect exposures to issuers or countries that it deems significant. These

elements, which are also provided monthly to the Multi-Management team, serve as decision-making tools for managers, providing them with a more detailed view of the risks and enabling them, where necessary, to reduce positions in advance.

“Regular changes in our funds’ strategies and the launch of new funds or investments in new asset classes, such as private debt in 2022, require constant changes in our tools and monitoring indicators.”



## RISK MAPPING FOR EACH PORTFOLIO

To meet these challenges, Covéa Finance uses a dedicated system. For each portfolio, the Risk Control team has identified all the risks inherent in the investments made in a risk map, which is its main monitoring tool. The risk map provides an immediate picture of the levels of exposure to market, counterparty and liquidity risks via various quantitative and qualitative indicators to which internal warning thresholds are associated. In addition to regulatory and client constraints, which change regularly, the team also takes into account internal constraints and the specific nature of insurance management. The job of risk controller requires advanced knowledge of financial mathematics, statistics and IT. It requires an analytical mind, a capacity for research and development, as well as excellent knowledge of the functioning of the financial markets and the regulatory framework.

# Sales and Marketing

## OUR analysis

“Clearly asserting our specific expertise enables us to stand out.”

The challenge therefore is to continue offering the best services to the Group and the networks of the three brands, while also making ourselves known externally by asserting our own identity: in short, finding the right balance. It is up to us to make our motto, “Finance in the service of Insurance”, a differentiating attribute that we are now making available to other institutional clients.

### Are there restrictive regulations governing communications and marketing?

**Alice Guyot:** At the same time, we have another challenge to meet, the regulatory dimension, which is increasingly present in all our communication and marketing actions. We therefore must ensure that our messages are consistent across all

media distributed to our clients, by complying with the directives of the French Financial Markets Authority (Autorité des marchés financiers - AMF) as set out in its guidelines on writing advertising communications and marketing collective investments. In short, we must weigh up each word, regardless of the medium (paper, digital) or communication channel (internet, social networks, etc.). Also to consider is the reputational risk associated with communicating on extra-financial criteria. We have therefore fine-tuned our message to take account of regulatory requirements and the need for attractive content and form.

### Why focus on differentiation?

**S.D.S.:** Covéa Finance’s DNA is our greatest asset. More specifically, the importance we place on research, the hallmark feature of Covéa Finance’s offering. Bold, independent research that cultivates critical thinking and thinking outside the box. Our research function benefits from integrated teams whose expertise is complemented by the fact that our managers are also analysts. Additionally, in our operations,

everything begins with our research work, from the Economic and Financial Outlook to the structuring of management strategies, and from the construction of portfolios to the way we present them. Hence our decision to increasingly highlight the hallmark of our offering.

**Suzanne Dos Santos**  
Head of the Sales division

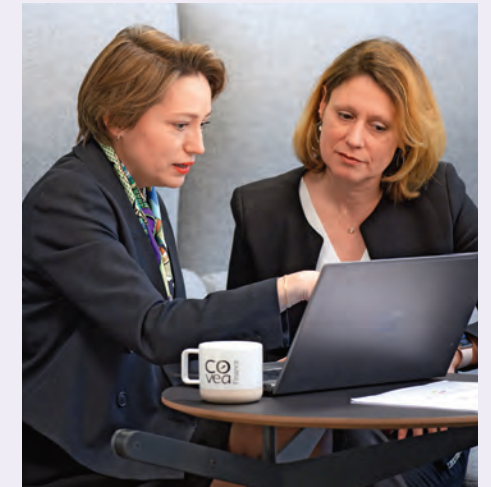
**Alice Guyot**  
Head of the Marketing & Communication teams

### What are the key sales and marketing challenges for Covéa Finance?

**Suzanne Dos Santos:** Covéa Finance is not like other asset managers in that it is primarily dedicated to managing the assets of its parent company, the Covéa Group. We can only open up and offer our expertise to the outside world if it is in harmony with our historical goals.



## OUR teams



### MARKETING AND SALE: SYNERGY BETWEEN THE TEAMS

To respond to these challenges, Covéa Finance relies on two departments that work closely together. The Sales division, which is organised into two teams: the first, comprising two people, is entirely dedicated to monitoring the Group and its Life networks; the second, comprising three employees, is in charge of developing a portfolio of institutional clients and distributors that understand Covéa Finance’s long-term investment values.

The Marketing team (shown opposite), which was completely revamped in 2022. “A reorganisation that was included in our strategic plan, with several objectives: to create a dedicated team able to effectively respond to commercial growth objectives and also to have a clearly defined scope for greater efficiency. Since the sales representatives are like our internal clients, we had a lot of discussion with them to understand how best to support them on a daily basis”, says Alice Guyot, Head of the Marketing and Communication teams. With this in mind, the Marketing department took over responsibility for managing all commercial documents and content (brochures, presentations). In terms of headcount, the team has grown from two employees in 2022 to three at the beginning of 2023.

83

The number of sales documents updated or created by the Marketing team in 2022.

12

The number of external events organised in 2022.

“The overhaul of our CRM process together with the implementation of a new e-mailing tool will boost the effectiveness of joint activities and the flow of information to our clients.”

# Progress made in 2022

**Victoire Bonnin**  
Marketing Manager  
**Claire Vanel**  
Marketing Manager



## BETTER SHARING OF CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

2022 saw the completion of the project to overhaul the existing CRM system (Salesforce), in order to adapt to current challenges and enable better monitoring of clients and prospective clients, and to ensure full compliance with KYC-related regulatory constraints. In addition to the Sales team, several other business lines were involved in this work, including Legal and Audit, and the IT teams which carried out considerable work and coordination tasks. Important information from related discussions is now stored in a single location to ensure the continuity and traceability of the activity. The preferences and wishes of all contacts of the Sales team have been noted to allow personalised communication. However, the mandatory documents required under KYC obligations are kept in a protected file, access to which is authorised only for employees involved in controlling and adding information to them.



## CREATE MORE INFORMAL LINKS WITH CLIENTS

In 2022, several sales events were held, including an evening for external clients and an evening at the year-end for Covéa Group's networks. The latter event brought together nearly seventy people from the Group's Life networks, a rare moment, including for the interested parties, who have little opportunity to get together.

“Covéa Finance intends to use events to share its convictions and expertise and to develop relationships with its clients and prospective clients.”

# 250

The number of clients and partners who attended events organised by Covéa Finance in 2022



# 56

The number of bulk e-mails sent in 2022.

## RE-ORCHESTRATE BULK E-MAILS

In 2022, Covéa Finance adopted an automated solution for CRM-related marketing campaign: **Pardot**. A project that clearly illustrated the many synergies between the Marketing and Sales teams. This tool will enable better targeting of information to clients based on their interests, but also has added value in terms of traceability and measurement of efficiency.

# CofiCampus

Covéa Finance’s in-house university is changing



**The “in-house university” project team**  
(from left to right): Lucile Loquès, Guillaume Gilmant, Sandra Boumendil

## 2014

Date on which the first in-house university was created.

**S**ince its creation, Covéa Finance has believed that success and performance hinge on the expertise of each individual. Hence the creation in 2014 of an in-house university, to guarantee each employee access to expertise, and to ensure that the sum of this individual knowledge gives rise to a shared value chain. The aim was to build a common foundation of knowledge that would endure and benefit all the businesses.

In 2022, Covéa Finance decided to go a step further by creating CofiCampus, a new-generation

discussion space in which to learn about our culture, methodologies and philosophy. While the training modules of this in-house university will be partly carried out in digital format, they will be accompanied by in-person exchanges to ensure smooth interaction between participants and the instructors.

The knowledge provided within CofiCampus must constitute a common foundation, guaranteeing proper appropriation by each employee who joins us. It must also enable us to change our models, organisations and methods. This is essential to ensure we can adapt to an ever-changing world. As such, this knowledge must evolve and hence the need for a culture of critical thinking and contextualisation of knowledge.

The CofiCampus system will be strengthened as new modules are developed to enrich the four courses already offered. Covéa Finance opted for a Learning Machine System (LMS), an online platform on which employees can log in as they see fit to access the training modules and on which thematic webinars can be organised.

## 3 questions for Guillaume Gilmant

Head of Human Resources

“There are already around ten training modules for four courses under construction.”

**What are you currently focusing on?**

**G.G.:**

We are prioritising the “Management philosophy and investment process” course to meet our objectives in perpetuating knowledge. As the “Committee structure” and “Insurance management” modules have already been rolled out, we are working assiduously on the other six modules for this course.

A major project is also under way to overhaul our induction process to ensure the best possible welcome for all new employees within our structure. Finally, training for our managers, whether newly promoted or recently hired, is also essential. For this reason we have introduced a brand new training cycle for them, with the addition of social law and labour law modules to broaden their understanding of their scope of responsibility and risk areas.

**What is the advantage of an online platform?**

**Guillaume Gilmant:**

This platform allows us to pool resources in an open architecture that can meet the needs of our employees. They can take the training when they want and in an autonomous manner. Naturally while also remaining in line with the needs of the company and its operations.

**Which courses are accessible under CofiCampus?**

**G.G.:**

We already have ten training modules for four main courses: an induction course, a “Management philosophy and investment process” course, a “Risk philosophy and control” course, and finally a more general course to meet different needs (English, IT, personal development, etc.).

**CofiCampus**  
Transmettre. Partager. S’enrichir



**4**  
main training courses.

**35**  
operational modules at the end of 2023.

# Focus on major issues

## Our CSR approach

to the consumption of resources and the production of waste. In this regard, Covéa Finance adopted a charter at the end of 2021, which formally sets out the approach, splitting it into six strategic issues: equal opportunities and job preservation; knowledge, education and culture; risk prevention; territories and proximity; environment and energy transition; corporate responsibility.

The collaborative dimension, a key feature of Covéa Finance's DNA, is central also to its CSR action plan. Our approach is broken down into concrete and measurable objectives and actions. In order to monitor our achievements and measure the impacts of our approach, we have created a "CSR coordination officer" role to manage implementation by the various contributors. Whether through our investment, quality of life at work, gender equality, energy savings or short-circuit purchasing policy, we have a collective mission to consolidate our position as a responsible company, employer and investor.

**A**t Covéa Finance, corporate social responsibility (CSR) is part of a collective approach to which each employee contributes significantly. Coordinated by the Human Resources division, our CSR approach draws on international standards, such as the Sustainable Development Goals. Our ambitions are based on precise indicators that enable Covéa Finance to coordinate its objectives with its role as a corporate citizen in meeting societal and environmental requirements. In this way we can clearly express our values to our various stakeholders with a view to optimising our social and environmental impact. The goal of our CSR approach is to consolidate Covéa Finance's reputation, strengthen employee pride in belonging, boost employer attractiveness, prevent risks, ensure the sustainability and transmission of knowledge, and reduce costs related

## Equality

"We continue to work on improving gender equality in the workplace. This year, Covéa Finance recruited 17 women to the various teams."

**Fabrice Tosello Bancal**  
HR – Recruitment and jobs and skills management



# 89/100

Gender equality index score obtained by Covéa Finance.

## Waste sorting

**During 2022, Covéa Finance continued to sort its waste in collaboration with the service provider responsible for maintaining its premises.**

A partnership has been set up with a company specialising in waste collection to optimise recycling and obtain better recovery of the waste generated. In anticipation of a "zero plastic" plan, Covéa Finance replaced its water fountains with high-end network water fountains. Additionally, Covéa Finance tested a new glass concept among a target population of employees which can be cleaned using a machine that uses very little water, to ultimately make it possible to eliminate single-use cups.

# 54

The number of employees who benefited in 2022 from the sustainable mobility package, for a total amount of €18,125.

## Sustainable mobility package

**To reduce its ecological impact,** Covéa Finance offers to cover work commuting costs if the employee uses an alternative method of transport. All Covéa Finance employees are eligible without any conditions in terms of length of service or status.



## Ergonomics

**A new flexible office space was inaugurated in 2022 on the first floor of Covéa Finance's premises.** It has been fitted out with ergonomic desks with a tilted work surface that can be adjusted to the employee's height, the goal being to reduce the risk of musculoskeletal disorders.

"To equip this new space, we used a French service provider that manufactures its furniture in France."

**Olivier Guittet**  
head of General Resources



## Soft mobility

**In 2022, Covéa Finance organised a challenge to encourage daily physical activity.**

It involved a connected sports challenge entitled "Ready, set... walk!" as part of European Week of Sustainable Mobility. The aim was to encourage more walking, to promote the notion of soft mobility and increase daily physical activity.

# 9,562

The number of kilometres travelled in two weeks by the employees who participated in the in-house sports challenge.

## Diversity

**As part of a recruitment policy focused on diversity and equal opportunities,** Covéa Finance has developed links with new schools and universities throughout France for its internship programme. In 2022, the company welcomed 11 trainees from 10 training establishments.

# Being & Acting together

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**Cultivate team spirit and foster collective intelligence to combine efficiency and responsibility.**

# “Ambition 2026’, our response to today’s challenges”



“Our strategic plan is a means for us to express our rigour and perseverance, but also our boldness and creativity.”

**Francis Jaisson**  
Managing Director in charge of Asset Management, Marketing, Trading and Research and Lead Manager of the “Ambition 2026 plan”

### What does “Ambition 2026” represent?

**Francis Jaisson:** Since Covéa Finance’s creation, the Executive Committee has shaped the company to enable it to meet the expectations of its shareholder, Covéa, namely to **manage portfolios** in line with the insurer’s constraints. The “Ambition 2026” plan was devised with this in mind and must enable our asset management to meet, always at the service of the Group, the crucial challenges posed by today’s world: fall in the stock markets, rapid and substantial increase in interest rates, rising claims rate, ever-increasing regulatory requirements, etc.

### What are the characteristics of the strategic plan?

**F. J.:** With “Ambition 2026”, we are expressing our rigour and perseverance on the one hand, and our boldness and creativity on the other. This is a collective approach because that is what is needed to be able to deal effectively with the challenges we face. Our sector currently faces many difficulties, and it is all the more urgent that we do not give in to intellectual laziness but rather continue to develop our critical and resolutely **independent** thinking, a trademark quality of Covéa Finance.

### Why make prioritising the client a central part of this plan?

**F. J.:** As I said in the introduction, our main client is the Covéa Group, which is also our shareholder. While we will continue to build on this relationship of trust, we will also work on developing business with other clients who may be interested in our management expertise in the field of insurance. For this reason, the client relationship is a **central plank** of Ambition 2026 and is the focus of many initiatives under that plan. In this respect, in 2022, we reorganised the Sales team to enable closer links with clients and to modernise the marketing function. Our objective: achieve excellence in our client relations by demonstrating agility and creativity in finding solutions that meet emerging needs.

### Who is on the main steering committee (Grand CoPil)?

**F. J.:** The steering body of the strategic plan, entitled “Grand CoPil” (main steering committee), is symbolic of the collective dimension of the project. It comprises fifteen people, including representatives of the business lines, each of whom sponsors a different project.

## OUR “AMBITION 2026” EVENTS



# 43

The number of employees who attended the third “Rencontres Ambition” meeting.

### Discussions on the strategic plan

Held twice a year outside the company’s premises, the “Rencontres Ambition” meeting takes place over half a day during which project sponsors and managers, as well as

all of the company’s managers, can discuss the “Ambition 2026” plan. It is also an opportunity to highlight the synergies between the many projects and to share thoughts in order to achieve the objectives of the plan.



**Marie-Edmée de Monts**  
Head of the Fixed Income UCI Management team

“I am project manager for ‘Major Effect 3’, the goal of which is to review processes and try to streamline communications to give Covéa Finance greater agility, particularly in terms of innovation. This morning meeting is an opportunity to get together and better understand how our individual projects fit into ‘Ambition 2026’, how they serve the Group’s ambitions and more generally the strategy.”



**Delphine Sackmann**  
Head of the Personnel Administration, Payroll and Social Affairs team

“The format of the ‘Rencontres Ambition’ meeting is very interesting. Within a small group led by the project managers, we learn of progress made by the projects and can discuss the main effects. These friendly get togethers are also an opportunity to learn about the implications of the different business lines in each project.”

### Uniting around “Ambition 2026”

“Cafés Ambition” meetings are held four times a year at Covéa Finance’s offices for all employees. They are an opportunity to review the four “Major Effects” of the strategic plan, in the presence of all the sponsors and managers concerned, who are there to answer questions.

# “Giving meaning to everyone through ‘Ambition 2026’”



“  
—  
**In a context of pressure on recruitment, Covéa Finance remains an attractive structure.”**

**Guillaume Gilmant**  
Head of Human Resources

**What were the main human resources trends in 2022 at Covéa Finance?**

**G. Gilmant:** In this post-Covid period, and after a spate of instability in many domains, we are beginning to see a consolidation of the major trends of tomorrow in the workplace, without for all that assuming that anything is certain. Amid multiple crises, we tried to adapt as best we could to meet **the many challenges** impacting our human resources. Whether it was the “great resignation”, the rise of hybrid work, increasing regulatory pressure or the shortage of candidates for certain positions. This shortage was aggravated by a persistently limited number of candidates even after the Pénicaud and Rixain legislation setting new demanding standards in terms of parity. Covéa Finance nevertheless remained attractive, as in 2022 we hired 38 people from 3,500 applications received (permanent and fixed-term contracts combined).

**What were the main topics discussed with the social partners?**

**G. G.:** To deal as much as possible with the concerns of its employees, and in the current context of high inflation, Covéa Finance conducted several negotiation phases with its social partners in 2022, in preparation for the mandatory annual negotiation in 2023. Objective: to respond to employees’ concerns about purchasing power. At the same time, the profit-sharing and

remote working agreements were re-examined with a view to renegotiation. We are convinced that our current and future agreements, established in consultation with all relevant stakeholders, favour optimal sharing of added value and also preserve the sense of **shared responsibility** that is central to our philosophy.

**What about your contribution to the “Ambition 2026” strategic plan?**

**G. G.:** In 2022, Covéa Finance carried out substantive work that gave rise to several measures that contribute to the achievement of the objectives of “Ambition 2026”, whether it was the **overhaul of our in-house university**, changes to our organisation or the optimisation of our managerial tools. We have therefore completely redesigned our in-house university to improve the method of induction of new employees and guarantee the continuity and transmission of knowledge within the structure. We also boosted the **training offered to our managers** to help them better understand their scope of responsibility. Finally, we continued to work on the organisation of the various departments in order to change our model so that we remain in line with the company’s objectives and at the same time with market trends and budgetary constraints.

**INTERNAL MOBILITY**

**Retain employees and enable them to flourish**

In 2022, four employees benefited from internal mobility, thanks in particular to the online publication of the 42 positions that became vacant during the year. The candidates were thus able to speak to the Human Resources team to indicate their interest. This transparency around internal opportunities is one of many ways in which Covéa Finance can capitalise on the expertise of its employees.



**“My internal mobility from European equity mandate management to multi-management, carefully prepared beforehand with the Human Resources department as part of a well-defined process, is an opportunity to work in a new team and discover another asset class. This transition was smooth, thanks in particular to my experience in investment and my knowledge of Covéa Finance’s founding principles.”**

**Valérie Maillard**  
Multi-management manager

**Alix Plamin**  
Technical and Security Architect



**“After ten years in the Support and Maintenance department, I obtained my engineering degree by night at the CNAM, and naturally wanted advance in my career so I was delighted to join the Information Systems Architecture and Security team. I now have a new challenge as Technical and Security Architect, and I would like to thank Covéa Finance for placing its trust in me and allowing me to take this new direction.”**

**INTERNSHIPS AND WORK/STUDY PROGRAMMES**

**Promoting the integration of young graduates**

Covéa Finance has a long history of introducing younger generations to the world of asset management and market finance. The highly supervised system in place includes a tutor who accompanies the student in his or her first professional steps and monitors them throughout their internship. In 2022, Covéa Finance received nearly 800 CVs and welcomed 11 students from 10 different institutions (business schools, engineering schools and universities).



**Ilias Razig**  
International equity management work-study programme

**“My one-year work-study programme with Covéa Finance came on foot of an internship I did with the company. It allows me to work on more specific subjects and to develop my skills, especially as I have the chance to work with an international team so I get to see a different side of asset management.”**



# “Solidify our social media presence through employee support”



“  
The Ambassador programme aims to effectively orchestrate and manage our various communications on LinkedIn.”

**Julie Aversa**  
Marketing manager

**Victoire Bonnin**  
Marketing manager

**Why did you set up a social networks ambassador programme?**

**Julie Aversa:** Covéa Finance has been present on Twitter and LinkedIn since 2017, and it was keen to increase its audience on LinkedIn by relying more on its employees. The Ambassador programme set up in 2022 was in response to a wish to promote our know-how and expertise, while adhering fully to the objectives of “Ambition 2026”. It also echoed the Executive Committee’s desire to have a platform on that medium and to orchestrate publications as part of a framed strategy.

**How did you proceed?**

**Victoire Bonnin:** We started with an **audit of the digital presence** of our managers, and benchmarked the speeches of other managers. We then organised individual workshops for each member of the Executive Committee to determine their areas of expression. Today, they publish independently from their accounts, but we have regular discussions with them so that they are in line with the latest news concerning the company and the financial sector.

**J. A.:** After that, we identified around ten employees and asked them to join the first “test” wave of our Ambassador programme, on a voluntary basis. They all agreed! This was followed by workshops to become more acquainted with LinkedIn, the rules to be followed with regard to our supervisory authority, and a definition of the strategy to be

adopted according to each of the ambassador’s area of expertise. These meetings were very useful in helping them get started.

**What initial results have you seen?**

**V. B.:** We have already noted an increase in our community, our reputation and our level of engagement. Also, more and more employees are contacting us spontaneously for advice as they want to increase their presence on LinkedIn.

**What other actions have you initiated to familiarise employees with social networks?**

**J. A.:** In 2022, we produced and distributed a **social media guide**, which is intended to be both educational and informative. We also ran an **internal webinar** in early 2023 to present the best practices to be adopted on LinkedIn, with a particular focus on regulatory concepts. Additionally, we produce and publish an explanatory video each month on the intranet to decipher terms specific to social media.

**AMBASSADOR VIEWPOINTS**

**Benjamin Biyogo**  
Financial and Extra-financial Analyst and Social Media Ambassador



“By sharing the publications of Covéa Finance experts on my personal account, I give them a chance to reach a wider community, beyond the subscribers to the company’s official account.”

**Increase our visibility**

“Joining the Ambassador programme fulfilled two objectives for me. First of all, I want to help increase the visibility of the content produced and shared by Covéa Finance’s

teams. Also, I want to connect (or at least stay connected!) with other professionals and future financial professionals.”

**170**

postings on LinkedIn by our Ambassadors in 2022.

**Valérie Piquet-Gauthier**  
Strategic Intelligence Officer and Social Media Ambassador



**Being more active on LinkedIn**

“Joining the Ambassador programme means committing to being more active on LinkedIn and publishing content tailored to our business and in a format that best suits us. The support sessions also allowed me to obtain answers

to questions that I had and to identify best practices to take advantage of the specific features of this network: How does the algorithm work? Is it better to like or comment, repost or post one’s own content, at what time of the day?”

**GETTING MORE ACQUAINTED WITH SOCIAL NETWORKS**



**Séverine Mercier**  
Back Office Finance Manager

“The internal webinar on LinkedIn that I attended enabled me to identify areas of vigilance, in terms of communication, that are important for a portfolio management company. I can now take a more active approach to sharing Covéa Finance’s publications to help it meet its objective in terms of external communication.”

**780**

shares made in 2022 by followers of the Covéa Finance LinkedIn account.

# Focus on major issues

**I**n 2022, Covéa Finance consolidated the commitment it made to sponsorship three years previously by actively supporting classical music cultural and creative events. It was an easy choice for the company given the shared values of rigour, duty of excellence and creativity, but also the importance attached to teamwork and the duty to pass on skills to younger generations.

True to its long-term vision and convinced that supporting culture is more meaningful than ever in the current environment, Covéa Finance has continued to support two historical structures, Radio France and its musical training programmes, and the Cercle de l'Harmonie orchestra, led by Jérémie Rhorer. The company strives in particular to encourage creativity by supporting contemporary composers,

## A year of sponsorship

and also supports broad access through, for example, the French National Orchestra's Grand Tour and European tour, in a spirit of sharing and transmission. Over and above its philanthropic role, Covéa Finance benefits from these initiatives through internal cohesion and greater external reach. The company will continue to favour the cultural sector as part of its sponsorship programme but will also broaden its scope of action to other areas, such as social issues like disability. This will be the case from 2023 when it will support the IMAGO Festival, which puts artists with disabilities front and centre.



↓  
**march**  
**2022**

**Musical event with Claire-Mélanie Sinnhuber and Lucile Boulanger** featuring the viola de gamba at Covéa Finance's premise: a convivial event of music and chat for our employees.

↓  
**may**  
**2022**

**Pre- and post-concert chat with Bastien David, during the creation of his work entitled "Les Métamorphoses"**.

On 8 May, the composer presented the metallophone he himself created, to a group of employees. On 11 May, following his concert, nearly 80 employees had the opportunity to listen to the artist discuss his creative process and ask questions.

↓  
**may**  
**2022**

**Meeting with Jérémie Rhorer, conductor of the Cercle de l'Harmonie.**

Organised on 31 May for some of Covéa Finance's employees as part of the "Rencontres Ambition" meeting held to discuss management and teamwork. Objective: to inspire and offer a different perspective.



↓  
**october**  
**2022**

**Discussion with Jérémie Rhorer and his musicians, followed by a performance by the Verdi quartet.**

Around twenty of the company's employees, selected on a voluntary basis, had the opportunity to chat with the conductor and three of the Cercle de l'Harmonie musicians.

↓  
**november**  
**2022**

**Trip to Berlin for the French National Orchestra's tour.**

Covéa Finance's corporate philanthropy staff accompanied the orchestra on its trip to the German capital on 30 November. An opportunity to be on the ground at this event and assess the scope of our commitment to promoting French musical heritage beyond our borders.



↓  
**december**  
**2022**

**Vocal workshop with composer and soprano Héloïse Werner, an artist supported by Covéa Finance.** An event at which she presented her profession and taught participants how to discover the incredible properties of their voice.

# 2022 Performance

## Performance of the UCIs as at 31 December 2022

	Morningstar classification	Benchmark index	Morningstar stars	Volatility of the UCIs over 52 weeks	Volatility of the Morningstar category over 52 weeks	Performance in FY 2022		
						UCIs	Morningstar category	Benchmark index
<b>FIXED INCOME UCI</b>								
<b>UCITS</b>								
<b>Covéa Euro Souverain (C)</b>	EUR government bond	FTSE MTS (ex-EuroMTS) Global 17:15 net coupons reinvested	***	8.13%	7.89%	- 16.77%	- 15.64%	- 18.36%
<b>Covéa Euro Souverain (D)</b>	EUR government bond	FTSE MTS (ex-EuroMTS) Global 17:15 net coupons reinvested	***	8.14%	7.89%	- 16.76%	- 15.64%	- 18.36%
<b>Covéa Euro Spread (C)</b>	EUR corporate bond	Markit iBoxx Euro Corp net coupons reinvested	***	6.41%	8.37%	- 10.77%	- 13.17%	- 14.17%
<b>Covéa Euro Spread (D)</b>	EUR corporate bond	Markit iBoxx Euro Corp net coupons reinvested	***	6.40%	8.37%	- 10.75%	- 13.17%	- 14.17%
<b>Covéa Haut Rendement (IC)</b>	EUR High Yield bond	Markit iBoxx Euro High Yield Fixed Rate coupons reinvested	***	6.27%	10.42%	- 6.92%	- 10.42%	- 10.38%
<b>Covéa Moyen Terme (C)</b>	EUR Diversified Bond - Short Term	FTSE MTS (ex-EuroMTS) 1-3 years 17:15 net coupons reinvested	***	1.32%	2.69%	- 3.57%	- 4.60%	- 5.17%
<b>Covéa Moyen Terme (I)</b>	EUR Diversified Bond - Short-Term	FTSE MTS (ex-EuroMTS) 1-3 years 17:15 net coupons reinvested		1.32%	2.69%	- 3.42%	- 4.60%	- 5.17%
<b>Covéa Obligations (C)</b>	EUR Diversified Bond	FTSE MTS (ex-EuroMTS) 5-7 years 17:15 net coupons reinvested	***	6.16%	6.77%	- 12.65%	- 12.55%	- 13.99%
<b>Covéa Obligations (D)</b>	EUR Diversified Bond	FTSE MTS (ex-EuroMTS) 5-7 years 17:15 net coupons reinvested	***	6.17%	6.77%	- 12.66%	- 12.55%	- 13.99%
<b>Covéa Obligations (I)</b>	EUR Diversified Bond	FTSE MTS (ex-EuroMTS) 5-7 years 17:15 net coupons reinvested		6.16%	6.77%	- 12.39%	- 12.55%	- 13.99%
<b>Covéa Oblig Inter (C and/or D)</b>	Global Bond - EUR hedged	Merrill Lynch Global Gvt Bond Index (hedged in euros) net coupons reinvested	***	4.79%	6.37%	- 11.56%	- 13.07%	- 14.16%
<b>Covéa Rendement Réel (AC)</b>	EUR Inflation-Linked Bond	ICE BofAML Euro Inflation-Linked Government net coupons reinvested	***	10.49%	10.89%	- 7.36%	- 6.58%	- 9.16%

	Morningstar classification	Benchmark index	Morningstar stars	Volatility of the UCIs over 52 weeks	Volatility of the Morningstar category over 52 weeks	Performance in FY 2022		
						UCIs	Morningstar category	Benchmark index
<b>Covéa Rendement Réel (IC)</b>	EUR Inflation-Linked Bond	ICE BofAML Euro Inflation-Linked Government net coupons reinvested	***	10.45%	10.89%	- 7.28%	- 6.58%	- 9.16%
<b>Covéa Rendement Réel (ID)</b>	EUR Inflation-Linked Bond	ICE BofAML Euro Inflation-Linked Government net coupons reinvested	***	10.45%	10.89%	- 7.28%	- 6.58%	- 9.16%
<b>AIFs</b>								
<b>Maaf Obligations 4 (C and/or D)</b>	Global Bond	FTSE MTS (ex-EuroMTS) 3-5 years 17:15 net coupons reinvested		4.11%		- 9.01%		- 9.99%
<b>Maaf Stratégie Taux (C)</b>	EUR Diversified Bond	FTSE MTS (ex-EuroMTS) 1-3 years 17:15 net coupons reinvested		1.47%		- 3.02%		- 5.17%

**MONEY MARKET UCIs**

<b>UCITS</b>								
<b>Covéa sécurité (AC)</b>	EUR Money Market	ESTR Volume Weighted Trimmed M		0.23%	0.36%	- 0.25%	- 0.57%	- 0.02%
<b>Covéa Sécurité (AD)</b>	EUR Money Market	ESTR Volume Weighted Trimmed M		0.24%	0.36%	- 0.17%	- 0.57%	- 0.02%
<b>Covéa Sécurité (GC)</b>	EUR Money Market	ESTR Volume Weighted Trimmed M		0.23%	0.36%	- 0.25%	- 0.57%	- 0.02%

**CONVERTIBLE UCIs**

<b>UCITS</b>								
<b>Covéa Obligations Convertibles (AC)</b>	Convertible Bond - Europe	Bloomberg EMEA Convertibles Europe (unhedged) net coupons reinvested	****	8.65%	11.60%	- 9.45%	- 13.69%	- 13.68%
<b>Covéa Obligations Convertibles (IC)</b>	Convertible Bond - Europe	Bloomberg EMEA Convertibles Europe (unhedged) net coupons reinvested	*****	8.66%	11.60%	- 8.90%	- 13.69%	- 13.68%
<b>Covéa Obligations Convertibles (ID)</b>	Convertible Bond - Europe	Bloomberg EMEA Convertibles Europe (unhedged) net coupons reinvested	****	8.65%	11.60%	- 8.90%	- 13.69%	- 13.68%

**FLEXIBLE UCIs**

<b>UCITS</b>								
<b>Covéa Patrimoine (AC)</b>	EUR Flexible Allocation - Global	-	**	8,76 %	9,39 %	- 5,23 %	- 12,25 %	

	Morningstar classification	Benchmark index	Morningstar stars	Volatility of the UCIs over 52 weeks	Volatility of the Morningstar category over 52 weeks	Performance in FY 2022		
						UCIs	Morningstar category	Benchmark index
<b>Covéa Patrimoine (IC)</b>	EUR Allocation Flexible - Global	-	***	8.76%	9.39%	- 4.28%	- 12.25%	
<b>Covéa Flexible ISR (C)</b>	EUR Flexible Allocation	-	****	8.33%	10.10%	- 7.38%	- 11.40%	
<b>AIFs</b>								
<b>Covéa Ultra Flexible (IC)</b>	EUR Flexible Allocation - Global	-	***	5.98%	9.39%	0.82%	- 12.25%	
<b>Covéa Ultra Flexible (GC)</b>	EUR Flexible Allocation - Global	-	***	5.97%	9.39%	1.03%	- 12.25%	

**MULTI-MANAGEMENT AND PROFILED UCIs**

<b>UCITS</b>								
<b>Covéa Multi Europe (AC)</b>	Europe Large Cap Blend Equity	MSCI Europe net dividends reinvested	**	18.59%	18.09%	- 16.90%	- 12.64%	- 9.49%
<b>Covéa Multi Europe (IC)</b>	Europe Large Cap Blend Equity	MSCI Europe net dividends reinvested	***	18.60%	18.09%	- 16.32%	- 12.64%	- 9.49%
<b>Covéa Multi Immobilier (AC)</b>	Property - Indirect Eurozone	-	****	23.92%	24.14%	- 28.57%	- 29.11%	
<b>Covéa Multi Immobilier (IC)</b>	Property - Indirect Eurozone	-	*****	23.93%	24.14%	- 28.00%	- 29.11%	
<b>Covéa Multi Monde (AC)</b>	Global Large-Cap Blend Equity	MSCI AC World (in euros) net dividends reinvested	**	16.44%	17.01%	- 17.37%	- 14.04%	- 13.31%
<b>Covéa Multi Monde (IC)</b>	Global Large-Cap Blend Equity	MSCI AC World (in euros) net dividends reinvested	***	16.45%	17.01%	- 16.79%	- 14.04%	- 13.31%
<b>Covéa Multi Small Cap Europe (AC)</b>	Europe Mid-Cap Equity	Euromoney Smaller Europe net dividends reinvested	**	20.31%	22.00%	- 21.56%	- 24.25%	- 23.58%
<b>Covéa Multi Small Cap Europe (IC)</b>	Europe Mid-Cap Equity	Euromoney Smaller Europe net dividends reinvested	***	20.34%	22.00%	- 20.93%	- 24.25%	- 23.58%
<b>Covéa Profil Dynamique (C)</b>	EUR Aggressive Allocation - Global	55% MSCI Euro + 25% FTSE MTS 5-7 years + 20% ESTR dividends and net coupons reinvested	**	11.84%	13.12%	- 10.74%	- 14.40%	- 9.77%
<b>Covéa Profil Dynamique (D)</b>	EUR Aggressive Allocation - Global	55 % MSCI Euro + 25% FTSE MTS 5-7 years + 20% ESTR dividends and net coupons reinvested	**	11.84%	13.12%	- 10.74%	- 14.40%	- 9.77%
<b>Covéa Profil Modéré (C)</b>	EUR Moderate Allocation - Global	30% MSCI Euro + 35% FTSE MTS 5-7 years + 35% ESTR dividends and net coupons reinvested	***	7.97%	9.83%	- 8.28%	- 13.08%	- 8.31%


	Morningstar classification	Benchmark index	Morningstar stars	Volatility of the UCIs over 52 weeks	Volatility of the Morningstar category over 52 weeks	Performance in FY 2022		
						UCIs	Morningstar category	Benchmark index
<b>Covéa Profil Modéré (D)</b>	EUR Moderate Allocation – Global	30% MSCI Euro + 35% FTSE MTS 5-7 years + 35% ESTR dividends and net coupons reinvested	***	7.99%	9.83%	- 8.23%	- 13.08%	- 8.31%
<b>Covéa Profil Offensif (C)</b>	EUR Aggressive Allocation – Global	75% MSCI Euro + 15% FTSE MTS 5-7 years + 10% ESTR dividends and net coupons reinvested	***	15.07%	13.12%	- 12.64%	- 14.40%	- 10.76%
<b>Covéa Profil Offensif (D)</b>	EUR Aggressive Allocation – Global	75% MSCI Euro + 15% FTSE MTS 5-7 years + 10% ESTR dividends and net coupons reinvested	***	15.14%	13.12%	- 12.65%	- 14.40%	- 10.76%
<b>FIA</b>								
<b>Covéa Multi Absolute Return I (C and/or D)</b>	Alt - Multi-strategy	-	***	1.70%	2.62%	- 1.33%	- 3.31%	
<b>Covéa Multi Émergents A (C et/ou D)</b>	Emerging Markets Equity	MSCI Emerging Markets (in EUR) net dividends reinvested	*	11.81%	15.28%	- 17.60%	- 16.64%	- 15.15%
<b>Covéa Multi Émergents I (C and/or D)</b>	Emerging Markets Equity	MSCI Emerging Markets (in EUR) net dividends reinvested	*	11.82%	15.28%	- 17.02%	- 16.64%	- 15.15%
<b>Covéa Multi Haut Rendement (C and/or D)</b>	Global High Yield Bond	Merrill Lynch Global HY & EM Sovereign (hedged in euros) net coupons reinvested	**	8.10%	9.82%	- 11.65%	- 11.84%	- 13.81%
<b>EQUITY UCIs</b>								
<b>UCITS</b>								
<b>Covéa Actions Amérique (AC)</b>	US Large Cap Growth Equity	S&P 500 (in euros) net dividends reinvested	***	19.70%	22.73%	- 17.88%	- 21.60%	- 13.47%
<b>Covéa Actions Amérique (IC)</b>	US Large Cap Growth Equity	S&P 500 (in euros) net dividends reinvested	***	19.72%	22.73%	- 16.98%	- 21.60%	- 13.47%
<b>Covéa Actions Amérique Mid Cap (AC)</b>	US Mid-Cap Equity	S&P Midcap 400 (in euros) net dividends reinvested	****	18.36%	21.24%	- 14.14%	- 15.05%	- 8.14%
<b>Covéa Actions Amérique Mid Cap (IC)</b>	US Mid-Cap Equity	S&P Midcap 400 (in euros) net dividends reinvested	****	18.37%	21.24%	- 13.19%	- 15.05%	- 8.14%
<b>Covéa Actions Asie (C)</b>	Asia-Pacific Equity	MSCI AC Asia Pacific (in euros) net dividends reinvested	**	17.90%	15.09%	- 20.03%	- 13.98%	- 12.10%
<b>Covéa Actions Croissance (C)</b>	Eurozone Flex Cap Equity	95% MSCI EMU + 5% CAC Small net dividends reinvested	****	24.70%	18.81%	- 23.58%	- 14.96%	- 12.80%

	Morningstar classification	Benchmark index	Morningstar stars	Volatility of the UCIs over 52 weeks	Volatility of the Morningstar category over 52 weeks	Performance in FY 2022		
						UCIs	Morningstar category	Benchmark index
<b>Covéa Actions Croissance (D)</b>	Eurozone Flex Cap Equity	95% MSCI EMU + 5% CAC Small net dividends reinvested	****	24.71%	18.81%	- 23.58%	- 14.96%	- 12.80%
<b>Covéa Actions Croissance (IC)</b>	Eurozone Flex Cap Equity	95% MSCI EMU + 5% CAC Small net dividends reinvested	***	24.73%	18.81%	- 22.89%	- 14.96%	- 12.80%
<b>Covéa Actions Euro (AC)</b>	Eurozone Large-Cap Equity	MSCI EMU (in euros) net dividends reinvested	***	19.64%	19.20%	- 12.71%	- 12.63%	- 12.47%
<b>Covéa Actions Euro (IC)</b>	Eurozone Large-Cap Equity	MSCI EMU (en euros) dividendes nets réinvestis	****	19,67 %	19,20 %	- 11,85 %	- 12,63 %	- 12,47 %
<b>Covéa Actions Europe (C)</b>	Europe Large Cap Blend Equity	MSCI Pan-Euro (in euros) net dividends reinvested	**	18.71%	18.09%	- 14.07%	- 12.64%	- 7.13%
<b>Covéa Actions Europe (D)</b>	Europe Large Cap Blend Equity	MSCI Pan-Euro (in euros) net dividends reinvested	**	18.71%	18.09%	- 14.07%	- 12.64%	- 7.13%
<b>Covéa Actions Europe Hors Euro (C)</b>	Europe Large Cap Blend Equity	MSCI Europe ex-EMU net dividends reinvested	****	18.70%	18.09%	- 19.14%	- 12.64%	- 6.42%
<b>Covéa Actions Europe Opportunités (AC)</b>	Europe Flex-Cap Equity	MSCI Pan-Euro (in euros) net dividends reinvested	***	19.29%	19.67%	- 18.05%	- 16.49%	- 7.13%
<b>Covéa Actions Europe Opportunités (IC)</b>	Europe Flex-Cap Equity	MSCI Pan-Euro (in euros) net dividends reinvested	****	19.31%	19.67%	- 17.23%	- 16.49%	- 7.13%
<b>Covéa Actions France (C)</b>	France Large-Cap Equity	-	***	20.00%	19.68%	- 12.54%	- 10.68%	
<b>Covéa Actions France (D)</b>	France Large-Cap Equity	-	***	20.00%	19.68%	- 12.55%	- 10.68%	
<b>Covéa Actions France (IC)</b>	France Large-Cap Equity	-	***	20.02%	19.68%	- 11.67%	- 10.68%	
<b>Covéa Actions Investissement (C)</b>	Global Large Cap Growth Equity	60% S&P 500 + 40% MSCI Pan-Euro net dividends reinvested	***	20.25%	19.78%	- 19.42%	- 21.87%	- 10.87%
<b>Covéa Actions Japon (C)</b>	Japan Large-Cap Equity	Nikkei 300 (in euros) dividends not reinvested	**	18.04%	15.58%	- 24.33%	- 12.43%	- 12.10%
<b>Covéa Actions Japon (IC)</b>	Japan Large-Cap Equity	Nikkei 300 (in euros) dividends not reinvested		18.05%	15.58%	- 23.41%	- 12.43%	- 12.10%
<b>Covéa Actions Monde (AC)</b>	Global Large Cap Growth Equity	55% S&P 500 + 30% MSCI Pan-Euro + 15% MSCI Asia (in euros) dividends reinvested	***	19.17%	19.78%	- 17.21%	- 21.87%	- 11.38%
<b>Covéa Actions Monde (IC)</b>	Global Large Cap Growth Equity	55% S&P 500 + 30% MSCI Pan-Euro + 15% MSCI Asia (in euros) dividends reinvested	****	19.19%	19.78%	- 16.29%	- 21.87%	- 11.38%
<b>Covéa Actions Rendement (C)</b>	Europe Yield Equity	MSCI EMU (in euros) net dividends reinvested	**	17.44%	16,74 %	- 7,73%	- 7,75%	- 12,47%

	Morningstar classification	Benchmark index	Morningstar stars	Volatility of the UCIs over 52 weeks	Volatility of the Morningstar category over 52 weeks	Performance in FY 2022		
						UCIs	Morningstar category	Benchmark index
<b>Covéa Actions Rendement (D)</b>	Europe Yield Equity	MSCI EMU (in euros) net dividends reinvested	**	17.44%	16.74%	- 7.72%	- 7.75%	- 12.47%
<b>Covéa Perspectives Entreprises (AC)</b>	France Small/Mid-Cap Equity	CAC Small & Mid Cap net dividends reinvested	***	22.03%	19.43%	- 15.32%	- 16.45%	- 11.97%
<b>Covéa Perspectives Entreprises (IC)</b>	France Small/Mid-Cap Equity	CAC Small & Mid Cap net dividends reinvested	****	22.04%	19.43%	- 14.73%	- 16.45%	- 11.97%
<b>Covéa Ruptures (IC)</b>	Global Large-Cap Growth Equity	MSCI World (in euros) net dividends reinvested	***	24.87%	19.78%	- 27.54%	- 21.87%	- 13.08%
<b>Covéa Ruptures (IC)</b>	Global Large-Cap Growth Equity	MSCI World (in euros) net dividends reinvested	***	24.87%	19.78%	- 27.03%	- 21.87%	- 13.08%
<b>Covéa Ruptures (IC)</b>	Global Large-Cap Growth Equity	MSCI World (in euros) net dividends reinvested		24.89%	19.78%	- 27.03%	- 21.87%	- 13.08%
<b>Covéa Renouveau France (AC)</b>	France Large-Cap Equity	-		21.68%	19.68%	- 21.38%	- 10.68%	
<b>Covéa Renouveau France (IC)</b>	France Large-Cap Equity	-		21.68%	19.68%	- 20.83%	- 10.68%	
<b>Covéa Sélection UK (A)</b>	UK Large-Cap Equity	-		18.65%	17.53%	- 14.88%	- 7.47%	
<b>Covéa Sélection UK (I-EUR)</b>	UK Large-Cap Equity	-		18.64%	17.53%	- 15.00%	- 7.47%	
<b>Covéa Sélection UK (I-GBP)</b>	UK Large-Cap Equity	-		18.79%	17.53%	- 10.28%	- 7.47%	
<b>AIFs</b>								
<b>Covéa Actions Europe Insttit (C)</b>	Eurozone Large-Cap Equity	MSCI EMU (in euros) net dividends reinvested	*****	19.36%	19.20%	- 12.36%	- 12.63%	- 7.06%
<b>Covéa Actions Europe Insttit II (C)</b>	Eurozone Large-Cap Equity	MSCI EMU (in euros) net dividends reinvested	*****	19.43%	19.20%	- 12.76%	- 12.63%	- 7.06%
<b>Covéa Actions Europe Insttit III (C et/ou D)</b>	Eurozone Large-Cap Equity	MSCI EMU (in euros) net dividends reinvested	*****	19.20%	19.20%	- 12.04%	- 12.63%	- 7.06%
<b>Covéa Actions Solidaires (C)</b>	France Large-Cap Equity	-	**	19.26%	19.68%	- 18.91%	- 10.68%	
<b>GREEN FUNDS</b>								
<b>UCITS</b>								
<b>Covéa Aeris (AC)</b>	Sector Equity Ecology	-	*	21.54%	21.74%	- 21.77%	- 17.19%	
<b>Covéa Aeris (IC)</b>	Sector Equity Ecology	-	*	21.55%	21.74%	- 20.98%	- 17.19%	
<b>Covéa Aqua (AC)</b>	Sector Equity Water	-	*	20.26%	21.63%	- 23.31%	- 16.15%	
<b>Covéa Aqua (IC)</b>	Sector Equity Water	-	**	20.27%	21.63%	- 22.53%	- 16.15%	

	Morningstar classification	Benchmark index	Morningstar stars	Volatility of the UCIs over 52 weeks	Volatility of the Morningstar category over 52 weeks	Performance in FY 2022		
						UCIs	Morningstar category	Benchmark index
<b>Covéa Solis (AC)</b>	Sector Equity Ecology	-	**	21.66%	21.74%	- 9.28%	- 17.19%	
<b>Covéa Solis (IC)</b>	Sector Equity Ecology	-	**	21.68%	21.74%	- 8.37%	- 17.19%	
<b>Covéa Terra (AC)</b>	Sector Equity Ecology	-	**	20.79%	21.74%	- 21.59%	- 17.19%	
<b>Covéa Terra (IC)</b>	Sector Equity Ecology	-	**	20.81%	21.74%	- 20.79%	- 17.19%	

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**Editorial:** Covéa Finance, Corinne Martin-Rozès and Angie. **Design and production:**  Angie (réf.: CFRAO22).



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