



**NEITHER BEAR NOR BULL  
BUT CAMELEON**

## **Principal adverse impacts of investment decisions on sustainability factors**

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Asset management company with AMF accreditation GP 93-08 – public limited company with share capital of €303,025 - Paris Trade and Companies Register No. B 391 392 768



**DORVAL**  
ASSET MANAGEMENT  
FLEXIBLE PAR CONVICTION



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Article 4 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR) requires transparency regarding the principal adverse impacts of investment decisions on sustainability factors.

To this end, Dorval Asset Management hereby issues its statement to outline adequate due diligence policies as regards these impacts, taking due account of the size of the organization, the nature and scope of its activities, as well as the types of financial products made available.

## I. Identifying principal adverse sustainability impacts

Dorval Asset Management has identified the indicators with an adverse sustainability impact and outlines them in the list below. The company will implement specific processes to monitor on a regular basis and disclose these indicators in reports.

Environmental indicators	Social indicators, regarding employees, respect for human rights, and anti-corruption
<ol style="list-style-type: none"> <li>1. Greenhouse gas emissions (scope 1, 2, 3)</li> <li>2. Carbon footprint</li> <li>3. Carbon intensity for issuers in portfolios</li> <li>4. Exposure to the fossil fuel sector</li> <li>5. Proportion of non-renewable energy used and generated</li> <li>6. Release of pollutants into water</li> <li>7. Share of investment in activities with adverse effects on biodiversity</li> <li>8. Energy intensity for very high-emitting sectors</li> <li>9. Hazardous waste</li> </ol>	<ol style="list-style-type: none"> <li>10. Share of issuers concerned by violation of the principles set out in the UN Global Compact and the OECD guidelines</li> <li>11. Proportion of issuers concerned by insufficient processes and mechanisms of control regarding compliance with the principles set out in the Global Compact and the OECD guidelines</li> <li>12. Portion of investments related to controversial weapons industry (anti-personnel mines, cluster munitions, chemical and biological weapons)</li> <li>13. Diversity of board of directors (gender ratio)</li> <li>14. Unadjusted gender wage gap</li> </ol>

## II. Description of principal adverse sustainability impacts and intended measures

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Dorval Asset Management already takes account of adverse sustainability impacts.

Dorval Asset Management has issued a Responsible Investment policy, outlining our policies and practices on environmental, social and governance (ESG) investment. This document describes our commitment to supporting responsible investment across all our businesses, in accordance with French and international regulation and any changes thereof. The policy is available on the website at [site www.dorval-am.com](http://www.dorval-am.com).

Dorval Asset Management has also set out an exclusion policy based on ESG criteria that we apply in our investment decisions. The exclusion policy is available on the website at [site www.dorval-am.com](http://www.dorval-am.com).

Dorval Asset Management now takes further account of adverse sustainability impacts in its decisions and its organization. We have defined our governance on these aspects to clarify the roles and responsibilities of the various teams. Dorval Asset Management will draw on public data to develop the various quantitative indicators, along with non-financial data from specialist external providers.

## III. Shareholder engagement policy

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Dorval Asset Management has implemented a shareholder engagement policy that sets out the principles we endeavor to apply when exercising our voting rights at shareholder meetings. These principles reflect best practices in terms of corporate governance and provide the fundamental aspects of our philosophy and our view of high-quality corporate governance.

While Dorval Asset Management votes on a case-by-case basis on shareholder proposals regarding, social, political and environmental aspects, we systematically support any resolutions that we believe can promote more responsible corporate practices.

Dorval Asset Management will also vote in favor of shareholder resolutions that require the incorporation of non-financial criteria into executive compensation policies, unless these requests involve requirements that are not in the best interests of the company or its shareholders.

#### **IV. Engagement policy on climate change**

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Dorval Asset Management is also committed to the fight against climate change and with this in mind it incorporates the various challenges related to carbon emissions, waste management, water stress, biodiversity, land management and opportunities in green technologies and renewable energy into its ESG analysis.

Dorval Asset Management is a signatory to the PRI, which recently incorporated recommendations from the TCFD (Task Force on Climate-related Financial Disclosures) on annual reports. Dorval Asset Management issues an annual climate impact assessment for all its open-ended funds, geared to assessing both physical risks and transition risks resulting from climate change, and thereby managing alignment of our portfolios with the Paris Agreement. Environmental data are also included in our ESG monthly fund reports.

In 2021, Dorval Asset Management drew on its non-financial analysis expertise with its impact fund Dorval European Climate Initiative. This fund addresses climate challenges via a selection of European companies that offer solutions to support the Paris Agreement on the climate.

#### **V. Compliance with codes of conduct**

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Dorval Asset Management has been a signatory to the Principles for Responsible Investment (PRI) since 2019, while we also disclose our AFG/FIR/Eurosif Code of Transparency to provide investors with clear and transparent information on the principles and processes that dictate the management of our SRI-accredited open-ended funds.