

EXANE FUNDS 2
Société d'Investissement à Capital Variable

R.C.S. Luxembourg n° B 114 732
Audited Annual Report as at December 31, 2023

EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE

EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO

EXANE FUNDS 2 - EXANE PLEIADE FUND

No subscription can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current prospectus and KIID which will be accompanied by a copy of the latest available annual report and a copy of the latest available semi-annual report, if published after such annual report.

Table of Contents

Organisation of the SICAV	2
Director's Report	3
Audit Report	6
Statistics	9
Combined Statement of Net Assets as at December 31, 2023	10
Combined Statement of Operations and Changes in Net Assets for the year ended December 31, 2023	10
EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE	11
Statement of Net Assets as at December 31, 2023	11
Statement of Operations and Changes in Net Assets for the year ended December 31, 2023	11
Statement of Changes in Number of Shares	11
Securities Portfolio as at December 31, 2023	12
Financial derivative instruments as at December 31, 2023	13
Portfolio Breakdowns	14
Top Ten Holdings	14
EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO	15
Statement of Net Assets as at December 31, 2023	15
Statement of Operations and Changes in Net Assets for the year ended December 31, 2023	15
Statement of Changes in Number of Shares	15
Securities Portfolio as at December 31, 2023	16
Financial derivative instruments as at December 31, 2023	16
Portfolio Breakdowns	18
Top Ten Holdings	18
EXANE FUNDS 2 - EXANE PLEIADE FUND	19
Statement of Net Assets as at December 31, 2023	19
Statement of Operations and Changes in Net Assets for the year ended December 31, 2023	19
Statement of Changes in Number of Shares	19
Securities Portfolio as at December 31, 2023	20
Financial derivative instruments as at December 31, 2023	20
Portfolio Breakdowns	23
Top Ten Holdings	23
Notes to the Financial Statements as at December 31, 2023	24
Additional Information (unaudited)	33

Organisation of the SICAV

Registered Office

60, avenue J. F. Kennedy
L-1855 Luxembourg

BOARD OF DIRECTORS

Chairman of the Board of Directors

Mr Jihad TALEB, Independent Director

Directors

Mr Fabrice BAGES, Administrative and Financial Manager, Exane Asset Management
Mr Pierre SEQUIER, Chief Executive Officer, Exane Asset Management
Mr Eric CHINCHON, Independent Certified Director

Management Company

Exane Asset Management
11, rue Scribe
75009 Paris

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Chairman of the Board of Directors of the Management Company

Mr Benoît CATHERINE, Deputy Chief Executive Officer, Exane S.A.

Directors

Mr Pierre SÉQUIER, Chief Executive Officer, Exane Asset Management
Mrs Dominique AUBERON, Chief executive Officer, Exane S.A.
Mr Charles-Henri NÈME, Deputy Chief Executive Officer, Exane Asset Management
Mr Eric LAURI, Deputy Chief Executive Officer, Exane Asset Management
Mr Patrick SIMION, BNP Paribas (since March 8, 2023)
Mr Emmanuel GENDREAU, BNP Paribas (until March 8, 2023)
Mr Frédéric DELATTRE

Conducting Persons of the Management Company

Mr Pierre SÉQUIER, Chief Executive Officer, Exane Asset Management
Mr Charles-Henri NÈME, Deputy Chief Executive Officer, Exane Asset Management
Mr Eric LAURI, Deputy Chief Executive Officer, Exane Asset Management

Depositary Bank, Paying Agent, Domiciliary and Listing Agent, Registrar and Transfer Agent and Administrative Agent

BNP Paribas, Luxembourg Branch
60, avenue J.F. Kennedy
L-1855 Luxembourg

Auditor

PricewaterhouseCoopers, Société cooperative
2, rue Gerhard Mercator,
L-1014 Luxembourg

Director's Report

I - ECONOMIC ENVIRONMENT AND STOCK MARKET CONDITIONS

Against a backdrop of heightened geopolitical risks, an energy and environmental crisis, and a very restrictive monetary policy, the economic and financial picture for 2023 nevertheless remains positive. All asset classes ended the year in the green, in anticipation of the central banks' turnaround.

Despite signs of a slowdown in economic activity, the recession feared at the start of the year spared Western economies overall, and by the end of the year, after several months of runaway growth, inflation was back on a downward slope.

Stock markets also held up very well against interest rate hikes, recording good gains.

In Europe, the Stoxx index of the top 600 European companies ended the year up 13%. The CAC 40 rose by nearly 17%, while the German Dax index gained 20%. The British Footsie 100 was up nearly 4%.

In the United States, major indicators also posted strong gains. The Nasdaq, representative of US growth stocks, was up 44%, the S&P 500 was up 24.6% and the Dow Jones ended the year up 13.89%.

In Asia, the Nikkei posted the region's biggest annual increase, climbing 28%. China, on the other hand, remains in the shadows, with the CSI of the Shanghai and Shenzhen stock exchanges down 11.4% after two years of decline.

IMPORTANT INFORMATION concerning the European Sanctions taken against Russia and Belarus applicable since 12 April 2022 (European Regulations EU 2022/328 and 2022/398):

The Sanctions promulgated by the European Union, adopted by Regulations (EU) 2022/328 of 25 February 2022 (Articles 5e and 5f), amending Regulation (EC) No. 833/2014 & 2022/398 of 9 March 2022 (Article 1x and 1y) and amending Regulation (EC) No. 765/2006, specify:

- that it is prohibited to sell euro-denominated securities issued after 12 April 2022 or units of collective investment schemes offering exposure to such securities;
- that central securities depositories in the Union are prohibited from providing any service for securities issued after 12 April 2022; to any Russian or Belarusian national, any natural person residing in Russia or Belarus or any legal person, entity or organization established in Russia or Belarus.

Consequently, since 12 April 2022, the subscription of shares in any sub-fund of the SICAV is prohibited to:

- Any Russian or Belarusian national;
- To any natural person residing in Russia or Belarus;
- Or any legal person, entity or organization established in Russia or Belarus

with the exception of:

- Bi-nationals*
- Nationals of a Member State of the European Union or Monaco residing in Russia or Belarus
- Russian or Belarusian natural persons holding a temporary or permanent residence permit in a Member State of the European Union or Monaco.

**binationality (or dual nationality) in this context refers to a Russian or Belarusian national who also holds the nationality of a European Union member state or Monaco*

Portfolio exposure to Russia, Belarus and Ukraine

None of the sub-funds of the SICAV has any exposure to Russia, Belarus or Ukraine.

Note: The figures stated in this report are historical and not necessarily indicative of future results

Director's Report (continued)

II - SICAV MANAGEMENT POLICY

EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE

The Exane Equity Select Europe sub-fund performed in line with its benchmark in 2023, ranking in the top third of the best-performing funds in its category*.

In 2023, the market focused its attention on interest rates. The rise in the short end of the yield curve has made financing conditions significantly more expensive, while the long end has been highly volatile, due to uncertainties over growth and inflation, which has led to equally high volatility in equity segments sensitive to long rates. In this environment, indebted companies with questionable pricing power and long-duration business models suffered greatly. Conversely, those with relatively solid balance sheets and results performed very well.

Among the main detractors to performance, we find companies such as:

- Alstom and DSM-Firmenich, which suffered from the balance sheet/pricing power mix and poor operating momentum.
- Carl Zeiss, Merck, Eurofins, Julius Baer and Prudential, which all underperformed significantly, due to negative earnings revisions, margin disappointments and the macro environment in the case of Prudential.

Among the year's successful investments, the management team benefited from the performance of companies such as:

- Relx, Beiersdorf, LVMH and Kone, which are all companies with solid balance sheets, pricing power and strong operating momentum, and which we were able to invest in at the right time during the year, as with Beiersdorf and Kone, thanks in particular to the volatility generated by the interest rate environment.
- Stellantis, Publicis and Enel were value stocks with very solid balance sheets and impressive earnings revisions, which we were able to maintain throughout the year despite particularly high performances - 74% for Stellantis and 47% for Publicis - which could have prompted us to take profits too soon.

The sector success rate for the year was just under 50%. Half of the sector managers contributed to alpha generation (mainly Automotive, Consumer, Utilities, Telecom/Media), while the other half of the sector managers gave up alpha (mainly Industrials, Healthcare, Chemicals).

Over the course of 2023 and beyond, coverage of the materials and construction, retail, healthcare and chemicals sectors has been reallocated, in part to managers among the best historical contributors (consumer and industrial), as well as to two managers who joined the structure in 2023: a manager specialising in construction and chemicals, and a manager specialising in the healthcare sector.

* Morningstar category: *Europe Large Cap Blend Equity*

EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO

The Exane Equity Select Focus Euro sub-fund slightly underperformed its benchmark in 2023.

Over the year, the market focused its attention on interest rates. The rise in the short end of the yield curve has made financing conditions significantly more expensive, while the long end has been highly volatile, due to uncertainties over growth and inflation, which has led to equally high volatility in equity segments sensitive to long rates. In this environment, indebted companies with questionable pricing power and long-duration business models suffered greatly. Conversely, those with relatively solid balance sheets and results performed very well.

Among the main detractors to performance, we find companies such as:

- Alstom, which suffered from the balance sheet/pricing power mix and poor operating momentum.
- Carl Zeiss, Merck and Eurofins, which underperformed quite significantly on the back of negative earnings revisions and disappointing margins.

Among the year's successful investments, the management team benefited from the performance of companies such as:

- Relx, Beiersdorf, LVMH and Kone, which are all companies with solid balance sheets, pricing power and strong operating momentum, and which we were able to invest in at the right time during the year, as with Beiersdorf and Kone, thanks in particular to the volatility generated by the interest rate environment.
- Stellantis, Publicis and Enel were value stocks with very solid balance sheets and impressive earnings revisions, which we were able to maintain throughout the year despite particularly high performances - 74% for Stellantis and 47% for Publicis - which could have prompted us to take profits too soon.

The sector success rate was 53% for the year. Half of the sector managers contributed to alpha generation (mainly Automotive, Technology, Consumer Goods and Insurance), while the other half lost alpha (mainly Industry, Health Care and Chemicals).

Over the course of 2023 and beyond, coverage of the materials and construction, retail, healthcare and chemicals sectors has been reallocated, in part to managers among the best historical contributors (consumer and industrial), as well as to two managers who joined the structure in 2023: a manager specialising in construction and chemicals, and a manager specialising in the healthcare sector.

Director's Report (continued)

EXANE FUNDS 2 - EXANE PLEIADE FUND

At the start of 2023, we were looking forward to rising money market rates, as the Exane Pleiade Fund sub-fund business model enables us to capture this return through the investment of cash. This investment effectively contributed 3% over the year. Given this contribution, Exane Pleiade Fund's annual performance of 1.55% in 2023 is frustrating, to say the least. A simple subtraction shows that we have lost 1.5% net alpha, whereas our average over the last 10 years has been between +2.5% and +3%.

Analysis of gross alpha generation via securities/sectors, or at the level of contributing managers, reveals the same thing:

	Hit Ratio / Success rate	Pay off (profit/loss ratio)
Securities	51%	1.06
Sectors	55%	1.02
Managers	55%	0.92

Source: Exane Asset Management. Past performance is not a reliable indicator of future performance.

Whatever the means of interpretation, the success rate is close to 50%, and the alpha we generate is equivalent to the alpha we lose (pay-off around 1).

Notable successes over the year included positions taken in the automotive sector, notably the long position in Stellantis, which gained 74%; investments in the media sector with Publicis (+47%), which completely disconnected itself from the rest of the advertising agencies; and financial stocks thanks to successful trading in the banking sector, and short convictions that contributed well, such as Deutsche Boerse, Direct Line and Natwest in the UK.

Among the failures, we identify, in the industrial stocks sector, Alstom, which continued its descent into hell following disastrous communication on cash generation, in the consumer sector significant losses on Delivery Hero, and in the spirits segment the long position on Remy Cointreau covered by Campari.

Also, a breakdown of performance by factor analysis shows that the contribution of security selection (idiosyncrasy), that is, the axis corresponding to our bottom-up know-how, did not deliver sufficiently in 2023. On the other hand, the contribution of style factors (value/growth/momentum/quality, etc.) is much less volatile in 2023 than in the past, which means that our factor bias control work has progressed considerably thanks to the tools we have developed.

INFORMATION ON THE METHOD OF OVERALL RISK CALCULATION OF SUB-FUNDS (unaudited)

SUB-FUNDS	INFORMATION ON THE METHOD OF CALCULATING OVERALL RISK
EXANE FUNDS 2 -EXANE SELECT FOCUS EURO FUND	Commitment approach method
EXANE FUNDS 2 -EXANE SELECT FUND	Commitment approach method
EXANE FUNDS 2 -EXANE PLEIADE FUND	Absolute VaR 99% 20 days Historical simulation with a period of 2 years Limit for VaR: 5% Minimum VaR: 2.3% Maximum VaR: 4.1% Average: 3.1% Leverage at 29/12/2023: 193%

The Board of Directors,

Luxembourg; March 26, 2024

Note: The figures stated in this report are historical and not necessarily indicative of future results



Audit report

To the Shareholders of
EXANE FUNDS 2

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of EXANE FUNDS 2 (the “Fund”) and of each of its sub-funds as at 31 December 2023, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

What we have audited

The Fund’s financial statements comprise:

- the combined statement of net assets for the Fund and the statement of net assets for each of the sub-funds as at 31 December 2023;
- the combined statement of operations and changes in net assets for the Fund and the statement of operations and changes in net assets for each of the sub-funds for the year then ended;
- the securities portfolio and financial derivative instruments as at 31 December 2023; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

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

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*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)
R.C.S. Luxembourg B 65 477 - TVA LU25482518*



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

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

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

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

Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements

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

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund;



- conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund or any of its sub-funds to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 5 April 2024

Cécile Moser

Statistics

		December 31, 2023	December 31, 2022	December 31, 2021
EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE				
Net Asset Value	EUR	633,330,211.72	652,654,390.26	1,286,809,019.57
Net asset value per share				
Class A	EUR	28,740.55	24,788.05	28,891.95
Class B	EUR	227.72	198.24	233.23
Class D	EUR	12,304.91	10,888.46	13,008.43
Class F	EUR	25,308.34	21,740.78	25,238.23
Class J	EUR	10,404.21	10,635.02	12,672.26
Class S	EUR	16,673.21	14,373.09	16,744.47
Class T	EUR	13,908.04	11,965.92	13,911.14
Number of shares				
Class A		4,384.46	5,235.23	8,913.16
Class B		421,572.27	222,874.33	203,027.55
Class D		19.00	19.00	305.10
Class F		3,332.00	4,833.00	5,901.00
Class J		2,115.81	436.25	2,962.59
Class S		16,917.79	20,160.97	43,340.49
Class T		1,630.00	6,602.58	4,728.76
EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO				
Net Asset Value	EUR	115,509,488.62	77,796,556.60	34,061,531.05
Net asset value per share				
Class A	EUR	141.29	119.25	138.03
Class B	EUR	129.02	109.92	128.42
Class C	EUR	125.23	105.11	120.97
Number of shares				
Class A		273,903.43	154,789.48	137,612.99
Class B		156,892.00	107,900.00	117,251.00
Class C		451,703.56	451,703.56	80.00
EXANE FUNDS 2 - EXANE PLEIADE FUND				
Net Asset Value	EUR	1,142,896,826.33	1,922,989,526.97	1,844,441,069.80
Net asset value per share				
Class A	EUR	13,051.87	12,853.14	12,624.18
Class A-CHF	CHF	10,644.23	9,939.23	9,737.83
Class A-USD	USD	12,903.51	13,775.43	13,263.03
Class B	EUR	120.72	119.80	118.09
Class B-CHF	CHF	107.97	101.47	-
Class C	EUR	129.48	126.21	122.31
Class R	EUR	112.87	111.45	109.74
Class S	EUR	11,822.74	11,614.53	11,383.25
Number of shares				
Class A		21,915.99	35,198.05	29,517.57
Class A-CHF		361.98	722.68	588.52
Class A-USD		897.03	948.04	1,148.43
Class B		3,941,984.88	4,600,083.28	3,560,894.11
Class B-CHF		13,927.02	13,927.02	-
Class C		3,112.94	535,311.23	621,037.03
Class R		421,195.94	827,576.13	715,968.75
Class S		26,736.14	63,604.76	77,115.76

Combined Statement

Combined Statement of Net Assets as at December 31, 2023

	Notes	EUR
Assets		
Investment in securities at cost		1,770,064,527.14
Unrealised appreciation / (depreciation) on securities	2.3	67,514,377.24
Investment in securities at market value	2.3	1,837,578,904.38
Cash at bank		69,704,644.82
Receivable on subscriptions		913,670.15
Receivable on withholding tax reclaim	14	2,890,724.14
Net unrealised appreciation on forward foreign exchange contracts	2.10,10	899,141.38
Net unrealised appreciation on Contracts for Difference	2.5,6	13,318,667.17
Dividends receivable		170,238.55
Other assets		9,905.36
Total assets		1,925,485,895.95
Liabilities		
Bank overdraft		20,130,000.00
Accrued expenses		6,553,903.08
Payable on redemptions		1,415,583.31
Net payable on Contracts for Difference	2.7,6	5,649,882.89
Total liabilities		33,749,369.28
Net assets at the end of the year		1,891,736,526.67

Combined Statement of Operations and Changes in Net Assets for the year ended December 31, 2023

		EUR
Income		
Net dividends on securities	2.4	20,669,410.25
Interests on bonds		38.18
Bank interest		2,986,942.94
Other income		30,041.43
Net dividends received on Contracts for Difference	2.8	1,219,153.80
Total income		24,905,586.60
Expenses		
Fixed management fees	4	28,902,626.59
Variable management fees	4	586,204.54
Depositary fees	5	895,920.01
Administration fees	5	806,099.27
Professional fees	12	245,170.43
Transaction costs	9	4,545,434.41
Taxe d'abonnement	3	519,829.01
Bank charges	2.6	348,910.81
Net dividends paid on Contracts for Difference	2.8	16,498,739.26
Net interests paid on Contracts for Difference	2.9	12,295,862.90
Other expenses		61,530.33
Total expenses		65,706,327.56
Net investment income / (loss)		(40,800,740.96)
Net realised gain / (loss) on:		
Investments		81,258,621.50
Foreign currencies transactions	2.2	(1,277,436.12)
Forward foreign exchange contracts	2.10	272,398.18
Contracts for Difference	2.5	11,887,859.59
Net realised gain / (loss) for the year		51,340,702.19
Net change in unrealised appreciation / (depreciation) on:		
Investments		62,545,274.40
Forward foreign exchange contracts	2.10	3,392,967.66
Contracts for Difference	2.5	13,056,430.85
Increase / (Decrease) in net assets as a result of operations		130,335,375.10
Proceeds received on subscription of shares		739,511,789.75
Net amount paid on redemption of shares		(1,631,545,241.20)
Dividend distribution	11	(5,870.81)
Net assets at the beginning of the year		2,653,440,473.83
Net assets at the end of the year		1,891,736,526.67

The accompanying notes are an integral part of these financial statements.

EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE (in EUR)

Statement of Net Assets as at December 31, 2023

	Notes	EUR
Assets		
Investment in securities at cost		537,719,876.53
Unrealised appreciation / (depreciation) on securities	2.3	48,369,797.19
Investment in securities at market value	2.3	586,089,673.72
Cash at bank		45,342,061.07
Receivable on subscriptions		573,825.95
Receivable on withholding tax reclaim	14	2,309,259.09
Net unrealised appreciation on forward foreign exchange contracts	2.10,10	404,213.99
Net unrealised appreciation on Contracts for Difference	2.5,6	3,512,704.54
Dividends receivable		170,238.55
Total assets		638,401,976.91
Liabilities		
Bank overdraft		3,180,000.00
Accrued expenses		1,478,002.53
Payable on redemptions		256,235.21
Net payable on Contracts for Difference	2.7,6	157,527.45
Total liabilities		5,071,765.19
Net assets at the end of the year		633,330,211.72

Statement of Operations and Changes in Net Assets for the year ended December 31, 2023

	Notes	EUR
Income		
Net dividends on securities	2.4	17,257,391.69
Interests on bonds		16.37
Bank interest		988,385.64
Other income		1,273.44
Net dividends received on Contracts for Difference	2.8	986,870.00
Total income		19,233,937.14
Expenses		
Fixed management fees	4	5,757,146.99
Variable management fees	4	1,409.43
Depository fees	5	239,163.19
Administration fees	5	216,965.65
Professional fees	12	72,872.98
Transaction costs	9	3,030,158.56
Taxe d'abonnement	3	96,349.09
Bank charges	2.6	14,401.15
Net interests paid on Contracts for Difference	2.9	1,904,129.94
Other expenses		15,531.23
Total expenses		11,348,128.21
Net investment income / (loss)		7,885,808.93
Net realised gain / (loss) on:		
Investments		33,951,300.27
Foreign currencies transactions	2.2	(171,693.42)
Forward foreign exchange contracts	2.10	320,685.95
Contracts for Difference	2.5	(680,951.77)
Net realised gain / (loss) for the year		41,305,149.96
Net change in unrealised appreciation / (depreciation) on:		
Investments		47,379,857.53
Forward foreign exchange contracts	2.10	1,573,767.75
Contracts for Difference	2.5	4,455,538.12
Increase / (Decrease) in net assets as a result of operations		94,714,313.36
Proceeds received on subscription of shares		276,649,617.58
Net amount paid on redemption of shares		(390,682,238.67)
Dividend distribution	11	(5,870.81)
Net assets at the beginning of the year		652,654,390.26
Net assets at the end of the year		633,330,211.72

Statement of Changes in Number of Shares

	Number of shares in issue at the beginning of the year	Number of shares subscribed	Number of shares redeemed	Number of shares in issue at the end of the year
Class A	5,235.23	987.95	1,838.72	4,384.46
Class B	222,874.33	292,127.00	93,429.06	421,572.27
Class D	19.00	-	-	19.00
Class F	4,833.00	-	1,501.00	3,332.00
Class J	436.25	2,170.45	490.90	2,115.81
Class S	20,160.97	8,629.00	11,872.18	16,917.79
Class T	6,602.58	1,970.00	6,942.58	1,630.00

The accompanying notes are an integral part of these financial statements.

EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE (in EUR)

Securities Portfolio as at December 31, 2023

Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV	Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV
Transferable securities admitted to an official exchange listing									
Shares									
Advertising									
81,993.00	PUBLICIS GROUPE	EUR	6,887,412.00	1.09					
			6,887,412.00	1.09					
Auto Parts & Equipment									
108,098.00	FORVIA	EUR	2,207,361.16	0.35					
333,777.00	KONE OYJ-B	EUR	15,073,369.32	2.38					
441,668.00	STELLANTIS NV	EUR	9,339,069.86	1.47					
			26,619,800.34	4.20					
Banks									
165,434.00	BNP PARIBAS	EUR	10,354,514.06	1.63					
1,339,196.00	BANKINTER SA	EUR	7,761,980.02	1.23					
906,390.00	NORDEA BANK ABP	SEK	10,154,499.06	1.60					
1,283,359.00	HSBC HOLDINGS PLC	GBP	9,411,743.64	1.49					
3,623,941.00	BARCLAYS PLC	GBP	6,431,130.89	1.02					
650,062.00	COMMERZBANK AG	EUR	6,994,667.12	1.10					
202,225.00	ERSTE GROUP BANK AG	EUR	7,427,724.25	1.17					
			58,536,259.04	9.24					
Building materials									
153,888.00	CRH PLC	GBP	9,607,455.77	1.52					
71,055.00	KINGSPAN GROUP PLC	EUR	5,570,712.00	0.88					
			15,178,167.77	2.40					
Chemical									
157,312.00	NOVOZYMES A/S-B SHARES	DKK	7,831,255.17	1.24					
65,786.00	AKZO NOBEL N.V.	EUR	4,922,108.52	0.78					
			12,753,363.69	2.02					
Computer software									
57,275.00	CAPGEMINI SE	EUR	10,810,656.25	1.71					
			10,810,656.25	1.71					
Cosmetics									
28,732.00	LOREAL	EUR	12,948,075.80	2.04					
23,860.00	ROCHE HOLDING AG-GENUSSCHEIN	CHF	6,274,895.13	0.99					
43,721.00	ASTRAZENECA PLC	GBP	5,348,134.56	0.84					
57,771.00	NOVARTIS AG-REG	CHF	5,273,770.86	0.83					
87,640.00	NOVO NORDISK A/S-B	DKK	8,207,267.24	1.30					
16,487.00	ALCON INC	CHF	1,164,038.59	0.18					
139,905.00	EUROFINS SCIENTIFIC	EUR	8,251,596.90	1.30					
123,960.00	BEIERSDORF AG	EUR	16,821,372.00	2.66					
34,482.00	SANOFI	EUR	3,095,104.32	0.49					
144,755.00	GSK PLC	GBP	2,422,522.66	0.38					
2,810.00	LONZA GROUP AG-REG	CHF	1,069,051.31	0.17					
10,583.00	MERCK KGAA	EUR	1,525,010.30	0.24					
			72,400,839.67	11.42					
Distribution & Wholesale									
75,935.00	CIE FINANCIERE RICHEMO-A REG	CHF	9,454,099.44	1.49					
			9,454,099.44	1.49					
Diversified machinery									
100,897.00	SIEMENS AG-REG	EUR	17,144,418.24	2.71					
286,712.00	ALSTOM	EUR	3,492,152.16	0.55					
			20,636,570.40	3.26					
Diversified services									
1,294,499.00	RENTOKIL INITIAL PLC	GBP	6,584,907.50	1.04					
393,111.00	RELX PLC	EUR	14,081,236.02	2.22					
			20,666,143.52	3.26					
Electric & Electronic									
222,056.00	STMICROELECTRONICS NV	EUR	10,046,923.72	1.59					
605,802.00	ASSA ABLOY AB-B	SEK	15,797,378.90	2.49					
					39,975.00	ASML HOLDING NV	EUR	27,250,957.50	4.30
								53,095,260.12	8.38
					Energy				
					2,360,094.00	ENEL SPA	EUR	15,883,432.62	2.51
					1,213,852.00	REPSOL SA	EUR	16,326,309.40	2.58
					2,647,448.00	EDP-ENERGIAS DE PORTUGAL SA	EUR	12,059,125.64	1.90
					663,644.00	SHELL PLC	GBP	19,693,734.30	3.11
								63,962,601.96	10.10
					Engineering & Research				
					93,420.00	SAFRAN SA	EUR	14,896,753.20	2.35
								14,896,753.20	2.35
					Entertainment				
					260,965.00	EQT AB	SEK	6,680,891.53	1.05
								6,680,891.53	1.05
					Financial services				
					84,497.00	EURONEXT NV - WII	EUR	6,645,689.05	1.05
								6,645,689.05	1.05
					Food services				
					72,431.00	CARLSBERG AS-B	DKK	8,227,803.26	1.30
					467,322.00	DIAGEO PLC	GBP	15,402,130.66	2.43
					123,581.00	KONINKLIJKE AHOLD DELHAIZE N	EUR	3,214,959.72	0.51
					345,769.00	JERONIMO MARTINS	EUR	7,966,517.76	1.26
					115,080.00	NESTLE SA-REG	CHF	12,069,969.67	1.91
								46,881,381.07	7.41
					Forest products & Paper				
					134,714.00	SMURFIT KAPPA GROUP PLC	EUR	4,833,538.32	0.76
								4,833,538.32	0.76
					Insurance				
					1,247,087.00	PRUDENTIAL PLC	GBP	12,768,052.46	2.02
					459,998.00	AXA SA	EUR	13,565,341.02	2.14
					1,178,335.00	BEAZLEY PLC	GBP	7,098,157.87	1.12
								33,431,551.35	5.28
					Internet				
					108,943.00	PROSUS NV	EUR	2,939,826.86	0.46
								2,939,826.86	0.46
					Real estate				
					672,149.00	SEGRO PLC	GBP	6,875,458.70	1.09
								6,875,458.70	1.09
					Telecommunication				
					649,847.00	DEUTSCHE TELEKOM AG-REG	EUR	14,134,172.25	2.23
								14,134,172.25	2.23
					Textile				
					31,567.00	LVMH MOET HENNESSY LOUIS VUI	EUR	23,157,551.20	3.66
								23,157,551.20	3.66
					Transportation				
					62,297.00	DHL GROUP	EUR	2,794,331.94	0.44
								2,794,331.94	0.44
								534,272,319.67	84.35
					Funds				
					Undertakings for collective investment				
					Open-ended Funds				
					4,650.00	AMUNDI CASH INSTITIU SRI -IC	EUR	51,817,354.05	8.19
								51,817,354.05	8.19
								51,817,354.05	8.19
					Total securities portfolio				
								586,089,673.72	92.54

The accompanying notes are an integral part of these financial statements.

EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE (in EUR)

Securities Portfolio as at December 31, 2023

Financial derivative instruments as at December 31, 2023

Purchase		Sale		Maturity Date	Commitment in EUR	Unrealised appreciation / (depreciation) in EUR
Forward foreign exchange contracts						
22,930,145.67	GBP	26,591,126.18	EUR	19/01/24	26,461,422.50	(148,836.23)
27,047,011.36	CHF	28,677,505.33	EUR	19/01/24	29,092,192.49	451,188.11
28,303,000.00	DKK	3,797,063.96	EUR	19/01/24	3,796,741.59	510.55
85,188,743.52	SEK	7,600,000.00	EUR	19/01/24	7,652,256.32	52,230.89
23,452,000.00	NOK	1,976,059.02	EUR	19/01/24	2,090,475.55	113,784.09
5,360,000.00	EUR	4,624,449.60	GBP	19/01/24	5,336,621.78	27,256.50
8,565,287.29	EUR	96,376,676.10	SEK	19/01/24	8,657,235.67	(91,919.92)
Total Forward foreign exchange contracts						404,213.99

Quantity	Name	Currency	Commitment in EUR	Unrealised appreciation / (depreciation) in EUR
Contracts for Difference				
9,060.00	STOXX 600 AUTO EUX(SXAP)	EUR	5,688,321.00	151,982.64
52,624.00	STOXX INDICES EURO 600 HEALTH CRE (STXE)	EUR	55,838,273.92	1,613,569.44
8,805.00	STOXX 600 FINANCIAL SERV (SXFP)	EUR	6,291,172.50	416,261.61
8,346.00	STOXX 600 CHEMICALS	EUR	10,817,083.68	641,334.95
24,456.00	STOXX EUR 600 BASIC RESOURCE	EUR	14,328,036.72	689,555.90
Total Contracts for Difference			3,512,704.54	

Summary of net assets

		% NAV
Total securities portfolio	586,089,673.72	92.54
Total financial derivative instruments	3,916,918.53	0.62
Cash at bank	42,162,061.07	6.66
Other assets and liabilities	1,161,558.40	0.18
Total net assets	633,330,211.72	100.00

The accompanying notes are an integral part of these financial statements.

EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE (in EUR)

Portfolio Breakdowns

Nature allocation	% of portfolio	% of net assets
Shares	91.16	84.35
Undertakings for collective investment	8.84	8.19
	100.00	92.54

Country allocation	% of portfolio	% of net assets
France	26.15	24.20
United Kingdom	14.74	13.65
Netherlands	12.62	11.68
Germany	10.14	9.38
Switzerland	7.73	7.16
Finland	4.30	3.98
Denmark	4.14	3.84
Spain	4.11	3.81
Sweden	3.84	3.54
Portugal	3.42	3.16
Ireland	3.41	3.16
Italy	2.71	2.51
Other	2.69	2.47
	100.00	92.54

Top Ten Holdings

Top Ten Holdings	Sector	Market value EUR	% of net assets
AMUNDI CASH INSTITIU SRI -IC	Open-ended Funds	51,817,354.05	8.19
ASML HOLDING NV	Electric & Electronic	27,250,957.50	4.30
LVMH MOET HENNESSY LOUIS VUI	Textile	23,157,551.20	3.66
SHELL PLC	Energy	19,693,734.30	3.11
SIEMENS AG-REG	Diversified machinery	17,144,418.24	2.71
BEIERSDORF AG	Cosmetics	16,821,372.00	2.66
REPSOL SA	Energy	16,326,309.40	2.58
ENEL SPA	Energy	15,883,432.62	2.51
ASSA ABLOY AB-B	Electric & Electronic	15,797,378.90	2.49
DIAGEO PLC	Food services	15,402,130.66	2.43

The accompanying notes are an integral part of these financial statements.

EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO (in EUR)

Statement of Net Assets as at December 31, 2023

	Notes	EUR
Assets		
Investment in securities at cost		98,722,611.82
Unrealised appreciation / (depreciation) on securities	2.3	10,004,389.99
Investment in securities at market value	2.3	108,727,001.81
Cash at bank		6,715,971.97
Receivable on subscriptions		3,480.30
Receivable on withholding tax reclaim	14	43,249.02
Net unrealised appreciation on Contracts for Difference	2.5,6	1,091,984.04
Other assets		9,905.36
Total assets		116,591,592.50
Liabilities		
Bank overdraft		790,000.00
Accrued expenses		252,395.38
Payable on redemptions		515.60
Net payable on Contracts for Difference	2.7,6	39,192.90
Total liabilities		1,082,103.88
Net assets at the end of the year		115,509,488.62

Statement of Operations and Changes in Net Assets for the year ended December 31, 2023

	Notes	EUR
Income		
Net dividends on securities	2.4	2,202,720.56
Interests on bonds		21.81
Bank interest		191,086.79
Other income		255.83
Net dividends received on Contracts for Difference	2.8	232,283.80
Total income		2,626,368.79
Expenses		
Fixed management fees	4	647,203.85
Depository fees	5	41,890.72
Administration fees	5	96,477.09
Professional fees	12	49,116.13
Transaction costs	9	349,029.52
Taxe d'abonnement	3	37,861.14
Bank charges	2.6	1,131.79
Net interests paid on Contracts for Difference	2.9	524,679.47
Other expenses		11,796.94
Total expenses		1,759,186.65
Net investment income / (loss)		867,182.14
Net realised gain / (loss) on:		
Investments		3,908,567.33
Foreign currencies transactions	2.2	(1,470.28)
Contracts for Difference	2.5	(120,044.55)
Net realised gain / (loss) for the year		4,654,234.64
Net change in unrealised appreciation / (depreciation) on:		
Investments		9,804,819.64
Contracts for Difference	2.5	1,398,275.83
Increase / (Decrease) in net assets as a result of operations		15,857,330.11
Proceeds received on subscription of shares		34,634,135.16
Net amount paid on redemption of shares		(12,778,533.25)
Net assets at the beginning of the year		77,796,556.60
Net assets at the end of the year		115,509,488.62

Statement of Changes in Number of Shares

	Number of shares in issue at the beginning of the year	Number of shares subscribed	Number of shares redeemed	Number of shares in issue at the end of the year
Class A	154,789.48	191,843.58	72,729.63	273,903.43
Class B	107,900.00	74,521.00	25,529.00	156,892.00
Class C	451,703.56	-	-	451,703.56

The accompanying notes are an integral part of these financial statements.

EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO (in EUR)

Securities Portfolio as at December 31, 2023

Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV
Transferable securities admitted to an official exchange listing				
Shares				
Advertising				
13,223.00	PUBLICIS GROUPE	EUR	1,110,732.00	0.96
			1,110,732.00	0.96
Auto Parts & Equipment				
33,905.00	KONE OYJ-B	EUR	1,531,149.80	1.33
43,506.00	FORVIA	EUR	888,392.52	0.77
94,090.00	STELLANTIS NV	EUR	1,989,533.05	1.72
			4,409,075.37	3.82
Banks				
66,908.00	BNP PARIBAS	EUR	4,187,771.72	3.63
245,879.00	BANKINTER SA	EUR	1,425,114.68	1.23
215,970.00	COMMERZBANK AG	EUR	2,323,837.20	2.01
64,637.00	ERSTE GROUP BANK AG	EUR	2,374,117.01	2.06
			10,310,840.61	8.93
Building materials				
26,894.00	KINGSPAN GROUP PLC	EUR	2,108,489.60	1.83
			2,108,489.60	1.83
Chemical				
20,637.00	AKZO NOBEL N.V.	EUR	1,544,060.34	1.34
			1,544,060.34	1.34
Computer software				
19,628.00	CAPGEMINI SE	EUR	3,704,785.00	3.21
			3,704,785.00	3.21
Cosmetics				
9,829.00	LOREAL	EUR	4,429,438.85	3.83
21,732.00	BEIERSDORF AG	EUR	2,949,032.40	2.55
45,650.00	EUROFINS SCIENTIFIC	EUR	2,692,437.00	2.33
			10,070,908.25	8.71
Diversified machinery				
23,800.00	SIEMENS AG-REG	EUR	4,044,096.00	3.50
42,618.00	ALSTOM	EUR	519,087.24	0.45
			4,563,183.24	3.95
Diversified services				
70,697.00	RELX PLC	EUR	2,532,366.54	2.19
			2,532,366.54	2.19
Electric & Electronic				
35,447.00	STMICROELECTRONICS NV	EUR	1,603,799.52	1.39
12,446.00	ASML HOLDING NV	EUR	8,484,438.20	7.35
			10,088,237.72	8.74
Energy				
667,940.00	EDP-ENERGIAS DE PORTUGAL SA	EUR	3,042,466.70	2.63
623,890.00	ENEL SPA	EUR	4,198,779.70	3.64
306,836.00	REPSOL SA	EUR	4,126,944.20	3.57
			11,368,190.60	9.84
Engineering & Research				
13,740.00	SAFRAN SA	EUR	2,190,980.40	1.90
			2,190,980.40	1.90
Financial services				
16,602.00	EURONEXT NV - W/I	EUR	1,305,747.30	1.13
			1,305,747.30	1.13
Food services				
53,824.00	JERONIMO MARTINS	EUR	1,240,104.96	1.07
40,003.00	KONINKLIJKE AHOLD DELHAIZE N	EUR	1,040,678.05	0.90
			2,280,783.01	1.97
Forest products & Paper				
59,540.00	SMURFIT KAPPA GROUP PLC	EUR	2,136,295.20	1.85

Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV
			2,136,295.20	1.85
Insurance				
9,410.00	ALLIANZ SE-REG	EUR	2,276,749.50	1.97
155,007.00	AXA SA	EUR	4,571,156.43	3.96
			6,847,905.93	5.93
Internet				
49,279.00	PROSUS NV	EUR	1,329,793.82	1.15
			1,329,793.82	1.15
Telecommunication				
166,484.00	DEUTSCHE TELEKOM AG-REG	EUR	3,621,027.00	3.13
			3,621,027.00	3.13
Textile				
9,667.00	LVMH MOET HENNESSY LOUIS VUI	EUR	7,091,711.20	6.14
			7,091,711.20	6.14
Transportation				
41,963.00	DHL GROUP	EUR	1,882,250.37	1.63
			1,882,250.37	1.63
			90,497,363.50	78.35
Other transferable securities				
Money markets instruments				
Banks				
4,000,000.00	BPIFRANCE 0% 23/01/2024 NEUCP	EUR	3,989,570.81	3.45
4,000,000.00	PALATINE SA 0% 26/01/2024 NEUCP	EUR	3,988,031.86	3.45
			7,977,602.67	6.90
			7,977,602.67	6.90
Funds				
Undertakings for collective investment				
Open-ended Funds				
920.00	AMUNDI CASH INSTITIU SRI -IC	EUR	10,252,035.64	8.88
			10,252,035.64	8.88
			10,252,035.64	8.88
Total securities portfolio			108,727,001.81	94.13

Financial derivative instruments as at December 31, 2023

Quantity	Name	Currency	Commitment in EUR	Unrealised appreciation / (depreciation) in EUR
Contracts for Difference				
3,613.00	EURO STOXX OIL & GAS (SXEE)	EUR	1,265,380.99	(13,331.97)
9,125.00	EURO STOXX HEALTH CARE (SXDE)	EUR	6,927,061.25	239,257.50
1,606.00	EURO STOXX FINANCIAL SERV (SXFE)	EUR	895,264.70	44,823.46
12,866.00	EURO STOXX REAL ESTATE	EUR	1,922,695.04	192,732.68
1,822.00	EURO STOXX MEDIA	EUR	596,978.30	29,297.76
1,877.00	EURO STOXX TECHNOLOGY (SX8E)	EUR	1,782,718.29	51,073.17
2,419.00	EURO STOXX CHEMICALS INDEX (SX4E)	EUR	3,747,079.38	212,968.76
2,794.00	EURO STOXX INDUSTRIAL GOODS&SERV SXNE	EUR	3,177,727.96	187,449.46
3,699.00	EURO STOXX BASIC RESOURCE (SXPE)	EUR	817,811.91	46,533.42

The accompanying notes are an integral part of these financial statements.

EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO (in EUR)

Securities Portfolio as at December 31, 2023

Quantity	Name	Currency	Commitment in EUR	Unrealised appreciation / (depreciation) in EUR
5,535.00	EURO STOXX AUTO&PARTS (SXAE)	EUR	3,355,483.05	101,179.80
Total Contracts for Difference				1,091,984.04

Summary of net assets

		% NAV
Total securities portfolio	108,727,001.81	94.13
Total financial derivative instruments	1,091,984.04	0.95
Cash at bank	5,925,971.97	5.13
Other assets and liabilities	(235,469.20)	(0.21)
Total net assets	115,509,488.62	100.00

The accompanying notes are an integral part of these financial statements.

EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO (in EUR)

Portfolio Breakdowns

Nature allocation	% of portfolio	% of net assets
Shares	83.23	78.35
Undertakings for collective investment	9.43	8.88
Money markets instruments	7.34	6.90
	100.00	94.13

Country allocation	% of portfolio	% of net assets
France	43.16	40.63
Germany	15.72	14.79
Netherlands	14.43	13.59
Spain	5.11	4.80
Portugal	3.94	3.70
Ireland	3.90	3.68
Italy	3.86	3.64
Luxembourg	2.48	2.33
United Kingdom	2.33	2.19
Austria	2.18	2.06
Other	2.89	2.72
	100.00	94.13

Top Ten Holdings

Top Ten Holdings	Sector	Market value EUR	% of net assets
AMUNDI CASH INSTITIU SRI -IC	Open-ended Funds	10,252,035.64	8.88
ASML HOLDING NV	Electric & Electronic	8,484,438.20	7.35
LVMH MOET HENNESSY LOUIS VUI	Textile	7,091,711.20	6.14
AXA SA	Insurance	4,571,156.43	3.96
LOREAL	Cosmetics	4,429,438.85	3.83
ENEL SPA	Energy	4,198,779.70	3.64
BNP PARIBAS	Banks	4,187,771.72	3.63
REPSOL SA	Energy	4,126,944.20	3.57
SIEMENS AG-REG	Diversified machinery	4,044,096.00	3.50
BPIFRANCE 0% 23/01/2024 NEUCP	Banks	3,989,570.81	3.45

The accompanying notes are an integral part of these financial statements.

EXANE FUNDS 2 - EXANE PLEIADE FUND (in EUR)

Statement of Net Assets as at December 31, 2023

	Notes	EUR
Assets		
Investment in securities at cost		1,133,622,038.79
Unrealised appreciation / (depreciation) on securities	2.3	9,140,190.06
Investment in securities at market value	2.3	1,142,762,228.85
Cash at bank		17,646,611.78
Receivable on subscriptions		336,363.90
Receivable on withholding tax reclaim	14	538,216.03
Net unrealised appreciation on forward foreign exchange contracts	2.10,10	494,927.39
Net unrealised appreciation on Contracts for Difference	2.5,6	8,713,978.59
Total assets		1,170,492,326.54
Liabilities		
Bank overdraft		16,160,000.00
Accrued expenses		4,823,505.17
Payable on redemptions		1,158,832.50
Net payable on Contracts for Difference	2.7,6	5,453,162.54
Total liabilities		27,595,500.21
Net assets at the end of the year		1,142,896,826.33

Statement of Operations and Changes in Net Assets for the year ended December 31, 2023

	Notes	EUR
Income		
Net dividends on securities	2.4	1,209,298.00
Bank interest		1,807,470.51
Other income		28,512.16
Total income		3,045,280.67
Expenses		
Fixed management fees	4	22,498,275.75
Variable management fees	4	584,795.11
Depositary fees	5	614,866.10
Administration fees	5	492,656.53
Professional fees	12	123,181.32
Transaction costs	9	1,166,246.33
Taxe d'abonnement	3	385,618.78
Bank charges	2.6	333,377.87
Net dividends paid on Contracts for Difference	2.8	16,498,739.26
Net interests paid on Contracts for Difference	2.9	9,867,053.49
Other expenses		34,202.16
Total expenses		52,599,012.70
Net investment income / (loss)		(49,553,732.03)
Net realised gain / (loss) on:		
Investments		43,398,753.90
Foreign currencies transactions	2.2	(1,104,272.42)
Forward foreign exchange contracts	2.10	(48,287.77)
Contracts for Difference	2.5	12,688,855.91
Net realised gain / (loss) for the year		5,381,317.59
Net change in unrealised appreciation / (depreciation) on:		
Investments		5,360,597.23
Forward foreign exchange contracts	2.10	1,819,199.91
Contracts for Difference	2.5	7,202,616.90
Increase / (Decrease) in net assets as a result of operations		19,763,731.63
Proceeds received on subscription of shares		428,228,037.01
Net amount paid on redemption of shares		(1,228,084,469.28)
Net assets at the beginning of the year		1,922,989,526.97
Net assets at the end of the year		1,142,896,826.33

Statement of Changes in Number of Shares

	Number of shares in issue at the beginning of the year	Number of shares subscribed	Number of shares redeemed	Number of shares in issue at the end of the year
Class A	35,198.05	8,182.92	21,464.98	21,915.99
Class A-CHF	722.68	9.56	370.26	361.98
Class A-USD	948.04	284.51	335.52	897.03
Class B	4,600,083.28	672,248.01	1,330,346.41	3,941,984.88
Class B-CHF	13,927.02	-	-	13,927.02
Class C	535,311.23	6,114.00	538,312.29	3,112.94
Class R	827,576.13	92,234.78	498,614.97	421,195.94
Class S	63,604.76	19,302.42	56,171.04	26,736.14

The accompanying notes are an integral part of these financial statements.

EXANE FUNDS 2 - EXANE PLEIADE FUND (in EUR)

Securities Portfolio as at December 31, 2023

Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV
Other transferable securities				
Money markets instruments				
Banks				
15,000,000.00	MAINE ANJOU ET BASSE-NORMANDIE (CAISSE F	EUR	14,980,151.22	1.31
55,000,000.00	CREDIT MUTUEL ARKEA SA 0% 08/02/2024 NEU	EUR	54,759,499.80	4.79
5,000,000.00	JYSKE BANK A/S 0% 19/03/2024 NEUCP	EUR	4,956,817.30	0.43
31,000,000.00	PALATINE SA 0% 26/01/2024 NEUCP	EUR	30,907,247.31	2.70
57,000,000.00	BELFIUS BANK SA/NV 0% 12/02/2024	EUR	56,723,494.51	4.96
40,000,000.00	KBC BANK NV 0% 04/01/2024	EUR	39,978,108.86	3.50
14,000,000.00	PARIS(CREDIT MUNICIPAL DE) 0% 06/03/2024	EUR	13,896,821.01	1.22
18,000,000.00	OCEAN(CAISSE FEDERALE DU CREDIT MUTUEL) 0% 15/01/2024	EUR	17,968,316.87	1.57
20,000,000.00	CA CONSUMER FINANCE 0% 11/01/2024 NEUCP	EUR	19,973,404.22	1.75
56,000,000.00	SUMITOMO MITSUI BANKING CORPORATION 0% 14/02/2024	EUR	55,715,930.95	4.87
35,000,000.00	BPIFRANCE FINANCEMENT SA 0% 21/02/2024 N	EUR	34,798,477.47	3.04
45,000,000.00	BANQUE POSTALE (LA) 0% 16/02/2024 NEUCP	EUR	44,764,166.64	3.92
18,200,000.00	PARIS(CREDIT MUNICIPAL DE) 0% 03/01/2024	EUR	18,191,970.02	1.59
15,000,000.00	CA CONSUMER FINANCE 0% 04/03/2024 NEUCP	EUR	14,892,485.73	1.30
40,000,000.00	BRED BANQUE POPULAIRE 0% 02/02/2024 NEUC	EUR	39,850,031.27	3.49
27,000,000.00	REGIE AUTONOME DES TRANSPORTS PARISIENS 0% 21/02/2024	EUR	26,845,684.48	2.35
20,000,000.00	BPIFRANCE 0% 23/01/2024 NEUCP	EUR	19,947,854.04	1.75
55,000,000.00	CREDIT LYONNAIS SA 0% 12/02/2024 NEUCP	EUR	54,731,826.26	4.79
24,000,000.00	OCEAN(CAISSE FEDERALE DU CREDIT MUTUEL) 0% 01/02/2024	EUR	23,913,074.52	2.09
30,000,000.00	NORMANDIE SEINE (CAISSE REGIONALE LE CRE	EUR	29,893,878.29	2.62
55,000,000.00	UNEDIC (UNION NATIONALE INTERPROFESSIONN.) 0% 10/01/2024	EUR	54,935,256.02	4.81
56,500,000.00	MITSUBISHI UFJ TRUST + BANKING CORPORATION 0% 13/02/2024	EUR	56,218,240.29	4.92
57,000,000.00	BANCO BILBAO VIZCAYA ARGENTARIA SA 0% 23/02/2024	EUR	56,657,797.16	4.96
55,000,000.00	BPCE SA 0% 22/02/2024 NEUCP	EUR	54,677,346.68	4.78
24,000,000.00	PALATINE SA 0% 16/02/2024 NEUCP	EUR	23,873,281.20	2.09
58,000,000.00	LOCATION DEQUIPEMENTS COMPAGNE 0% 02/02/2024	EUR	57,778,251.42	5.06
37,000,000.00	MAINE ANJOU ET BASSE-NORMANDIE 0% 08/02/2024	EUR	36,836,430.28	3.22
50,000,000.00	JYSKE BANK 0% 11/03/2024 NEUCP	EUR	49,610,865.69	4.34
25,000,000.00	REGIE AUTONOME DES TRANSPORTS PARISIENS	EUR	24,970,349.34	2.18
			1,033,247,058.85	90.40
			1,033,247,058.85	90.40
Funds				
Undertakings for collective investment				
Open-ended Funds				
47,000.00	GROUPAMA ENTREPRISES I	EUR	109,515,170.00	9.59
			109,515,170.00	9.59
			109,515,170.00	9.59
Total securities portfolio			1,142,762,228.85	99.99

Financial derivative instruments as at December 31, 2023

Purchase		Sale		Maturity Date	Commitment in EUR	Unrealised appreciation / (depreciation) in EUR
Forward foreign exchange contracts						
13,096,000.00	USD	12,121,679.84	EUR	19/01/24	11,855,338.80	(276,538.60)
21,528,414.14	GBP	24,959,596.03	EUR	19/01/24	24,843,822.21	(133,736.78)
15,944,736.48	CHF	16,994,558.45	EUR	19/01/24	17,150,410.33	177,369.88
6,814,000.00	SEK	604,386.49	EUR	19/01/24	612,081.74	7,693.22
32,733,468.62	EUR	35,359,000.00	USD	19/01/24	32,009,233.70	752,415.37
11,011,115.08	EUR	9,489,000.00	GBP	19/01/24	10,950,320.24	68,762.04
3,643,670.00	EUR	27,160,000.00	DKK	19/01/24	3,643,412.41	(541.58)
6,342,861.31	EUR	5,983,000.00	CHF	19/01/24	6,435,409.26	(100,496.16)
Total Forward foreign exchange contracts						494,927.39

Quantity	Name	Currency	Commitment in EUR	Unrealised appreciation / (depreciation) in EUR
Contracts for Difference				
(32,365.00)	AIR LIQUIDE SA	EUR	5,700,123.80	(80,295.96)
48,359.00	SIEMENS AG-REG	EUR	8,217,161.28	769,875.28
39,234.00	LEGRAND SA	EUR	3,691,919.40	222,849.12
134,740.00	INDUSTRIA DE DISENO TEXTIL	EUR	5,312,798.20	215,584.00
(132,736.00)	MERCEDES-BENZ GROUP AG	EUR	8,302,636.80	(373,783.17)
(18,254.00)	BAYERISCHE MOTOREN WERKE AG	EUR	1,839,638.12	(94,738.26)
131,977.00	RYANAIR HOLDINGS PLC	EUR	2,517,461.28	197,965.50
(49,540.00)	EUROFINS SCIENTIFIC	EUR	2,921,869.20	(85,790.06)
846,540.00	STELLANTIS NV	EUR	17,900,088.30	1,048,863.07
76,817.00	AIR FRANCE-KLM	EUR	1,044,096.66	150,561.32
394,860.00	PUBLICIS GROUPE	EUR	33,168,240.00	2,535,001.20
(70,041.00)	ADECCO GROUP AG-REG	CHF	3,109,166.47	49,908.06
(8,132.00)	GEBERIT AG-REG	CHF	4,714,583.20	(433,846.60)
44,676.00	THALES SA	EUR	5,984,350.20	(134,028.00)
(1,595.00)	GIVAUDAN-REG	CHF	5,977,175.43	(363,708.72)
(11,291.00)	KERING	EUR	4,505,109.00	(40,085.65)
(371,174.00)	HENNES & MAURITZ AB-B SHS	SEK	5,888,771.78	(271,488.64)
(3,864.00)	LVMH MOET HENNESSY LOUIS VUI	EUR	2,834,630.40	(33,193.83)
352,166.00	BUREAU VERITAS SA	EUR	8,054,036.42	275,724.80
41,114.00	SAFRAN SA	EUR	6,556,038.44	(57,012.96)
(50,039.00)	VINCI SA	EUR	5,689,434.30	(63,460.57)
90,786.00	ALLEN SA	EUR	12,219,795.60	813,195.51
49,989.00	ADIDAS AG	EUR	9,205,974.24	(292,980.13)
91,239.00	GETLINK SE	EUR	1,511,374.04	(18,703.97)
(13,955.00)	SWATCH GROUP AG/THE-BR	CHF	3,431,335.91	(9,785.44)
(112,660.00)	BASF SE	EUR	5,495,554.80	(686,662.74)
(150,162.00)	NKT A/S	DKK	9,342,634.44	(789,631.89)
(963,271.00)	GJENSIDIGE FORSIKRING ASA	NOK	16,099,595.53	(463,668.36)
40,809.00	ASML HOLDING NV	EUR	27,819,495.30	2,395,488.30
(35,302.00)	HEIDELBERG MATERIALS AG	EUR	2,857,343.88	(136,608.47)
191,478.00	SMURFIT KAPPA GROUP PLC	EUR	6,870,230.64	169,518.67
1,555,734.00	NORDEA BANK ABP	SEK	17,429,251.69	1,022,205.61
301,578.00	PROSUS NV	EUR	8,138,082.33	(1,029,888.86)
539,375.00	EQT AB	SEK	13,808,387.60	1,932,202.97
(164,683.00)	WIZZ AIR HOLDINGS PLC	GBP	4,201,882.33	(623,345.73)
878,475.00	TRYG A/S	DKK	17,311,303.50	(92,246.72)

The accompanying notes are an integral part of these financial statements.

EXANE FUNDS 2 - EXANE PLEIADE FUND (in EUR)

Securities Portfolio as at December 31, 2023

Quantity	Name	Currency	Commitment in EUR	Unrealised appreciation / (depreciation) in EUR	Quantity	Name	Currency	Commitment in EUR	Unrealised appreciation / (depreciation) in EUR
649,595.00	DEUTSCHE TELEKOM AG-REG	EUR	14,128,691.25	(146,158.90)	203,112.00	ASSA ABLOY AB-B	SEK	5,296,511.44	394,091.10
(8,812,393.00)	MAPFRE SA	EUR	17,122,479.60	696,179.00	202,327.00	SPIE SA - WI	EUR	5,725,854.10	295,397.42
962,607.00	RWE AG	EUR	39,640,156.26	1,742,318.67	(2,488,831.00)	NATIONAL GRID PLC	GBP	30,386,973.61	(875,994.92)
86,143.00	WOLTERS KLUWER	EUR	11,086,604.10	206,743.20	(209,589.00)	COMPASS GROUP PLC	GBP	5,190,444.80	(109,493.00)
91,238.00	UPM-KYMMENE OYJ	EUR	3,107,566.28	180,651.24	1,333,427.00	STOREBRAND ASA	NOK	10,702,123.02	(383,694.53)
1,598,473.00	AXA SA	EUR	47,138,968.77	1,192,500.73	(7,256.00)	SWISSCOM AG-REG	CHF	3,949,162.10	34,340.54
(2,409.00)	AP MOLLER-MAERSK A/S-B	DKK	3,923,142.24	(412,839.12)	(77,787.00)	SAP SE	EUR	10,849,730.76	466,722.00
651,846.00	STMICROELECTRONICS NV	EUR	29,492,772.27	1,166,804.34	(123,467.00)	PUMA SE	EUR	6,237,552.84	1,069,224.22
85,364.00	BRUNELLO CUCINELLI SPA	EUR	7,563,250.40	1,075,972.16	(1,732,501.00)	BANCO BILBAO VIZCAYA ARGENTA	EUR	14,251,553.23	464,393.38
1,842,285.00	COMMERZBANK AG	EUR	19,822,986.60	(771,219.07)	(30,400.00)	EIFFAGE	EUR	2,949,408.00	(23,159.35)
61,638.00	CIE FINANCIERE RICHEMO-A REG	CHF	7,674,086.80	378,454.96	84,435.00	EDENRED	EUR	4,571,310.90	276,505.57
(1,305,732.00)	KONINKLIJKE KPN NV	EUR	4,071,272.38	37,866.23	6,188,955.00	EDP-ENERGIAS DE PORTUGAL SA	EUR	28,190,690.03	1,039,744.53
(3,058,302.00)	IBERDROLA SA	EUR	36,302,044.74	(1,605,608.46)	(308,837.00)	EPIROC AB-A	SEK	5,609,417.60	(183,096.71)
351,615.00	ADMIRAL GROUP PLC	GBP	10,890,712.13	(64,214.10)	(760,276.00)	HEXAGON AB-B SHS	SEK	8,260,083.74	(865,261.41)
(5,609,090.00)	SNAM SPA	EUR	26,110,313.95	(179,490.96)	(1,957,365.00)	TELIA CO AB	SEK	4,523,961.50	(145,934.24)
(349,852.00)	3I GROUP PLC	GBP	9,774,296.83	(663,577.82)	(385,073.00)	SVENSKA CELLULOSA AB SCA-B	SEK	5,226,546.62	161,127.71
(24,428.00)	ASM INTERNATIONAL NV	EUR	11,479,938.60	18,321.00	(60,983.00)	LANXESS AG	EUR	1,730,087.71	(9,886.82)
(467,968.00)	RELX PLC	EUR	16,762,613.76	(252,702.72)	(1,437,937.00)	CENTRICA PLC	GBP	2,333,920.02	139,388.04
178,327.00	GEA GROUP AG	EUR	6,721,144.63	707,958.19	21,705.00	KINGSPAN GROUP PLC	EUR	1,701,672.00	121,548.00
(70,838.00)	YARA INTERNATIONAL ASA	NOK	2,280,758.18	30,841.94	(312,379.00)	DANSKE BANK A/S	DKK	7,559,567.19	(134,094.32)
27,311.00	HANNOVER RUECK SE	EUR	5,907,369.30	(84,358.47)	80,756.00	CAPGEMINI SE	EUR	15,242,695.00	60,567.00
(11,323.00)	PARTNERS GROUP HOLDING AG	CHF	14,773,366.68	(736,841.45)	(297,768.00)	ALFA LAVAL AB	SEK	10,789,994.27	(320,971.56)
(10,984,419.00)	LLOYDS BANKING GROUP PLC	GBP	6,047,736.78	(117,396.35)	570,000.00	METSO CORP	EUR	5,226,900.00	79,800.00
(40,339.00)	ZURICH INSURANCE GROUP AG	CHF	19,073,921.05	(31,351.93)	(315,226.00)	ABB LTD-REG	CHF	12,647,014.95	(878,170.73)
(459,797.00)	REXEL SA	EUR	11,389,171.69	(1,167,313.43)	90,246.00	CHR HANSEN HOLDING A/S	DKK	6,854,509.69	196,727.04
915,029.00	VESTAS WIND SYSTEMS A/S	DKK	26,304,835.93	3,036,778.56	142,548.00	SKANSKA AB-B SHS	SEK	2,334,931.76	177,344.69
251,665.00	BNP PARIBAS	EUR	15,751,712.35	1,177,855.62	(2,677,745.00)	TELEFONICA SA	EUR	9,463,150.83	946,558.90
(247,549.00)	JCDECAUX SE	EUR	4,505,391.80	(175,759.79)	(69,045.00)	TEMENOS AG - REG	CHF	5,809,078.09	(311,916.74)
(1,002,487.00)	CREDIT AGRICOLE SA	EUR	12,883,962.92	(832,064.21)	211,626.00	LONDON STOCK EXCHANGE GROUP	GBP	22,648,658.75	898,717.55
(83,820.00)	DEUTSCHE BOERSE AG	EUR	15,632,430.00	(1,007,953.90)	1,302,698.00	SSE PLC	GBP	27,901,534.68	353,279.08
67,802.00	HOLCIM LTD	CHF	4,814,766.10	38,030.43	(1,437,860.00)	WPP PLC	GBP	12,494,473.26	(686,837.64)
(5,485,670.00)	ITV PLC	GBP	4,005,922.31	(200,042.88)	(167,405.00)	FLSMIDTH & CO A/S	DKK	6,449,579.92	(85,335.67)
77,945.00	STROEER SE + CO KGAA	EUR	4,189,543.75	23,383.50	(618,214.00)	HARGREAVES LANSDOWN PLC	GBP	5,236,501.94	(111,293.49)
(204,838.00)	VALEO	EUR	2,850,320.77	(130,072.16)	663,469.00	ALSTOM	EUR	8,081,052.42	543,132.09
(2,389,679.00)	ABRDN PLC	GBP	4,926,618.81	(220,727.11)	(243,606.00)	TENCENT HOLDINGS LTD	HKD	8,291,768.44	943,273.39
(388,383.00)	UNICREDIT SPA	EUR	9,540,628.40	264,219.11	832,268.00	INFORMA PLC	GBP	7,502,945.72	366,887.51
318,597.00	FORVIA	EUR	6,505,750.74	759,853.84	81,873.00	EURONEXT NV - WI	EUR	6,439,311.45	190,044.78
427,322.00	INTRUM AB	SEK	2,678,511.49	614,929.12	(12,386.00)	DSM-FIRMENICH AG	EUR	1,139,512.00	3,615.08
(580,000.00)	BAE SYSTEMS PLC	GBP	7,432,808.26	(419,604.18)	(8,507,973.00)	LEGAL & GENERAL GROUP PLC	GBP	24,653,534.36	(2,056,473.28)
(489,026.00)	PRYSMIAN SPA	EUR	20,133,200.42	(2,855,911.84)	1,559,751.00	E.ON SE	EUR	18,950,974.65	335,346.37
(40,764.00)	SWISS LIFE HOLDING AG-REG	CHF	25,606,298.81	(997,958.91)	1,294,712.00	VALLOUREC SA	EUR	18,158,335.80	687,265.24
(73,464.00)	AUTOLIV INC-SWED DEP RECEIPT	SEK	7,285,358.72	(128,681.61)	(431,697.00)	SAGE GROUP PLC/THE	GBP	5,841,148.61	(209,235.18)
(50,714.00)	AIRBUS SE	EUR	7,088,802.92	(181,556.12)	494,900.00	TELE2 AB-B SHS	SEK	3,847,172.33	190,269.23
15,252.00	ROCKWOOL A/S-B SHS	DKK	4,042,893.53	215,170.51	(185,411.00)	AMADEUS IT GROUP SA	EUR	12,029,465.68	(338,855.56)
581,820.00	ASR NEDERLAND NV	EUR	24,843,714.00	247,314.85	110,330.00	CRH PLC	GBP	6,888,065.32	441,169.47
(1,538,532.00)	REDEIA CORP SA	EUR	22,939,512.12	718,341.85	(378,853.00)	SEVERN TRENT PLC	GBP	11,275,308.83	96,183.32
3,467,369.00	BEAZLEY PLC	GBP	20,887,041.92	(646,267.29)	451,321.00	ERSTE GROUP BANK AG	EUR	16,577,020.33	(136,349.72)
(3,989,020.00)	NATWEST GROUP PLC	GBP	10,099,717.13	(465,826.10)	3,653,878.00	INTESA SANPAOLO	EUR	9,659,026.49	23,065.33
39,857.00	ALLIANZ SE-REG	EUR	9,643,401.15	441,608.58	(965,464.00)	ASSICURAZIONI GENERALI	EUR	18,445,189.72	(96,546.43)
5,317,365.00	ENEL SPA	EUR	35,785,866.45	1,297,437.04	(1,579.00)	HERMES INTERNATIONAL	EUR	3,029,785.20	58,109.88
(571,079.00)	SKF AB-B SHARES	SEK	10,326,360.00	(215,453.12)	88,316.00	WHITBREAD PLC	GBP	3,726,078.08	291,333.52
77,806.00	KERRY GROUP PLC-A	EUR	6,120,219.96	345,458.64	(155,273.00)	DEUTSCHE BANK AG-REGISTERED	EUR	1,919,795.37	(81,549.38)
(909,801.00)	UNITED UTILITIES GROUP PLC	GBP	11,123,814.66	330,722.17	(3,716,347.00)	DIRECT LINE INSURANCE GROUP PLC	GBP	7,803,235.09	260,513.81
209,842.00	KONE OYJ-B	EUR	9,476,464.72	920,083.14	32,928.00	NEMETSCHEK AKT	EUR	2,584,189.44	(49,939.00)
(735,109.00)	SVENSKA HANDELSBANKEN-A SHS	SEK	7,227,278.69	(663,628.59)					

The accompanying notes are an integral part of these financial statements.

EXANE FUNDS 2 - EXANE PLEIADE FUND (in EUR)

Securities Portfolio as at December 31, 2023

Quantity	Name	Currency	Commitment in EUR	Unrealised appreciation / (depreciation) in EUR
(8,038.00)	SIKA AG-REG	CHF	2,366,355.38	(315,571.69)
(202,677.00)	SECURITAS AB-B SHS	SEK	1,794,736.01	(75,372.36)
1,337,662.00	SKANDINAVISKA ENSKILDA BAN-A	SEK	16,677,968.61	1,417,867.65
125,865.00	INFINEON TECHNOLOGIES AG	EUR	4,757,697.00	283,196.25
(5,529.00)	MTU AERO ENGINES AG	EUR	1,079,537.25	(47,288.52)
96,766.00	WORLDLINE SA - W/I	EUR	1,516,323.22	138,859.20
(198,730.00)	NN GROUP NV - W/I	EUR	7,104,597.50	(161,437.31)
(207,161.00)	STORA ENSO OYJ-R SHS	EUR	2,594,691.53	(127,404.05)
(244,425.00)	INVESTOR AB-B SHS	SEK	5,126,722.43	(172,703.90)
(289,406.00)	DASSAULT SYSTEMES SE	EUR	12,801,874.41	(367,545.62)
(30,445.00)	MONCLER SPA	EUR	1,695,786.50	(146,744.90)
(27,300.00)	SCHINDLER HOLDING AG-REG	CHF	5,858,180.06	(355,308.17)
(164,429.00)	LOGITECH INTERNATIONAL-REG	CHF	14,106,547.32	(622,555.76)
(498,591.00)	ST JAMES PLACE PLC	GBP	3,933,261.87	(201,381.18)
10,106,588.00	BARCLAYS PLC	GBP	17,935,388.64	1,664,461.07
2,433,518.00	HSBC HOLDINGS PLC	GBP	17,846,641.15	916,935.94
(49,755.00)	MUENCHENER RUECKVER AG-REG	EUR	18,663,100.50	762,591.82
3,331,624.00	BANKINTER SA	EUR	19,310,092.70	(1,959,455.86)
(17,040.00)	RTL GROUP	EUR	595,718.40	(32,035.20)
(42,633.00)	INTERCONTINENTAL HOTELS GROU	GBP	3,488,176.91	(58,845.05)
49,566.00	AKZO NOBEL N.V.	EUR	3,708,528.12	210,635.50
763,225.00	ORANGE	EUR	7,864,270.40	(763,225.00)
323,547.00	BURFORD CAPITAL LTD	GBP	4,529,023.26	495,547.36
4,095,145.00	MAN GROUP PLC/JERSEY	GBP	10,992,218.88	1,043,546.45
(2,666,175.00)	AMS-OSRAM AG	CHF	6,062,486.77	(2,504,527.80)
(562,561.00)	UBS GROUP AG-REG	CHF	15,793,096.81	(872,173.09)
(280,948.00)	SAMPO OYJ-A SHS	EUR	11,128,350.28	250,554.34
1,446,288.00	PRUDENTIAL PLC	GBP	14,807,532.32	436,576.08
363,650.00	SANDVIK AB	SEK	7,124,371.43	362,588.35
(628,450.00)	TERNA-RETE ELETTRICA NAZIONALE	EUR	4,747,311.30	(7,403.14)
(218,035.00)	ELIS SA -W/I	EUR	4,118,681.15	(263,822.35)
(324,978.00)	NIBE INDUSTRIER AB-B SHS	SEK	2,066,781.26	4,485.82
(1,114,687.00)	VOLVO CAR AB-B	SEK	3,260,202.89	161,207.83
1,676,887.00	AEGON LTD	EUR	8,800,302.98	372,268.91
45,992.00	SYENSQO SA	EUR	4,335,205.92	120,672.77
(112,630.00)	SWEDBANK AB - A SHARES	SEK	2,056,831.71	(110,783.61)
(51,391.00)	RANDSTAD NV	EUR	2,914,897.52	(100,682.67)
(105,900.00)	WELLS FARGO & CO	USD	4,718,596.84	30,457.10
(23,400.00)	THOMSON REUTERS CORP	USD	3,097,404.61	(133,665.87)
(222,489.00)	INTERPUBLIC GROUP OF COS INC	USD	6,574,065.05	(382,681.50)
(98,909.00)	OMNICOM GROUP	USD	7,745,998.81	(526,487.96)
(40,826.00)	BLACKSTONE INC	USD	4,838,582.28	(676,605.14)
(334,707.00)	VERIZON COMMUNICATIONS INC	USD	11,423,033.45	190,888.90
(734,319.00)	AT&T INC	USD	11,154,549.24	(139,598.06)
140,033.00	T-MOBILE US INC	USD	20,324,528.94	1,252,456.48
(15,105.00)	ACCENTURE PLC-CL A	USD	4,798,348.39	(242,987.24)
(51,500.00)	CAPITAL ONE FINANCIAL CORP	USD	6,112,958.86	(576,580.42)
(66,142.00)	NXP SEMICONDUCTORS NV	USD	13,752,314.81	(1,532,825.07)
(58,000.00)	MORGAN STANLEY	USD	4,896,120.94	(73,706.97)
(159,205.00)	STOXX 600 BANK (SX7P)	EUR	26,897,684.75	(899,454.73)
16,000.00	AUTODESK INC	USD	3,526,619.29	362,829.86
(31,470.00)	STOXX 600 INSURANCE INDEX	EUR	10,913,481.30	11,425.60
(225,811.00)	EURO STOXX BANK (SX7E)	EUR	26,731,506.18	(442,315.19)

Quantity	Name	Currency	Commitment in EUR	Unrealised appreciation / (depreciation) in EUR
(22,900.00)	NIKE INC -CL B	USD	2,250,715.61	31,031.52
126,800.00	JPMORGAN CHASE & CO	USD	19,525,351.92	1,459,266.35
Total Contracts for Difference				8,713,978.59

Summary of net assets

		% NAV
Total securities portfolio	1,142,762,228.85	99.99
Total financial derivative instruments	9,208,905.98	0.81
Cash at bank	1,486,611.78	0.13
Other assets and liabilities	(10,560,920.28)	(0.93)
Total net assets	1,142,896,826.33	100.00

The accompanying notes are an integral part of these financial statements.

EXANE FUNDS 2 - EXANE PLEIADE FUND (in EUR)

Portfolio Breakdowns

Nature allocation	% of portfolio	% of net assets
Money markets instruments	90.42	90.40
Undertakings for collective investment	9.58	9.59
	100.00	99.99

Country allocation	% of portfolio	% of net assets
France	81.31	81.31
Belgium	13.34	13.33
United Kingdom	4.92	4.92
Other	0.43	0.43
	100.00	99.99

Top Ten Holdings

Top Ten Holdings	Sector	Market value EUR	% of net assets
GROUPAMA ENTREPRISES I	Open-ended Funds	109,515,170.00	9.59
LOCATION DEQUIPEMENTS COMPAGNE 0% 02/02/	Banks	57,778,251.42	5.06
BELFIUS BANK SA/NV 0% 12/02/2024	Banks	56,723,494.51	4.96
BANCO BILBAO VIZCAYA ARGENTARIA SA 0% 23	Banks	56,657,797.16	4.96
MITSUBISHI UFJ TRUST + BANKING CORPORATI	Banks	56,218,240.29	4.92
SUMITOMO MITSUI BANKING CORPORATION	Banks	55,715,930.95	4.87
UNEDIC (UNION NATIONALE INTERPROFESSIONN	Banks	54,935,256.02	4.81
CREDIT MUTUEL ARKEA SA 0% 08/02/2024 NEU	Banks	54,759,499.80	4.79
CREDIT LYONNAIS SA 0% 12/02/2024 NEUCP	Banks	54,731,826.26	4.79
BPCE SA 0% 22/02/2024 NEUCP	Banks	54,677,346.68	4.78

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements as at December 31, 2023

Note 1 - General information

EXANE FUNDS 2 (the "SICAV") was established in the Grand Duchy of Luxembourg under the aegis of EXANE SA (the "Promoter") on March 2, 2006, for an indefinite term, in the form of a Luxembourg Open-Ended Investment Company (Société d'Investissement à Capital Variable - "SICAV"). The SICAV was established in accordance with Part II of the Law of December 17, 2010 as amended on Undertakings for Collective Investment. By decision of the Extraordinary General Meeting held on May 27, 2011 and until June 30, 2014, the SICAV was converted into a self-managed SICAV governed by the provisions of Part I of the Law of 2010 as amended and by the Law of 10 August 1915 on commercial companies, as amended. On July 1, 2014, the Company has appointed Exane Asset Management Luxembourg (until November 30, 2018) and on December 1, 2018 Exane Asset Management has been appointed in substitution to serve as its designated management company (the "Management Company") in accordance with the Law of 2010.

The minimum capital is EUR 1,250,000.

Its Articles of Association were published in *Le Memorial, Recueil des Sociétés et Associations* on March 23, 2006, after being filed with the office of the Registrar of the District Court of Luxembourg (*Greffe du Tribunal d'Arrondissement de Luxembourg*), where they may be consulted.

EXANE FUNDS 2 was incorporated in the form of a SICAV with multiple sub-funds.

As at December 31, 2023, three sub-funds were available for subscription:

- EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE
- EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO
- EXANE FUNDS 2 - EXANE PLEIADE FUND

The SICAV was entered on the Luxembourg Trade and Companies register (*Registre de Commerce et des Sociétés de Luxembourg*) under number B 114 732.

For the EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE sub-fund, seven Classes of Shares are offered in the sub-fund, with the following characteristics:

- Class A is intended exclusively for Institutional Investors. In particular, Institutional Investors include legal entities subscribing on their own account or on behalf of individuals pursuant to a discretionary investment agreement or a unit-linked endowment policy (*contrat d'assurance-vie*), pension funds and UCIs.
- Class B is intended for all investors.
- Class C is reserved for the Management Company's employees (managing directors included) and its affiliates.
- Class D and Class J are intended to Institutional Investors and distribute their income.
- Class F is intended exclusively for Institutional Investors. Holding of Class F is restricted to investors who subscribed until March 31, 2013 and defined as seeding investors ("Seeding Investors"). Class F is closed to new subscriptions from Seeding Investors unless specific resolution from the Board of Directors of the SICAV.
- Class S and Class T are intended for Institutional Investors.

For the EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO sub-fund, three Classes of Shares are available:

- Class A is intended exclusively for Institutional Investors. In particular, Institutional Investors include legal entities subscribing on their own account or on behalf of individuals pursuant to a discretionary investment agreement or a unit-linked endowment policy (*contrat d'assurance-vie*), pension funds and UCIs.
- Class B is intended for all investors.
- Class C is intended for Management Company's employees and its affiliates (executive officers included).

For the EXANE FUNDS 2 - EXANE PLEIADE FUND sub-fund, eight Classes of Share are available:

- Class A intended exclusively for Institutional investors. In particular, Institutional Investors include legal entities subscribing on their own account or on behalf of individuals pursuant to a discretionary investment agreement or a unit-linked endowment policy (*contrat d'assurance-vie*), pension funds and UCIs.
- Class A-USD is intended exclusively for Institutional Investors and is hedged against USD-EUR exchange risk.
- Class A-CHF is intended exclusively for Institutional Investors and is hedged against CHF-EUR exchange risk.
- Class B-CHF is intended for all investors and is hedged against CHF-EUR exchange risk.
- Class B is intended for all investors.
- Class S is intended exclusively for Institutional Investors, with a minimum initial subscription of 25,000,000.00 EUR.
- Class C is reserved for the Management Company's employees and its affiliates (executive officers included) and its affiliates either made directly or through funds managed by the Management Company; investments from funds of funds managed by the Management Company, discretionary management portfolio managed by the Management Company.
- Class R is intended for all investors, with a minimum initial subscription of 25,000,000.00 EUR.

Notes to the Financial Statements as at December 31, 2023 (continued)

Note 2. Significant accounting principles

The SICAV's financial statements are prepared in accordance with the regulations in force in Luxembourg relating to Undertakings for Collective Investment.

2.1 Combined statements of the different sub-funds

The combined financial statements for EXANE FUNDS 2 are expressed in euro (EUR) by converting the financial statements of the sub-funds denominated in currencies other than the euro at the exchange rate prevailing at the end of the financial year.

2.2 Conversion of foreign currencies

The sub-funds' accounts are kept in the currency of their net asset value and the financial statements are expressed in the same currency.

The acquisition cost of securities purchased in a currency other than that of the sub-funds is converted into the currency of the sub-funds on the basis of the exchange rates prevailing on the date on which the securities are acquired.

Income and expenses denominated in a currency other than that of the sub-funds are converted into the currency of the sub-funds on the basis of the exchange rates prevailing on the transaction date.

At the end of the financial year, the securities valuations (determined as described below), receivables, bank deposits and debts denominated in a currency other than that of the sub-funds are converted into the currency of the sub-funds on the basis of the exchange rates prevailing on that date; the foreign exchange differences resulting from the conversion of receivables, bank deposits and debts are included in "net realised gain/loss on foreign currencies transactions" for the financial year.

2.3 Valuation of investments

The value of the assets is determined as follows:

- a) The value of cash in hand or on deposit, sight drafts and bills and receivables, prepaid expenses, and accrued dividends and interest shall consist of the nominal value of these assets, except where it appears unlikely that this value will be paid or received in full. In the latter case, the value shall be calculated by deducting an amount the SICAV estimates is appropriate to reflect the true value of these assets;
- b) The valuation of Transferable Securities and Money Market Instruments listed or traded on a Regulated Market or traded on Another Regulated Market or listed on a stock exchange of Another State or traded on Another Regulated Market of Another State, is based on the last known closing price on the Valuation Day and if these Transferable Securities are traded on several markets, on the basis of the last known closing price on the main market for these securities on the Valuation Day. If the last known closing price of a given Valuation Day is not representative, the valuation shall be based on the probable market value estimated prudently and in good faith;
- c) Transferable Securities that are not listed or traded on a Regulated Market or on Another Regulated Market shall be valued on the basis of their probable market value, estimated prudently and in good faith;
- d) Practice permitting, liquid assets, Money Market Instruments and all other instruments may be valued at the last known closing prices on the Valuation Day or using the straight-line depreciation method. In the case of straight-line depreciation, the portfolio's positions shall be reviewed regularly by the Board of Directors of the SICAV in order to determine whether there is a discrepancy between valuations using the last known closing prices and valuations using straight line depreciation. If there is a difference likely to result in a dilution or to be detrimental to Shareholders, the appropriate corrective measures may be taken, including, if necessary, the calculation of the Net Asset Value using the last known closing prices;
- e) All other assets are valued on the basis of the probable market value, which must be estimated prudently and in good faith;
- f) Open-ended target UCIs are valued on the basis of their last Net Asset Value available in Luxembourg;
- g) The Board of Directors of the SICAV may, at its discretion, permit the use of another valuation method, if it believes that such a valuation would better reflect the true value of one of the SICAV's assets;
- h) The value of Contracts for Difference is determined by reference to the market value of the underlying asset, taking into account the costs inherent in the transaction (i.e. borrowing costs, interest on collateral or cost funding for the counterparty, as applicable).

2.4 Income

Interests on bonds are recorded *pro rata temporis*. Dividends are recognised on the date on which the shares go ex-dividend for the first time.

Notes to the Financial Statements as at December 31, 2023 (continued)

Note 2. Significant accounting principles (continued)

2.5 Contracts for Difference

Contracts for Difference (CFDs) are over-the-counter financial contracts used to gain exposure to fluctuations (positive or negative depending on the direction of the transaction) in financial instruments, baskets of financial instruments or indices without having to own or borrow the underlying financial instruments.

CFDs are valued by reference to the market value of the underlying asset, taking into account the costs inherent in the transaction. Realised profits or losses and the change in unrealised profits or losses are included in the Statement of Operations and Changes in Net Assets.

2.6 Bank charges

This item consists of interest paid on bank overdrafts, net interest on cash at bank and other bank charges.

2.7 Receivable/payable on Contracts for Difference

The item "Receivable/payable on Contracts for Difference" consists of the net sum of dividends and interest receivable and payable on CFDs.

2.8 Net dividends received/paid on Contracts for Difference

The item "Net dividends received/paid on Contracts for Difference" consists of the net sum of dividends paid and received on CFDs.

2.9 Net interests received/paid on Contracts for Difference

The item "Net Interests received/paid on Contracts for Difference" consists of the net sum of interests paid and received on CFDs.

2.10 Forward foreign exchange contracts and options contracts

The liquidation value of forward foreign exchange contracts and options contracts that are not traded on Regulated Markets or on Other Regulated Markets shall be equivalent to their net liquidation value determined in accordance with the policies established by the Board of Directors of the SICAV, on a basis applied consistently to each type of contract. The liquidation value of forward foreign exchange contracts or options contracts traded on Regulated Markets or on other Regulated Markets shall be based on the last available settlement price for these contracts on the Regulated Markets or on Other Regulated Markets on which these forward foreign exchange contracts or options contracts are traded by the SICAV. However, if a forward contract or options contract cannot be liquidated on the day the net assets are valued, the basis used to determine the liquidation value of this contract shall be determined by the Board of Directors of the SICAV in a fair and reasonable manner. The profits or losses realised and change in unrealised gains and losses are included in the Statement of Operations and Changes in Net Assets.

Note 3. Taxation

The SICAV is governed by the tax laws of Luxembourg. Pursuant to the legislation and regulations currently in force, the SICAV is subject to an annual tax d'abonnement (subscription tax) of 0.01% for Classes A, A-CHF, A-USD, D, F, J, S and T and 0.05% for Classes B, B-CHF, R and C, calculated on the basis of the net assets at the end of the quarter in question and payable quarterly.

Note 4. Fixed Management fees and Variable Management fees

EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE

At the end of each quarter, the Management Company receives a Fixed Management fee, charged to the assets of the sub-fund and calculated as follows:

- Class A: a maximum annual rate and effective rate of 0.90% of the average net assets of the sub-fund attributable to Class A.
- Class B: a maximum annual rate and effective rate of 1.80% of the average net assets of the sub-fund attributable to Class B.
- Class C: a maximum annual rate and effective rate of 0.30% of the average net assets of the sub-fund attributable to Class C.
- Class D: a maximum annual rate and effective rate of 0.90% of the average net assets of the sub-fund attributable to Class D.
- Class F: a maximum annual rate and effective rate of 0.50% of the average net assets of the sub-fund attributable to Class F.
- Class J: a maximum annual rate and effective rate of 0.65% of the average net assets of the sub-fund attributable to Class J.
- Class S: a maximum annual rate and effective rate of 0.85% of the average net assets of the sub-fund attributable to Class S.
- Class T: a maximum annual rate and effective rate of 0.65% of the average net assets of the sub-fund attributable to Class T.

Notes to the Financial Statements as at December 31, 2023 (continued)

Note 4. Fixed Management fees and Variable Management fees (continued)

The Management Company may also receive a Variable Management fee of 15% of the positive difference between the performance of the sub-fund and "the Performance Margin subject to underperformance compensation and positive YTD Performance" on the proportion of the assets attributable to Class A, Class B, Class D, Class F, Class J and Class T Shares. This fee is calculated for each reference period (a "Reference Period") using the method described below:

Reference Periods are annual and correspond to the sub-fund's financial years.

The Net Asset Value applicable to each Reference Period is the latest Net Asset Value for the previous period.

The Variable Management fees is calculated as follows:

The Variable Management fee is only activated and accrued when:

- (1) The YTD Performance is positive,
- (2) The Performance Margin is above the Highest Recorded Performance Margin and when,
- (3) The Performance Margin is positive.

"Highest Recorded Performance Margin" means the highest Performance Margin recorded at the end of each fiscal year over the Reference period.

The Management Company provides investors, upon request, with the calculation methodology of the foregoing Variable Management fee.

In the event of a redemption during a Reference Period, the proportion of the Variable Management fee in respect of the shares concerned is crystallised and therefore remains irrevocably due to the Management Company. This crystallised share of the Variable Management fee is paid to the Management Company at the end of the relevant quarter.

Notwithstanding the above, the Variable Management fee for the Share Class T and Class J was determined as follows:

- The Variable Management fee is only activated and accrued when the Performance Margin is above the Highest Recorded Performance Margin.
- The Highest Recorded Performance Margin with respect to each of the Class T and Class J means the highest Performance Margin recorded at the end of each Reference Period since inception of the relevant Class.
- If the condition is verified, the applicable Variable Management fee will be computed as the percentage mentioned above of the difference between the Performance Margin and the Highest Recorded Performance Margin.
- For the avoidance of doubt, the Management Company may also receive a Variable Management fee even in case of negative performance of the Share Class T or Share Class J as long as the Performance Margin of the relevant Share Class is above the Highest Recorded Performance Margin.

EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO

At the end of each quarter, the Management Company receives a Fixed Management fee, charged to the assets of the sub-fund and calculated as follows:

- Class A: a maximum annual rate and effective rate of 0.90% of the average net assets of the sub-fund attributable to Class A.
- Class B: a maximum annual rate and effective rate of 1.80% of the average net assets of the sub-fund attributable to Class B.
- Class C: a maximum annual rate and effective rate of 0.30% of the average net assets of the sub-fund attributable to Class C.

The Management Company may also receive a Variable Management fee of 15% of the positive difference between the performance of the sub-fund and "the Performance Margin subject to underperformance compensation and positive YTD" on the proportion of the assets attributable to Class A and Class B Shares. This fee is calculated for each reference period (a "Reference Period") using the method described below:

Reference Periods are annual and correspond to the sub-fund's financial years.

The Net Asset Value applicable to each Reference Period is the latest Net Asset Value for the previous period.

The Variable Management fees is calculated as follows:

The Variable Management fee is only activated and accrued when:

- (4) The YTD Performance is positive,
- (5) The Performance Margin is above the Highest Recorded Performance Margin; and when,
- (6) The Performance Margin is positive.

Notes to the Financial Statements as at December 31, 2023 (continued)

Note 4. Fixed Management fees and Variable Management fees (continued)

"Highest Recorded Performance Margin" means the highest Performance Margin recorded at the end of each fiscal year over the Reference period.

The Management Company provides investors, upon request, with the calculation methodology of the foregoing Variable Management fee.

In the event of a redemption during a Reference Period, the proportion of the Variable Management fee in respect of the shares concerned is crystallised and therefore remains irrevocably due to the Management Company. This crystallised share of the Variable Management fee is paid to the Management Company at the end of the relevant quarter.

EXANE FUNDS 2 - EXANE PLEIADE FUND

At the end of each quarter, the Management Company receives a Fixed Management fee, charged to the assets of the sub-fund and calculated as follows:

- Class A: a maximum annual rate and effective rate of 1.25% of the average net assets of the sub-fund attributable to Class A.
- Class A-CHF: a maximum annual rate and effective rate of 1.25% of the average net assets of the sub-fund attributable to Class A-CHF.
- Class A-USD: a maximum annual rate and effective rate of 1.25% of the average net assets of the sub-fund attributable to Class A-USD.
- Class B: a maximum annual rate and effective rate of 2.00% of the average net assets of the sub-fund attributable to Class B.
- Class B-CHF: a maximum annual rate and effective rate of 2.00% of the average net assets of the sub-fund attributable to Class B-CHF.
- Class C: a maximum annual rate and effective of 0.30% of the average net assets of the sub-fund attributable to Class C.
- Class R: a maximum annual rate and effective rate of 1.50% of the average net assets of the sub-fund attributable to Class R.
- Class S: a maximum annual rate and effective rate of 1.00% of the average net assets of the sub-fund attributable to Class S.

The Management Company may also receive a variable management fee of 20% of the positive difference between the performance of the sub-fund and "the Performance Margin subject to High Water Mark" on the proportion of the assets attributable to Class A, Class A-CHF, Class A-USD, Class B, Class B-CHF, Class R and Class S Shares. This fee is calculated for each reference period (a "Reference Period") using the method described below:

Reference Periods are annual and correspond to the sub-fund's financial years.

The Net Asset Value applicable to each Reference Period is the latest Net Asset Value for the previous period.

The Variable Management fees is calculated as follows:

The Variable Management fee is calculated by comparing the sub-fund' annual performance with:

"Relative Performance" means the difference between the year-to-date performance of the sub-fund and that of the:

- capitalised Ester since the beginning of the year, on the share of the assets attributable to the Class A, Class B, Class R and Class S shares;
- capitalised Fed Funds Effective Rate since the beginning of the year, on the share of the assets attributable to Class A USD;
- capitalised SARON since the beginning of the year, on the share of the assets attributable to the Class A CHF and Class B CHF.

The Variable Management fee is only activated and accrued when:

- (1) The YTD Performance is positive,
- (2) The Performance Margin is above the Highest Recorded Performance Margin; and when,
- (3) The Performance Margin is positive.

If these conditions are verified, the actual Variable Management fee will be computed as the percentage mentioned above to the Relative Performance.

In the event of a redemption during a Reference Period, the proportion of the Variable Management fee in respect of the shares concerned is crystallised and therefore remains irrevocably due to the Management Company. This crystallised share of the Variable Management fee is paid to the Management Company at the end of the relevant quarter.

The Management Company provides investors, upon request, with the calculation methodology of the foregoing Variable Management fee.

Notes to the Financial Statements as at December 31, 2023 (continued)

Note 4. Fixed Management fees and Variable Management fees (continued)

For the year ending December 31, 2023, the Variable Management fees amounted to:

	Classes	Share class currency	Amount of the Variable Management fees in the sub-fund currency	% of the Variable Management fees based on the share class average NAV
EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE	Class A	EUR	-	-
	Class B	EUR	-	-
	Class D	EUR	-	-
	Class F	EUR	-	-
	Class J*	EUR	463.80	0.00
	Class S	EUR	-	-
	Class T	EUR	-	-
EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO	Class A	EUR	-	-
	Class B	EUR	-	-
	Class C	EUR	-	-
EXANE FUNDS 2 - EXANE PLEIADE FUND	Class A	EUR	85,049.44	0.01
	Class A-CHF	CHF	43.45	0.00
	Class A-USD	USD	2,970.44	0.03
	Class B	EUR	38,691.90	0.01
	Class B-CHF	CHF	-	-
	Class C	EUR	-	-
	Class R	EUR	20,034.23	0.03
Class S	EUR	439,899.04	0.08	

* Class J was reactivated during 2023, the amount of variable management fees paid by the share class to the management company was 463.80 EUR.

Note 5. Administrative Agent, Depository Bank, Domiciliary and Listing Agent, Registrar and Transfer Agent

The costs directly payable by the sub-fund and invoiced by all the sub-fund's service providers (Depository, Administrative Agent, Domiciliary, Registrar, Auditor, Legal Advisor) shall be subject to an annual maximum of 0.20% of the sub-fund's net assets. Any costs in excess of the aforementioned limit shall be payable by the Management Company by deduction from its Fixed Management fee and recorded in "Fixed Management fees".

Brokerage fees and/or securities borrowing fees paid to the sub-fund's financial intermediaries and counterparties are not included in this 0.2% limit. The same shall apply to any stock market taxes and stamp duty the sub-fund may have to pay on certain financial markets.

For the year ended December 31, 2023, the effective rates were the followings:

EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE	0.09%
EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO	0.20%
EXANE FUNDS 2 - EXANE PLEIADE FUND	0.08%

Note 6. Contracts for Difference ("CFDs") and Receivable/payable on Contracts for Difference

Sub-funds	Counterparties	Unrealised appreciation/ (depreciation) in EUR	Collateral given in EUR*	Collateral received in EUR*
EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE	JP Morgan AG	3,512,704.54	-	3,180,000.00
EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO	JP Morgan AG	1,091,984.04	-	790,000.00
EXANE FUNDS 2 - EXANE PLEIADE FUND	BNP Paribas London	10,114,035.04	-	11,270,000.00
	JP Morgan AG	(5,914,235.31)	9,980,000.00	-
	Citigroup Global Markets Europe AG	(283,480.90)	2,270,000.00	-
	Barclays Bank PLC	-	-	530,000.00
	UBS London	4,797,659.76	-	4,360,000.00

* The total collateral given or received consists of deposits for Forward Foreign Exchange and CFD contracts.

Notes to the Financial Statements as at December 31, 2023 (continued)

Note 6. Contracts for Difference ("CFDs") and Receivable/payable on Contracts for Difference (continued)

The caption "Receivable/payable on Contracts for Difference is composed as follows:

EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE

	Receivable in EUR	Payable in EUR
Interest on CFDs	-	(298,168.13)
Dividends on CFDs	53,106.22	-
Amounts realised on CFDs	87,534.46	-
Total	140,640.68	(298,168.13)

EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO

	Receivable in EUR	Payable in EUR
Interest on CFDs	-	(83,064.02)
Dividends on CFDs	4,660.39	-
Amounts realised on CFDs	38,780.81	-
Total	43,441.20	(83,064.02)

EXANE FUNDS 2 - EXANE PLEIADE FUND

	Receivable in EUR	Payable in EUR
Interest on CFDs	-	(751,384.93)
Dividends on CFDs	1,096,321.90	(2,640,365.90)
Amounts realised on CFDs	-	(3,157,733.61)
Total	1,096,321.90	(6,549,484.44)

Note 7. Changes in the composition of the securities portfolio

A list of the changes made to the composition of the portfolio is made available to Shareholders free of charge at branches of the Depositary bank and at the SICAV's registered office.

Note 8. Exchange rates as at December 31, 2023

1 EUR = 0.929700	CHF	1 EUR = 7.454550	DKK
1 EUR = 0.866550	GBP	1 EUR = 8.625750	HKD
1 EUR = 11.218500	NOK	1 EUR = 11.132500	SEK
1 EUR = 1.104650	USD	1 EUR = 155.733550	JPY

Note 9. Transaction costs

The SICAV bears transaction costs (costs included in the cost of acquisition of the securities or in the profits / losses realised on the portfolio are not included in the item transaction costs but presented below) which consist of brokerage fees, taxes, depositary fees relating to purchases and sales of transferable securities, money market instruments and other eligible assets.

Transaction costs included in the acquisition cost of the securities or in the gains/losses realised on portfolio are:

Sub-funds	Transaction costs in EUR ⁽¹⁾
- EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE	1,603,076.00
- EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO	205,939.000
- EXANE FUNDS 2 - EXANE PLEIADE FUND	6,398,879.00

⁽¹⁾ The displayed amount includes transaction fees and Research fees.

Note 10. Forward foreign exchange contracts

As at December 31, 2023, the sub-fund EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE held positions in forward foreign exchange contracts. The counterparties for these positions were Barclays Bank Ireland PLC and BNP Paribas Paris. There is no collateral for these positions.

As at December 31, 2023, the sub-fund EXANE FUNDS 2 - EXANE PLEIADE FUND held positions in forward foreign exchange contracts. The counterparties (per below) for these positions were:

Counterparties	Collateral Received (given) in EUR*
Barclays Bank Ireland PLC	530,000.00
BNP Paribas London	11,270,000.00

* The total collateral given or received consists of deposits for Forward Foreign Exchange and CFD contracts.

Notes to the Financial Statements as at December 31, 2023 (continued)

Note 11. Dividends

The sub-fund EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE has distributed the following dividends during the year under review:

EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE

	Currency	Ex-date	Payment date	Unitary dividend in EUR
Class D	EUR	16/05/2023	24/05/2023	308.99

Note 12. Professional fees

The caption "Professional fees" mainly includes Audit and Legal fees.

Note 13. Other expenses

The caption "other expenses" mainly includes Distribution and Regulatory fees.

The costs directly payable by the sub-fund and invoiced by all the sub-fund's service providers (Depositary, Administrative Agent, Domiciliary Agent, Registrar and Transfer Agent, Auditor, legal advisor) shall be subject to an annual maximum of 0.2% of the sub-fund's net assets. Any costs in excess of the aforementioned limit shall be payable by the Management Company by deduction from its Fixed Management.

Notes to the Financial Statements as at December 31, 2023 (continued)**Note 14. Reimbursement of withholding tax on foreign securities/Information to security holders in the accounts****1. Information on pending claims**

In several countries of the European Union, dividends paid by companies are taxed differently if the dividends are paid to domestic or foreign entities. As such, when dividends are paid to a foreign entity, they are sometimes subject to withholding tax, resulting in an inconsistent tax treatment that negatively affects the free movement of capital and is therefore contrary to European Union law. Several decisions of the Court of Justice of the European Union and of the Council of State having been issued in favour of foreign residents, the management company intends to submit requests for reimbursement of the withholding tax paid on the dividends received by foreign companies for the funds domiciled in Luxembourg where the prospects for reimbursement of the withholding taxes can be anticipated to be favourable for the relevant funds. With regard to claims procedures with the relevant tax authorities, the final result and the timeline for these procedures are uncertain. Insofar as concerns EXANE FUNDS 2 (the "SICAV"), claims have been brought. The reimbursement that may ultimately be obtained is uncertain, both in relation to its principal amount and interest, the latter where applicable, and in relation to timelines.

The sub-funds concerned are the following:

EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE
EXANE FUNDS 2 - EXANE PLEIADE FUND

2. Information on legal fees paid by the sub-funds

No legal fees were paid by the SICAV EXANE FUNDS 2 as of December 31, 2023.

3. Information on the reimbursement amount effectively received

The SICAV EXANE FUNDS 2 did not receive any reimbursement of withholding tax on foreign securities.

Additional Information (unaudited)

Information of the remuneration policy of the Management Company

QUALITATIVE AND QUANTITATIVE ELEMENTS OF REMUNERATION WITHIN THE FRAMEWORK OF DIRECTIVE 2011/61/EU ("AIFM DIRECTIVE") AND DIRECTIVE 2014/91/EU OF 23 JULY 2014 ("UCITS V DIRECTIVE")

Exane Asset Management's remuneration policy complies with the provisions on remuneration set out in Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (the "AIFM Directive"), and in Directive 2014/91/EU of 23 July 2014 relating to UCITS (the "UCITS V Directive").

In terms of governance, the Board of Directors has created a remuneration committee to which is delegated the implementation of the actions necessary to fulfil its obligations under the Remuneration policy. A dedicated Board of Directors endorses the annual remunerations statement proposed by Senior Management, based on a report by the Remuneration Committee.

Whether or not individual variable remuneration is awarded must respect the alignment of the interests of employees with those of clients on the one hand and of the management company on the other. Thus, beyond the financial performance observed in compliance with the management constraints, established and monitored by risk control, a set of additional qualitative criteria is taken into account: sensitivity to operational risks, non-compliance and sustainability, compliance with regulations and portfolio construction discipline as well as the assessment of the shared contribution in terms of each contributor's expertise. Taking account of all these criteria makes it possible both to refine the final individual amounts on a discretionary basis and to adjust the conditions precedent to deferred payments of variable remuneration.

Exane Asset Management's 2023 financial year led to the following results (the amounts presented are expressed in euros, and calculated at the management company level):

2023 financial year	All employees
Headcount in question	55
Fixed remuneration	4,842,791
Variable remuneration	3,604,552
Total	8,447,343

Data related to identified staff:

2023 financial year	Senior executives	Members of staff with significant impact on risks	Total
Total	3,063,651	4,406,833	7,470,484

Details of the current remuneration policy of the management company are available on the internet site of Exane Asset Management at:

<https://Exane Asset management – Remuneration policy EN>

A hard copy of the remuneration policy can be obtained on request free of charge.

Regulation on securities financing transactions

Information on securities financing transactions entered into by the sub-funds, in the context of the European Regulation 2015/2365 on the transparency of securities financing transactions and reuse

1. General Information

Market value in amount and as a percentage of the net assets of the sub-fund by type of financial transaction:

Contract For Difference:

Sub-funds	Unrealized gain or (loss) in EUR	Net assets as of 31/12/2023	Unrealized gain or (loss) in EUR
Exane Equity Select Europe	3,512,704.54	633,330,211.72	0.55%
Exane Pleiade Fund	8,713,978.59	1,142,896,826.33	0.76%
Exane Equity Select Focus Euro	1,091,984.04	115,509,488.62	0.95%

Additional Information (unaudited) (continued)

Regulation on securities financing transactions (continued)

The Sub-Fund does not use techniques and instruments related to securities financing transactions, such as securities lending, repurchase and reverse repurchase transactions, buy-sell or sell-buy-back transactions.

2. Concentration Data

a) Top 10 issuers of listed shares used as financial collateral for securities financing transactions:

No financial guarantee in the form of "listed shares" is held in the portfolio as of 31 December 2023.

b) Top 10 swap transaction counterparties:

CFD: see note 6 "Contracts for Difference receivable/payable" to the financial statements.

3. Aggregate transactions data

	CFD
Type and quality of collateral	
Liquidity	Yes
Financial instruments	N/A
Currency of collateral	
Liquidity	EUR
Financial instruments	N/A
Expiry of the guarantee	
Liquidity	N/A
Financial instruments	N/A
Domiciliation of counterparties	European Union (France, Germany, Ireland, Spain)
Settlement and clearing	Bilateral settlement

The maturity of the swap contracts open at 31 December 2023 ranges from 1 to 5 years.

4. Collateral reuse data

a) Listed shares: no sub-fund reuses listed shares received as financial collateral for securities financing transactions.

b) Liquid assets may be reused in the following ways*:

i. deposit

ii. invested in high quality government bonds

iii. used in a reverse repurchase agreement

iv. invested in short-term money market funds (UCI)

**no threshold for reuse of collateral is defined in the prospectus*

5. Retention of collateral received

100% of the assets received as collateral are deposited with our custodian BNP Securities Services, Luxembourg branch, 60 avenue J.F. Kennedy L -1855 Luxembourg, Luxembourg.

Cash is managed as a whole. The investment management process does not specifically distinguish cash received as collateral from other cash.

6. Retention of collateral given

Liquid assets posted as financial collateral with a sub-fund's counterparty is held at the level of that entity without segregation.

Additional Information (unaudited) (continued)7. **Revenue and cost data**

- a) The remuneration and associated costs resulting from securities financing transactions or total return swap transactions (including CFDs) shall be fully vested in the relevant Sub-Fund. These data are available in the financial statements, in the "Statement of Operations and Changes in Net Assets" section, under the heading "Transaction costs".
- b) Any operating expenses related to these transactions fall under the regime of fees charged by the Sub-Fund's service providers as specified in section 11 "Fees borne by the Sub-Fund" subsection 2 "Service Providers" of each prospectus supplement.

EXANE FUNDS 2 - EXANE EQUITY SELECT EUROPE

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

Product name: Exane Funds 2 – Exane Equity Select Europe (the “Sub-Fund”)

Legal entity identifier: 5299005L2J88PVP2KV43

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes



No

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

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

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

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

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

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

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

with a social objective

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

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

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



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

The ESG characteristics and sustainability risks associated with the investments have been assessed by the management company Exane Asset Management (the “**Management Company**”) through:

- An **INTEGRATION approach**, that respects a willingness to invest in all sectors of activity while favoring companies that best address the sustainability risks they face and know how to adapt their business models and strategies to these new challenges.

In particular, in terms of promoting (E) environmental and (S) social characteristics, 2 systematic axes were chosen to promote these characteristics in the sense of the SFDR regulation:

- "E": company trajectory in the reduction of greenhouse gas emissions, with emphasis on concrete and measurable progress and targets,
- "S": decent employment within the company and its entire supply chain.

These two points form a mandatory common denominator, in addition to the need for a sector-by-sector analysis of relevant ESG criteria.

Thus almost 100% of the securities held in the portfolio during the year were subject to internal and external ESG analysis. In addition, the annual weighted average ESG risk rating of the portfolio was better than that of the Benchmark (MSCI Europe).

- An **EXCLUSION policy**. The Management Company has complied with the exclusion policy, consisting of:

(i) systematic exclusions:

(a) controversial weapons: the Management Company identifies controversial weapons as those that have a disproportionate and indiscriminate impact on civilians, persisting for years after conflicts have ended. This applies to anti-personnel mines (APMs) and cluster bombs, whose impact on populations and territories persists beyond the period of peace, resulting in disproportionate and indiscriminate effects on civilians. In response to this, the Management Company has introduced a policy excluding controversial weapons such as incendiary weapons, white phosphorus bombs and chemical weapons. This approach is in line with France's commitments, including:

- ratification of the Ottawa Convention signed in 1997, which prohibits the use, stockpiling, production and transfer of anti-personnel mines, as well as their destruction; and
- the principles of the Oslo Convention signed in 2008, which prohibits the use, production, stockpiling and transfer of cluster munitions, with the exception of so-called "smart" munitions equipped with electronic anti-deactivation or self-destruction mechanisms.

In addition, the Management Company maintains and updates a list of excluded stocks on the basis of product involvement indicators provided by the extra-financial data provider Sustainalytics®;

b) tobacco production, gambling, pornography activities, where the income generated by these activities exceeds 10% of turnover;

c) values not complying with the Global Compact principles and OECD guidelines, according to the extra-financial data provider Sustainalytics®; and

d) list of countries (OFAC).

(ii) a discretionary list, established sector by sector, in accordance with the Management Company's investment philosophy, every six months on the basis of an internal analysis of the ESG characteristics of the companies. These are essentially securities in the investment universe with an ESG risk score above 30, as measured by Sustainalytics®. However, on the basis of internal analysis and supported by a documented calculation, certain securities may be reincluded and additional securities excluded.

- A **COMMITMENT approach** materialized by a continuous and documented dialogue with the management of the companies. The Management Company is convinced that good governance enhances risk assessment and improves corporate performances over the medium and longer term. Due to its high-level expertise in fundamental analysis of companies, the Management Company has significant access to the management of companies with whom a regular dialogue is maintained

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

- 100% of the securities in the portfolio as of 31 December 2023 (excluding bonds and other debt securities issued by public or quasi-public issuers and cash held on an ancillary basis) have been subject to external and internal ESG analysis.
- None of the Sub-Fund's positions has violated the Sub-Fund's exclusion policies.
- Portfolio ESG risk rating < Benchmark ESG risk rating :
the annual weighted average of the ESG risk ratings of the equity portfolio is equal to 20.0 whereas that of the Benchmark (MSCI Europe Index) is equal to 20.3 (Source: Sustainalytics scoring).
- Proportion of the portfolio with an ESG risk rating above 30 < to 15% :
The annual average proportion of securities in the equity portfolio with an ESG risk rating above 30 (as attributed by Sustainalytics) is equal to 5.7%.
- Better ESG rating of the portfolio on 2 Indicators:
The portfolio's rating on the Freedom of association policy indicator is equal to 88.2, whereas that of the investment universe (essentially the European equity market) is equal to 75.9 (Source: Sustainalytics rating on Human Capital issue) ;

The portfolio's rating on the Anti-corruption policy indicator is equal to 82.1, whereas that of the investment universe (essentially the European equity market) is equal to 73.0 (Source: Sustainalytics score on Business Ethics issue).

Sustainability indicators
measure how the environmental or social characteristics promoted by the financial

● **...and compared to previous periods?**

	ESG Analysis*	Portfolio ESG Risk Rating	Benchmark ESG risk rating	ESG Risk Rating > 30
2023	100%	20.0	20.3	5.7%
2022	100%	19.9	20.3	6.0%

	Freedom of association policy indicator of Portfolio	Freedom of association policy indicator of Benchmark	Anti-corruption policy indicator of Portfolio	Anti-corruption policy indicator of Benchmark
2023	88.2	75.9	82.1	73.0
2022	79.4	74.2	75.9	70.9

**data as at 31/12/2023. The other data are weighted annual averages.*

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

The Sub-Fund does not currently commit to investing in any sustainable investments.

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

The Sub-Fund does not currently commit to investing in any sustainable investments.

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

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.



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

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

The Management Company has considered the principal adverse impacts ("PAI") applicable to the Sub-Fund's strategy:

PAI 1: "Greenhouse gas emissions"

PAI 1 is monitored through **ESG Analysis & Integration**, which aims to mitigate the main negative sustainability impacts. Particular attention is paid to the mitigation of PAIs covering the trajectory for reducing greenhouse gas emissions (PAI 1). This includes an analysis of the reduction targets, their validation by an independent body (SBTi), the associated capital expenditure and the level of communication (reflected in the CDP rating) supporting their credibility.

The metrics are reviewed monthly to verify the level of greenhouse gas emissions from the issuers in the portfolio. In addition, each company's greenhouse gas emissions reduction trajectory is the subject of a specific question in the Management Company's internal analysis tool, i-ESG, with a completion rate of close to 90%.

PAI 10 and 11: "Violations of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises" and "Lack of processes and compliance mechanisms to monitor adherence to the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises".

PAIs 10 and 11 are monitored in terms of both **Exclusion** and **Integration**.

The Exclusion policy covers the most significant risks related to sustainability factors, and this information will be and is applied in a binding and ongoing manner. In particular, the Exclusion Policy targets companies that do not comply with the United Nations Global Compact and the OECD Guidelines (as listed by the supplier Sustainalytics®), in relation to PAIs 10 and 11 covering these aspects.

As part of the **ESG Integration/Analysis**, particular attention is paid to mitigating the PAIs covering working conditions for employees and in the value chain. The social analysis criterion relating to decent employment (including in the supply chain) is the subject of a specific dedicated question in the internal i-ESG analysis tool, with a completion rate of close to 90%.

PAI 14: "Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons or biological weapons)".

PAI 14 is taken into account through the Management Company's **Exclusion** Policy.

As part of its exclusion policy, which is public and available on its website, the Management Company has chosen to exclude certain investments linked to controversial weapons in application of the Ottawa and Oslo Conventions, the Biological and Chemical Weapons

Conventions and the Convention on Certain Conventional Weapons covering incendiary weapons. The stocks concerned are therefore blocked in the order-passing system, reflecting automated control.



What were the top investments of this financial product?

Largest investments	Sector	% Assets (annual average)	Country
LVMH MOET HENNESSY LOUIS VUI	Consumer Products and Services	4,34 %	France
ASML HOLDING NV	Technology	3,97 %	The Netherlands
SHELL PLC	Energy	3,67 %	United Kingdom
ENEL SPA	Utilities	2,72 %	Italy
SIEMENS AG-REG	Industrial Goods and Services	2,51 %	Germany
ROCHE HOLDING AG- GENUSSCHEIN	Health Care	2,48 %	Switzerland
NOVO NORDISK A/S-B	Health Care	2,48 %	Denmark
ASTRAZENECA PLC	Health Care	2,46 %	United Kingdom
RELX PLC	Media	2,37 %	The Netherlands
DIAGEO PLC	Food, Beverage and Industrial Goods and Services	2,30 %	United Kingdom
SAFRAN SA	Industrial Goods and Services	2,26 %	France
NESTLE SA-REG	Food, Beverage and Tobacco	2,25 %	Switzerland
REPSOL SA	Energy	2,22 %	Spain
NOVARTIS AG-REG	Health Care	2,21 %	Switzerland
EDP-ENERGIAS DE PORTUGAL SA	Utilities	2,04 %	Portugal

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **01/01/2023 - 31/12/2023**

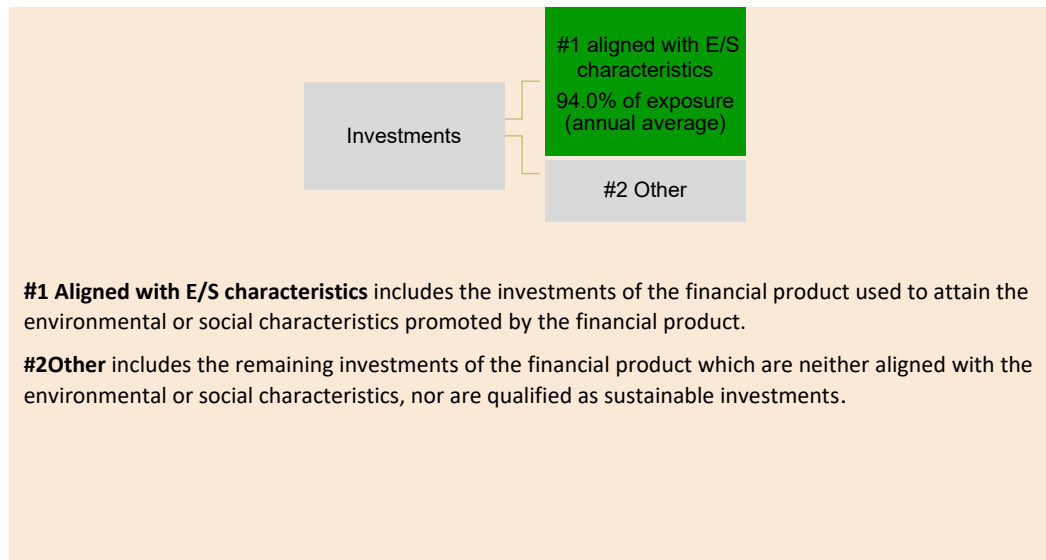


What was the proportion of sustainability-related investments?

● **What was the asset allocation?**

On an annual average, 94.0% of the portfolio has been invested in issuers aligned with the promoted E/S characteristics (#1 Aligned with E/S characteristics). This alignment is calculated by taking into account securities with an average Sustainalytics® ESG risk rating of less than 30 and which have undergone an internal ESG analysis.

Investments included under "#2 Other" were (i) instruments related to the money market pocket (debt securities and money market funds), (ii) cash held on an ancillary basis and (iii) securities issued by issuers that are not aligned with the promoted E/S characteristics.



● **In which economic sectors were the investments made?**

Subject to the exclusions lists, the Sub-Fund may invest in all sectors of activity and investments made during the year 2023 covered the following sectors (expressed as annual gross exposure average):

Sector	Weight (%)
Finance	17%
Healthcare	16%
Industrial Goods and Services	15%

Staples	12%
Consumer Products and Services	10%
Information Technology	7%
Materials	7%
Energy	6%
Utilities	5%
Telecommunications	3%
Real Estate	1%

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



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

The Sub-Fund does not currently commit to investing in sustainable investments with an environmental objective aligned with the EU Taxonomy

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?**

Yes:

In fossil gas In nuclear energy

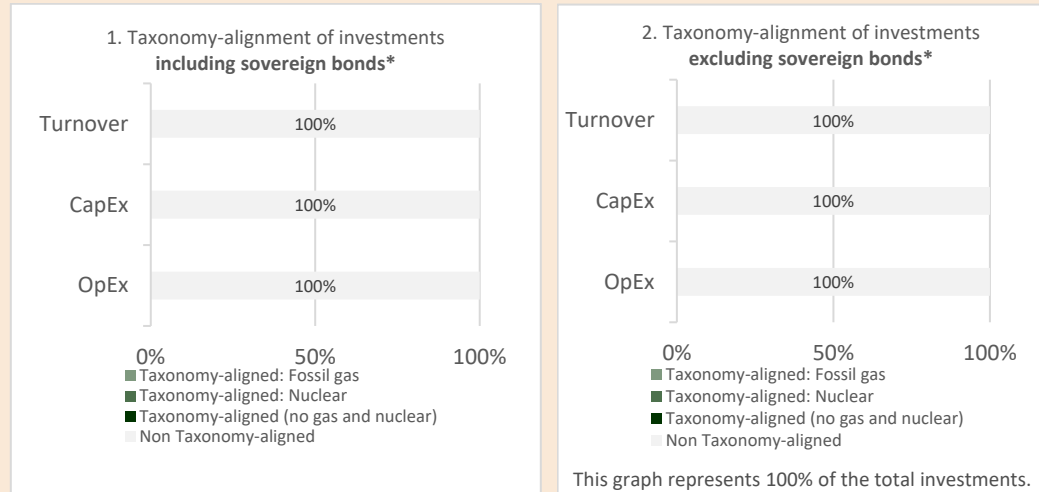
No

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

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

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



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

Enabling activities

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

Transitional activities are

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

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

As the Sub-Fund does not commit to invest any “sustainable investment” within the meaning of the Taxonomy Regulation, the minimum share of investments in transitional and enabling activities within the meaning of the Taxonomy Regulation was equal to 0%.

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

Non Applicable



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



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

The Sub-Fund promotes environmental and social characteristics but does not commit to making any sustainable investments. Therefore, the Sub-Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



What was the share of socially sustainable investments?

Not Applicable (N/A).



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

Investments included under "#2 Other" were (i) instruments related to the money market pocket (debt securities and money market funds), (ii) cash held on an ancillary basis and (iii) securities in the portfolio issued by issuers that are not aligned with the promoted E/S characteristics.

The money market pocket is subject to ESG analysis but none of the investments under “#2 Other” are subject to minimum or social safeguards.



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

During the 2023 financial year, the Management Company continued to deploy the ESG approach on the 3 pillars allowing it to promote environmental and social characteristics in the management of the Sub-Fund: **Exclusion, Integration and Commitment:**

- the Management Company benefited from the generalisation of its normative **exclusion policy** that took place at the end of 2022 to all the funds.

Certain securities are thus systematically excluded from all the buy positions:

a) controversial weapons in application of the Ottawa and Oslo conventions, the conventions on biological and chemical weapons as well as the convention on certain conventional weapons covering incendiary weapons;

b) tobacco production, gambling, pornography activities where the income generated by these activities exceeds 10% of turnover; and

c) values that are not compliant with the Global Compact principles and OECD Guidelines according to the extra-financial data provider Sustainalytics®.

- In terms of **integration**, the internal ESG analysis, in addition to specialised external databases and broker research, aims to cover all the securities held in position. The minimum target of 90% was thus clearly beaten during the year, with almost 100% of securities analysed at all times. In addition, the portfolio had an annual weighted average ESG rating better than that of the Benchmark.

- Finally, in terms of **engagement**, the Management Company continues to dialogue with issuers on material ESG issues relating to their sectors of activity, including systematically for all sectors, on 2 fundamental objectives:

o E- the Greenhouse Gas Emission Reduction Pathway,

o S- Decent Employment (including supply chain).

During the 2023 financial year, the Management Company deepened its ESG analyses by company and by theme, thanks in particular to the arrival of a new ESG analyst in the management team to work alongside the Head of ESG. Finally, it should be noted that two of the three managers who joined the team of sectorial portfolio managers during the 2023 financial year already hold ESG certifications.



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

Non Applicable

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

EXANE FUNDS 2 - EXANE EQUITY SELECT FOCUS EURO

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

Product name: Exane Funds 2 – Exane Equity Select Focus Euro (the “Sub-Fund”)

Legal entity identifier: 529900EVZS6B93SRGN82

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes



No

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

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

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

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

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

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

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

with a social objective

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

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

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



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

The ESG characteristics and sustainability risks associated with the investments have been assessed by the management company Exane Asset Management (the “**Management Company**”) through:

- An **INTEGRATION approach**, that respects a willingness to invest in all sectors of activity while favoring companies that best address the sustainability risks they face and know how to adapt their business models and strategies to these new challenges.

In particular, in terms of promoting (E) environmental and (S) social characteristics, 2 systematic axes were chosen to promote these characteristics in the sense of the SFDR regulation:

- "E": company trajectory in the reduction of greenhouse gas emissions, with emphasis on concrete and measurable progress and targets,
- "S": decent employment within the company and its entire supply chain.

These two points form a mandatory common denominator, in addition to the need for a sector-by-sector analysis of relevant ESG criteria.

Thus almost 100% of the securities held in the portfolio during the year were subject to internal and external ESG analysis. In addition, the annual weighted average ESG risk rating of the portfolio was better than that of the Benchmark (MSCI EMU).

- An **EXCLUSION policy**. The Management Company has complied with the exclusion policy, consisting of:

(i) systematic exclusions:

(a) controversial weapons: the Management Company identifies controversial weapons as those that have a disproportionate and indiscriminate impact on civilians, persisting for years after conflicts have ended. This applies to anti-personnel mines (APMs) and cluster bombs, whose impact on populations and territories persists beyond the period of peace, resulting in disproportionate and indiscriminate effects on civilians. In response to this, the Management Company has introduced a policy excluding controversial weapons such as incendiary weapons, white phosphorus bombs and chemical weapons. This approach is in line with France's commitments, including:

- ratification of the Ottawa Convention signed in 1997, which prohibits the use, stockpiling, production and transfer of anti-personnel mines, as well as their destruction; and
- the principles of the Oslo Convention signed in 2008, which prohibits the use, production, stockpiling and transfer of cluster munitions, with the exception of so-called "smart" munitions equipped with electronic anti-deactivation or self-destruction mechanisms.

In addition, the Management Company maintains and updates a list of excluded stocks on the basis of product involvement indicators provided by the extra-financial data provider Sustainalytics®;

b) tobacco production, gambling, pornography activities, where the income generated by these activities exceeds 10% of turnover;

c) values not complying with the Global Compact principles and OECD guidelines, according to the extra-financial data provider Sustainalytics®; and

d) list of countries (OFAC).

(ii) a discretionary list, established sector by sector, in accordance with the Management Company's investment philosophy, every six months on the basis of an internal analysis of the ESG characteristics of the companies. These are essentially securities in the investment universe with an ESG risk score above 30, as measured by Sustainalytics®. However, on the basis of internal analysis and supported by a documented calculation, certain securities may be reincluded and additional securities excluded.

- A **COMMITMENT approach** materialized by a continuous and documented dialogue with the management of the companies. The Management Company is convinced that good governance enhances risk assessment and improves corporate performances over the medium and longer term. Due to its high-level expertise in fundamental analysis of companies, the Management Company has significant access to the management of companies with whom a regular dialogue is maintained

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

- 100% of the securities in the portfolio as of 31 December 2023 (excluding bonds and other debt securities issued by public or quasi-public issuers and cash held on an ancillary basis) have been subject to external and internal ESG analysis.
- None of the Sub-Fund's positions has violated the Sub-Fund's exclusion policies.
- Portfolio ESG risk rating < Benchmark ESG risk rating : the annual weighted average of the ESG risk ratings of the equity portfolio is equal to 18.5 whereas that of the Benchmark (MSCI EMU Index) is equal to 18.6 (Source: Sustainalytics scoring).
- Proportion of the portfolio with an ESG risk rating above 30 < to 15% : The annual average proportion of securities in the equity portfolio with an ESG risk rating above 30 (as attributed by Sustainalytics) is equal to 2.0%.

● **...and compared to previous periods?**

	ESG Analysis*	Portfolio ESG Risk Rating	Benchmark ESG risk rating	ESG Risk Rating > 30
2023	100%	18.5	18.6	2.0%
2022	100%	18.5	18.9	1.3%

*data as at 31/12/2023. The other data are weighted annual averages.

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

Sustainability indicators measure how the environmental or social characteristics promoted by the financial

The Sub-Fund does not currently commit to investing in any sustainable investments.

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

The Sub-Fund does not currently commit to investing in any sustainable investments.

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

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.



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

The Management Company has considered the principal adverse impacts (“PAI”) applicable to the Sub-Fund's strategy:

PAI 1: “Greenhouse gas emissions”

PAI 1 is monitored through **ESG Analysis & Integration**, which aims to mitigate the main negative sustainability impacts. Particular attention is paid to the mitigation of PAIs covering the trajectory for reducing greenhouse gas emissions (PAI 1). This includes an analysis of the reduction targets, their validation by an independent body (SBTi), the associated capital expenditure and the level of communication (reflected in the CDP rating) supporting their credibility.

The metrics are reviewed monthly to verify the level of greenhouse gas emissions from the issuers in the portfolio. In addition, each company's greenhouse gas emissions reduction trajectory is the subject of a specific question in the Management Company's internal analysis tool, i-ESG, with a completion rate of close to 90%.

PAI 10 and 11: “Violations of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises” and “Lack of processes and compliance mechanisms to monitor adherence to the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises”.

PAIs 10 and 11 are monitored in terms of both **Exclusion** and **Integration**.

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

The Exclusion policy covers the most significant risks related to sustainability factors, and this information will be and is applied in a binding and ongoing manner. In particular, the Exclusion Policy targets companies that do not comply with the United Nations Global Compact and the OECD Guidelines (as listed by the supplier Sustainalytics®), in relation to PAIs 10 and 11 covering these aspects.

As part of the **ESG Integration/Analysis**, particular attention is paid to mitigating the PAIs covering working conditions for employees and in the value chain. The social analysis criterion relating to decent employment (including in the supply chain) is the subject of a specific dedicated question in the internal i-ESG analysis tool, with a completion rate of close to 90%.

PAI 14: "Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons or biological weapons)".

PAI 14 is taken into account through the Management Company's **Exclusion** Policy.

As part of its exclusion policy, which is public and available on its website, the Management Company has chosen to exclude certain investments linked to controversial weapons in application of the Ottawa and Oslo Conventions, the Biological and Chemical Weapons Conventions and the Convention on Certain Conventional Weapons covering incendiary weapons. The stocks concerned are therefore blocked in the order-passing system, reflecting automated control.



What were the top investments of this financial product?

Largest investments	Sector	% Assets (annual average)	Country
ASML HOLDING NV	Technology	7,42 %	The Netherlands
LVMH MOET HENNESSY	Consumer Products and Services	6,37 %	France
LOUIS VUITTON	Utilities	3,99 %	Italy
ENEL SPA	Industrial Goods and Services	3,51 %	Germany
SIEMENS AG-REG	Utilities	3,02 %	Portugal
EDP-ENERGIAS DE PORTUGAL	Industrial Goods and Services	3,00 %	France
SAFRAN SA	Insurance	2,98 %	Germany
ALLIANZ SE-REG	Technology	2,80 %	France
CAPGEMINI SE	Energy	2,68 %	Spain
REPSOL SA	Banks / Financial Sector	2,62 %	France
BNP PARIBAS			

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **01/01/2023 - 31/12/2023**

AXA SA	Insurance	2,59 %	France
L'OREAL	Consumer Products and Services	2,52 %	France
DEUTSCHE TELEKOM AG-REG	Telecommunications	2,51 %	Germany
STELLANTIS NV	Automobiles and Parts	2,42 %	France
ALSTOM	Industrial Goods and Services	2,20 %	France



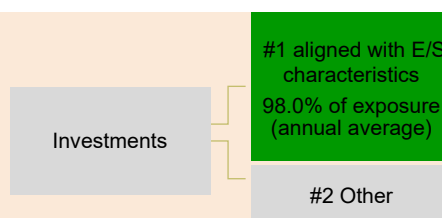
What was the proportion of sustainability-related investments?

● What was the asset allocation?

On an annual average, 98.0% of the portfolio has been invested in issuers aligned with the promoted E/S characteristics (#1 Aligned with E/S characteristics). This alignment is calculated by taking into account securities with an average Sustainalytics® ESG risk rating of less than 30 and which have undergone an internal ESG analysis.

Investments included under "#2 Other" were (i) instruments related to the money market pocket (debt securities and money market funds), (ii) cash held on an ancillary basis and (iii) securities issued by issuers that are not aligned with the promoted E/S characteristics.

Asset allocation describes the share of investments in specific assets.



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

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

In which economic sectors were the investments made?

Subject to the exclusions lists, the Sub-Fund may invest in all sectors of activity and investments made during the year 2023 covered the following sectors (expressed as annual gross exposure average):

Sector	Weight (%)
Finance	16%
Industrial Goods and Services	16%
Consumer Products and Services	14%
Information Technology	12%
Staples	8%
Healthcare	8%
Utilities	7%
Materials	6%
Energy	4%
Telecommunications	4%
Real Estate	1%

Taxonomy-aligned activities are expressed as a share of:

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

safety and waste management rules.



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

The Sub-Fund does not currently commit to investing in sustainable investments with an environmental objective aligned with the EU Taxonomy

● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

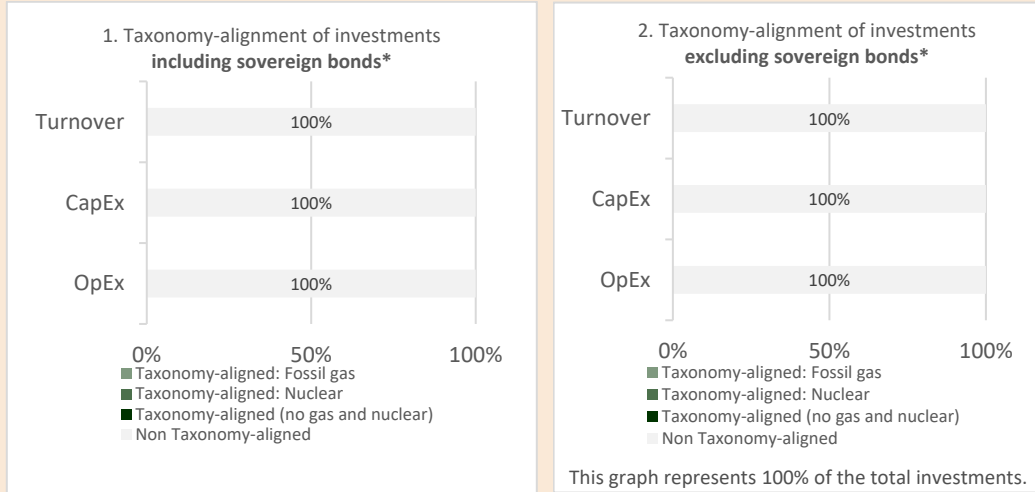
- Yes:
- In fossil gas In nuclear energy
- No

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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

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

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



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



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

As the Sub-Fund does not commit to invest any “sustainable investment” within the meaning of the Taxonomy Regulation, the minimum share of investments in transitional and enabling activities within the meaning of the Taxonomy Regulation was equal to 0%.

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

Non Applicable



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

The Sub-Fund promotes environmental and social characteristics but does not commit to making any sustainable investments. Therefore, the Sub-Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



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

What was the share of socially sustainable investments?

Not Applicable (N/A).



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

Investments included under "#2 Other" were (i) instruments related to the money market pocket (debt securities and money market funds), (ii) cash held on an ancillary basis and (iii) securities in the portfolio issued by issuers that are not aligned with the promoted E/S characteristics.

The money market pocket is subject to ESG analysis but none of the investments under "#2 Other" are subject to minimum or social safeguards.



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

During the 2023 financial year, the Management Company continued to deploy the ESG approach on the 3 pillars allowing it to promote environmental and social characteristics in the management of the Sub-Fund: **Exclusion, Integration and Commitment**:

- the Management Company benefited from the generalisation of its normative **exclusion policy** that took place at the end of 2022 to all the funds.

Certain securities are thus systematically excluded from all the buy positions:

a) controversial weapons in application of the Ottawa and Oslo conventions, the conventions on biological and chemical weapons as well as the convention on certain conventional weapons covering incendiary weapons;

b) tobacco production, gambling, pornography activities where the income generated by these activities exceeds 10% of turnover; and

c) values that are not compliant with the Global Compact principles and OECD Guidelines according to the extra-financial data provider Sustainalytics®.

- In terms of **integration**, the internal ESG analysis, in addition to specialised external databases and broker research, aims to cover all the securities held in position. The minimum target of 90% was thus clearly beaten during the year, with almost 100% of securities analysed at all times. In addition, the portfolio had an annual weighted average ESG rating better than that of the Benchmark.

- Finally, in terms of **engagement**, the Management Company continues to dialogue with issuers on material ESG issues relating to their sectors of activity, including systematically for all sectors, on 2 fundamental objectives:

o E- the Greenhouse Gas Emission Reduction Pathway,

o S- Decent Employment (including supply chain).

During the 2023 financial year, the Management Company deepened its ESG analyses by company and by theme, thanks in particular to the arrival of a new ESG analyst in the management team to work alongside the Head of ESG. Finally, it should be noted that two of the three managers who joined the team of sectorial portfolio managers during the 2023 financial year already hold ESG certifications.



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

Non Applicable

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

EXANE FUNDS 2 - EXANE PLEIADE FUND

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

Product name: Exane Funds 2 – Exane Pleiade Fund (the “Sub-Fund”)

Legal entity identifier: 529900T285CDO8PHHO57

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes



No

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

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

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

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

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

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

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

with a social objective

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

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

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



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

The ESG characteristics and sustainability risks associated with the investments have been assessed by the management company Exane Asset Management (the “**Management Company**”) through:

- An **INTEGRATION approach**, that respects a willingness to invest in all sectors of activity while favoring companies that best address the sustainability risks they face and know how to adapt their business models and strategies to these new challenges.

In particular, in terms of promoting (E) environmental and (S) social characteristics, 2 systematic axes were chosen to promote these characteristics in the sense of the SFDR regulation:

- "E": company trajectory in the reduction of greenhouse gas emissions, with emphasis on concrete and measurable progress and targets,
- "S": decent employment within the company and its entire supply chain.

These two points form a mandatory common denominator, in addition to the need for a sector-by-sector analysis of relevant ESG criteria.

Thus almost 100% of the securities held in the portfolio during the year were subject to internal and external ESG analysis. In addition, the annual weighted average ESG risk rating of the long portfolio was better than that of the investment universe.

- An **EXCLUSION policy**. The Management Company has complied with the exclusion policy, applied to the long positions in the portfolio and consisting of:

(i) systematic exclusions:

(a) controversial weapons: the Management Company identifies controversial weapons as those that have a disproportionate and indiscriminate impact on civilians, persisting for years after conflicts have ended. This applies to anti-personnel mines (APMs) and cluster bombs, whose impact on populations and territories persists beyond the period of peace, resulting in disproportionate and indiscriminate effects on civilians. In response to this, the Management Company has introduced a policy excluding controversial weapons such as incendiary weapons, white phosphorus bombs and chemical weapons. This approach is in line with France's commitments, including:

- ratification of the Ottawa Convention signed in 1997, which prohibits the use, stockpiling, production and transfer of anti-personnel mines, as well as their destruction; and
- the principles of the Oslo Convention signed in 2008, which prohibits the use, production, stockpiling and transfer of cluster munitions, with the exception of so-called "smart" munitions equipped with electronic anti-deactivation or self-destruction mechanisms.

In addition, the Management Company maintains and updates a list of excluded stocks on the basis of product involvement indicators provided by the extra-financial data provider Sustainalytics®;

b) tobacco production, gambling, pornography activities, where the income generated by these activities exceeds 10% of turnover;

c) values not complying with the Global Compact principles and OECD guidelines, according to the extra-financial data provider Sustainalytics®; and

d) list of countries (OFAC).

(ii) a discretionary list, established sector by sector, in accordance with the Management Company's investment philosophy, every six months on the basis of an internal analysis of the ESG characteristics of the companies. These are essentially securities in the investment universe with an ESG risk score above 30, as measured by Sustainalytics®. However, on the basis of internal analysis and supported by a documented calculation, certain securities may be reincluded and additional securities excluded.

- A **COMMITMENT approach** materialized by a continuous and documented dialogue with the management of the companies. The Management Company is convinced that good governance enhances risk assessment and improves corporate performances over the medium and longer term. Due to its high-level expertise in fundamental analysis of companies, the Management Company has significant access to the management of companies with whom a regular dialogue is maintained

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

- 100% of the securities in the portfolio as of 31 December 2023 (excluding bonds and other debt securities issued by public or quasi-public issuers and cash held on an ancillary basis) have been subject to external and internal ESG analysis.
- None of the Sub-Fund's long positions has violated the Sub-Fund's exclusion policies.
- Long portfolio ESG risk rating < Investment universe ESG risk rating : the annual weighted average of the ESG risk ratings of the long equity portfolio is equal to 19.5 whereas that of the investment universe (defined as the global equity, with an emphasis on Europe) is equal to 21.4 (Source: Sustainalytics scoring).
- Proportion of the long portfolio with an ESG risk rating above 30 < to 15% : The annual average proportion of securities in the long equity portfolio with an ESG risk rating above 30 (as attributed by Sustainalytics) is equal to 1.9%.

● **...and compared to previous periods?**

	ESG Analysis*	Long Portfolio ESG Risk Rating	Investment universe ESG risk rating	ESG Risk Rating > 30
2023	100%	19.5	21.4	1.9%
2022	100%	21.4	23.2	7.3%

*data as at 31/12/2023. The other data are weighted annual averages.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial

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

The Sub-Fund does not currently commit to investing in any sustainable investments.

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

The Sub-Fund does not currently commit to investing in any sustainable investments.

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

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.



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

The Management Company has considered the principal adverse impacts (“PAI”) applicable to the Sub-Fund's strategy:

PAI 1: “Greenhouse gas emissions”

PAI 1 is monitored through **ESG Analysis & Integration**, which aims to mitigate the main negative sustainability impacts. Particular attention is paid to the mitigation of PAIs covering the trajectory for reducing greenhouse gas emissions (PAI 1). This includes an analysis of the reduction targets, their validation by an independent body (SBTi), the associated capital expenditure and the level of communication (reflected in the CDP rating) supporting their credibility.

The metrics are reviewed monthly to verify the level of greenhouse gas emissions from the issuers in the portfolio. In addition, each company's greenhouse gas emissions reduction trajectory is the subject of a specific question in the Management Company's internal analysis tool, i-ESG, with a completion rate of close to 90%.

PAI 10 and 11: “Violations of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises” and “Lack of processes and compliance

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

mechanisms to monitor adherence to the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises".

PAIs 10 and 11 are monitored in terms of both **Exclusion** and **Integration**.

The Exclusion policy covers the most significant risks related to sustainability factors, and this information will be and is applied in a binding and ongoing manner. In particular, the Exclusion Policy targets companies that do not comply with the United Nations Global Compact and the OECD Guidelines (as listed by the supplier Sustainalytics®), in relation to PAIs 10 and 11 covering these aspects.

As part of the **ESG Integration/Analysis**, particular attention is paid to mitigating the PAIs covering working conditions for employees and in the value chain. The social analysis criterion relating to decent employment (including in the supply chain) is the subject of a specific dedicated question in the internal i-ESG analysis tool, with a completion rate of close to 90%.

PAI 14: "Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons or biological weapons)".

PAI 14 is taken into account through the Management Company's **Exclusion** Policy.

As part of its exclusion policy, which is public and available on its website, the Management Company has chosen to exclude certain investments linked to controversial weapons in application of the Ottawa and Oslo Conventions, the Biological and Chemical Weapons Conventions and the Convention on Certain Conventional Weapons covering incendiary weapons. The stocks concerned are therefore blocked in the order-passing system, reflecting automated control.



What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **01/01/2023 - 31/12/2023**

Largest investments (long positions)	Sector	% Assets (annual average)	Country
STMICROELECTRONICS NV	Technology	2,82 %	France
ENEL SPA	Utilities	2,72 %	Italy
AXA SA	Insurance	2,30 %	France
EDP-ENERGIAS DE PORTUGAL	Utilities	2,21 %	Portugal
E.ON SE	Utilities	2,07 %	Germany
SSE PLC	Utilities	2,01 %	United Kingdom
ASML HOLDING NV	Technology	1,88 %	The Netherlands
PROSUS NV	Technology	1,80 %	The Netherlands

BNP PARIBAS	Bank / Financial Sector	1,76 %	France
REPSOL SA	Energy	1,71 %	Spain
PUBLICIS GROUPE	Telecommunications	1,59 %	France
ING GROEP NV	Bank / Financial Sector	1,57 %	The Netherlands
CAPGEMINI SE	Technology	1,48 %	France
RWE AG	Utilities	1,43 %	Germany
ASR NEDERLAND NV	Insurance	1,43 %	The Netherlands

The positions listed above corresponds to long positions in the portfolio. The Sub-Fund implements a market-neutral and sector-neutral long/short strategy. Thus, there are short positions in the portfolio on the same sectors, resulting in a net exposure close to zero on each sector.



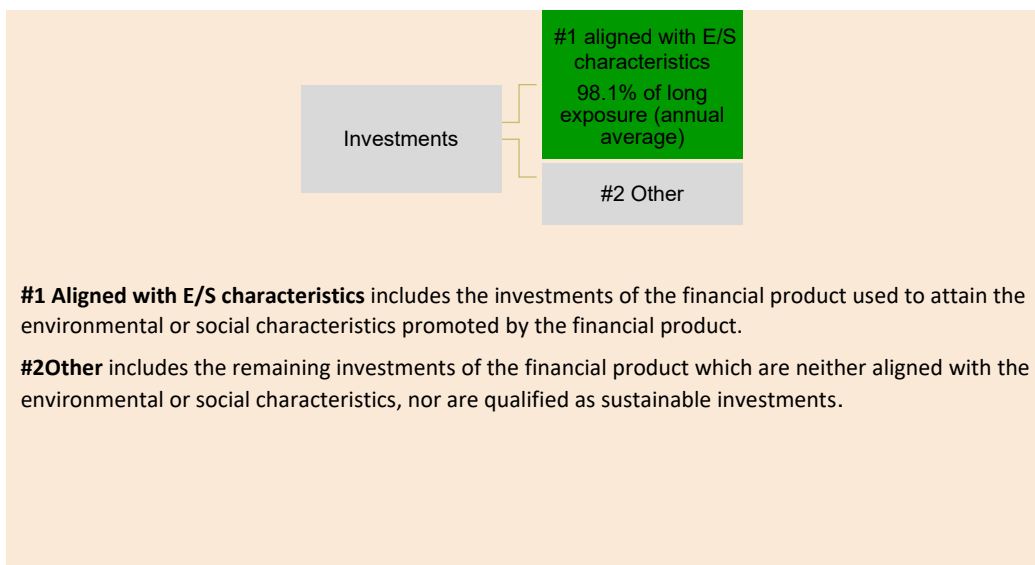
What was the proportion of sustainability-related investments?

● What was the asset allocation?

On an annual average, 98.1% of the long exposure of the portfolio has been invested in issuers aligned with the promoted E/S characteristics (#1 Aligned with E/S characteristics). This alignment is calculated by taking into account securities with an average Sustainalytics® ESG risk rating of less than 30 and which have undergone an internal ESG analysis.

Investments included under "#2 Other" were (i) instruments related to the money market pocket (debt securities and money market funds), (ii) cash held on an ancillary basis, (iii) securities in the long portfolio issued by issuers that are not aligned with the promoted E/S characteristics and (iv) securities in the short portfolio.

Asset allocation describes the share of investments in specific assets.



In which economic sectors were the investments made?

Subject to the exclusions lists, the Sub-Fund may invest in all sectors of activity and investments made during the year 2023 covered the following sectors (expressed as annual gross exposure average):

Sector	Weight (%)
Finance	68%
Utilities	24%
Industrial Goods and Services	18%
Information Technology	16%
Telecommunications	13%
Consumer Discretionary	11%
Materials	10%
Healthcare	9%
Energy	7%
Staples	6%
Real Estate	4%

The Sub-Fund implements a market-neutral and sector-neutral long/short strategy. Thus, the net exposure is close to zero on each of the sector above.

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



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

The Sub-Fund does not currently commit to investing in sustainable investments with an environmental objective aligned with the EU Taxonomy

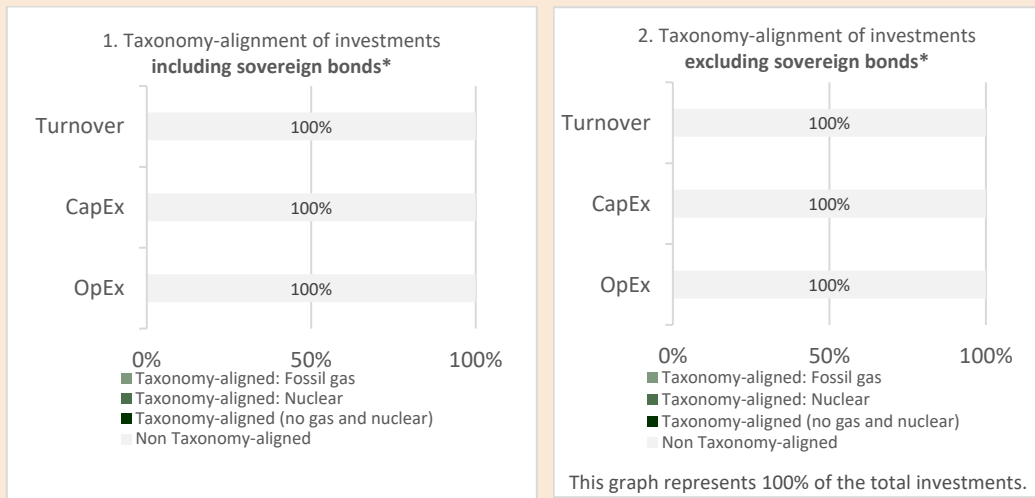
● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?**

- Yes:
- In fossil gas In nuclear energy
- No

Taxonomy-aligned activities are expressed as a share of:

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

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



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

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities

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

Transitional activities are

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

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

As the Sub-Fund does not commit to invest any “sustainable investment” within the meaning of the Taxonomy Regulation, the minimum share of investments in transitional and enabling activities within the meaning of the Taxonomy Regulation was equal to 0%.

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

Non Applicable



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



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

The Sub-Fund promotes environmental and social characteristics but does not commit to making any sustainable investments. Therefore, the Sub-Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



What was the share of socially sustainable investments?

Not Applicable (N/A).



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

Investments included under "#2 Other" were (i) instruments related to the money market pocket (debt securities and money market funds), (ii) cash held on an ancillary basis, (iii) securities in the long portfolio issued by issuers that are not aligned with the promoted E/S characteristics and (iv) securities in the short portfolio.

The money market pocket and the short portfolio are subject to ESG analysis but none of the investments under “#2 Other” are subject to minimum or social safeguards.



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

During the 2023 financial year, the Management Company continued to deploy the ESG approach on the 3 pillars allowing it to promote environmental and social characteristics in the management of the Sub-Fund: **Exclusion, Integration and Commitment:**

- the Management Company benefited from the generalisation of its normative **exclusion policy** that took place at the end of 2022 to all the funds.

Certain securities are thus systematically excluded from all the buy positions:

- a) controversial weapons in application of the Ottawa and Oslo conventions, the conventions on biological and chemical weapons as well as the convention on certain conventional weapons covering incendiary weapons;
- b) tobacco production, gambling, pornography activities where the income generated by these activities exceeds 10% of turnover; and
- c) values that are not compliant with the Global Compact principles and OECD Guidelines according to the extra-financial data provider Sustainalytics®.

- In terms of **integration**, the internal ESG analysis, in addition to specialised external databases and broker research, aims to cover all the securities held in position. The minimum target of 90% was thus clearly beaten during the year, with almost 100% of securities analysed at all times. In addition, the long positions had an annual weighted average ESG rating better than that of the investment universe.

- Finally, in terms of **engagement**, the Management Company continues to dialogue with issuers on material ESG issues relating to their sectors of activity, including systematically for all sectors, on 2 fundamental objectives:

- o E- the Greenhouse Gas Emission Reduction Pathway,
- o S- Decent Employment (including supply chain).

During the 2023 financial year, the Management Company deepened its ESG analyses by company and by theme, thanks in particular to the arrival of a new ESG analyst in the management team to work alongside the Head of ESG. Finally, it should be noted that two of the three managers who joined the team of sectorial portfolio managers during the 2023 financial year already hold ESG certifications.



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

Non Applicable

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

