



GAY-LUSSAC
GESTION

CSR
REPORT

June 2021



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Foreword

"The strength of independence nourishes our collective and responsible commitment. It encourages our agility in the service of an ever more personalized support. It facilitates the application of a demanding and secured code of conduct. More than ever, we are committed to a long-term commitment. Because you and we, in the close relationship of trust that unites us, know that the only value that truly counts is the value of time. »

Emmanuel LAUSSINOTTE
Chairman of Gay-Lussac Gestion

What we stand for



Excellence

A recognized expertise that ensures a solid balance between management quality and risk control. A team based on trust and a management that listens to its members allow us to work in the same direction and evolve together.



Transparency

An essential value for our company, we regularly inform our clients of the decisions taken by our various committees. We send our monthly management reports and personalized reports on request as soon as possible.



Performance

Our 4 steps strict and standardized management process allows us to adapt to new market requirements and ensure long-term value to our clients.

We manage the savings and financial investments of private clients, family offices, independent managers and institutional investors. A wide range of clients that we approach with the same philosophy. Our teams place a premium on dialogue, listening and finding dedicated solutions.

We implement an asset allocation focused on risk management, in order to provide our clients with recurring returns, regardless of the market environment. Our open-architecture active management is the result of a rigorous methodology and allows us to obtain solid risk/return ratios.

Our macroeconomic scenarios, developed under the guidance of a committee chaired by economist Jean-Pierre Petit, are combined with quantitative analysis and qualitative filters.

By the end of June 2020, we are managing more than 1.5 billion euros of assets and can count on the loyalty of our investors, whom we accompany as closely as possible to their needs.

Our commitments

A CSR APPROACH

As an asset management company, we are committed to providing our clients with expertise and performance, values that are at the heart of our investment philosophy. We are convinced that our responsibility in terms of management can be combined with the values and convictions of our clients as well as our own.

We are committed to refocusing our activity on human and social issues. Promoting values of equality, inclusion and diversity within our company is essential to us.

We offer our employees (whose personal organization requires it) flexibility in the organization of their work through various means: telecommuting, schedule adjustments or part-time work, without impacting their career. We emphasize the expertise and skills of each employee, whatever the position held: support, control, or management.

Furthermore, our entire team is committed to the current issues of climate change and the preservation of biodiversity, and is working within the company to sort waste as much as possible, to optimize water and energy consumption, and to come to the office as often as possible using alternative means of transportation.

As our asset management activity is tertiary, our emissions come mainly from our use of hardware and software tools. In this way, we are attentive to the energy efficiency of these tools.

In this way, Gay-Lussac Gestion's data is housed in the OVH data center in Strasbourg, which has eco-efficiency characteristics with a low PUE of 1.10 (on average, French data centers have a PUE of 2.5, which means that for every 1 Watt consumed by the information, the data center needs to use 2.5 Watt).

A SOCIALLY RESPONSIBLE INVESTMENT OBJECTIVE

Because the main value that counts is that of transmission, our management company is fully aware of its duty of responsibility and advice to its investors.

Because we are convinced that it is possible to combine responsible investment objectives with personal values and convictions, Gay-Lussac Gestion participates in several initiatives related to Socially Responsible Investment (Principles for Responsible Investment (PRI), Forum for Responsible Investment, etc.) and has developed a comprehensive methodology of extra-financial analysis in order to take into account sustainability risks and to develop the transparency of our impact

Gay-Lussac Gestion considers sustainable investment as a set of progress to be made, resolutions to be taken and challenges to be met in order to respond to current and future issues.

We are convinced that financial and extra-financial performance can go hand in hand: this is what we demonstrate every day through our approach to responsible investment, which combines sector exclusions, monitoring of controversies and consideration of extra-financial criteria (ESG+, i.e. Environmental, Social, Governance and Societal).

The full details of our responsible investment approach are available in our [ESG Policy](#).

Our responsible and social initiatives

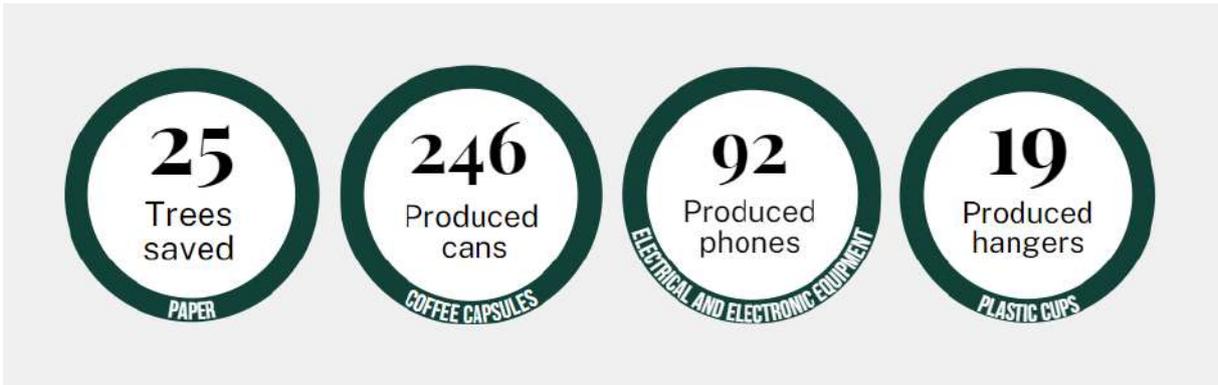
ENVIRONMENTAL INITIATIVES

Gay-Lussac Gestion is committed to reducing its energy consumption and limiting the use of paper. To this end, we encourage the dematerialization of documents, conference calls and the reduction of single-use plastic whenever possible. The provision of a water fountain and a reusable water bottle to our employees has considerably reduced our consumption of single-use water bottles.



Gay-Lussac Gestion recycles its waste, in a logic of selective sorting and optimization of the resources used. Gay-Lussac Gestion is proud to participate in the Joyeux Recycleurs initiative which offers a second life to the waste collected in our offices.

Since the installation of the collection boxes in September 2018, 2,023 kg of waste have been collected, recycled, and transformed thanks to this scheme.



SOCIAL INITIATIVES

During the month of March 2021, we supported the Curie Institute in cancer research by participating in the "Daffodil Run Against Cancer". For each kilometer run, a donation of 1 € was given to the Curie Institute. As a company of about 20 employees, Gay-Lussac Gestion is proud to have run 294km during this race and to have donated this amount in addition to the registration fees to the Institut Curie.

The Institut Curie is a pioneer in the field of artificial intelligence, which is set to profoundly transform practices in cancerology: diagnostic assistance, therapeutic decision support, patient follow-up, etc.

SOCIETAL INITIATIVES

We have supported the French economic recovery by obtaining the "Relance" label for several of our investment funds. The "Relance" label recognizes funds that are committed to mobilizing new resources to support the equity and quasi-equity capital of French companies (SMEs and SMIs), whether listed or not. Labeled funds must also comply with a set of ESG criteria, including a ban on financing coal-fired activities and the monitoring of an ESG rating or indicator.

Our funds that have been awarded with the « Relance » label are :

- 🏆 **Gay-Lussac Microcaps** (11/02/2020)
- 🏆 **Gay-Lussac Smallcaps** (11/17/2020)
- 🏆 **Raymond James Funds Smicrocaps** (le 05/10/2021)

Labeled funds must meet a set of ESG requirements, including:



CSR Statut Report

Environnemental

Gay-Lussac Gestion's most significant environmental impacts are indirect and are linked to the activities we finance through our investments. Because the core of our business is stock picking, we strive to better understand, evaluate and control the risks, opportunities and impacts that arise from it.

However, aware of our duty to set an example, we also seek to control our direct environmental impacts. The main direct environmental impacts are commuting, business travel, consumption of our premises and the waste generated there.

In short, all these environmental issues are fully integrated into our approach as a responsible investor.

A low carbon footprint

Scope 1 = 0 tCO₂
Scope 2 = 0.02 tCO₂
3403.90 kg of CO₂ saved over 6 months, i.e. 3,404 tCO₂.
Use of OVH efficient data centers with a low PUE (**1.09**)

A controlled water consumption

13.65m³ of water consumed on 30/06/2021 over a two-year period, i.e. **approximately 113,668.55 L** (estimate made on Veolia <https://simulateur.eau.veolia.fr/>, for 25 employees)

A decarbonized energy mix

Over the last 6 months, Gay-Lussac Gestion has consumed 14 990 kWh.
100% of our energy mix is composed of electricity, supplied by EDF (87.7% nuclear, 7.1% renewable (including 5.6% hydro), 0.6% coal, 3.5% gas, 1.1% fuel oil).
This represents **97.4% of decarbonated energy** (source : <https://www.edf.fr/groupe-edf/produire-une-energie-respectueuse-du-climat>)

A strong SRI strategy

A strengthening of our ESG policy, our extra-financial analysis and our SRI methodology, in particular by adding new environmental impact indicators to the Gay-Lussac Green Impact fund (e.g.: carbon footprint of the fund as at 06/30/2021): 117.5

Social

Because our company is defined above all by the men and women who make it up, the first responsibility of Gay-Lussac Gestion is to ensure the well-being and development of our 22 employees.

Because of our family spirit, we do everything possible to be an employer of choice for our employees and to ensure that they flourish within Gay-Lussac Gestion.

Our staff

As of June 30, 2021, Gay-Lussac Gestion has 22 employees on permanent contracts, 1 student on work-study program and 3 interns. 84.62% of the employees on permanent contracts.

Sharing the creation of value

1. Employee Savings Plan
2. Retirement savings plan
3. Matching policy (top-up paid by the company)
4. Individual performance bonuses distributed to employees
5. Mutual insurance fully covered by the company

A desire to train employees

Compliance training on financial market risks (corruption, market manipulation, money laundering)
1 hour/employee upon joining the company on risk management/AMF/Compliance
1 hour/employee per year for "Annual Employee Training" on regulatory principles and cybersecurity

Financing of efficient tools

Hardware and computer equipment renewed: we have equipped ourselves with HP Z2 SFF G5 computers guaranteeing us higher performance levels.

Promoting equal opportunity

25% of women in the management team
42.31% of women in the total workforce

Staff Retention and Security

11.9% turnover rate
Absenteeism rate of 4.54%.
0 accidents

Governance

A qualified management team

Proud of its expertise in very small and small caps, Gay-Lussac Gestion has developed a rigorous extra-financial analysis methodology that places a strong emphasis on governance. Therefore, our first requirement is to put into practice a quality governance, just like the one we ask to the companies in our portfolios.



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An equal compensation policy

Information concerning compensation data and the rate of allocation of variable compensation to employees, the [Compensation Policy](#) is available on the website gaylussacgestion.com, in the "confidentiality policy" section.

Alignment to the SFDR

Our compensation policy considers ESG criteria and sustainability risks.

A primordial respect of the rules

- ❏ Judicial proceedings in respect of ethical issues in progress at 12/31/N-1: 0
- ❏ Fines paid in connection with controversies: 0

Societal

Because excellence and transparency are at the heart of Gay-Lussac Gestion's philosophy, our management company promotes a set of rules and good practices that must be respected by all our employees.

These include strict compliance with applicable laws, regulations, and recommendations of international organisations, the fight against corruption, the prevention of conflicts of interest and the duty of confidentiality in the use of data.

In addition, as a financial market player, we aim to have a positive overall impact on society by not financing controversial activities, by participating in civil society actions, notably through sponsorship, and by financing companies with a positive societal impact.

A non-controversial business

Share of sales in activities related to tobacco, arms, nuclear, coal, GMOs, pornography: 0%.

Cyber Security Risk management

1-hour annual training for all employees on professional secrecy, external fraud, data protection, confidentiality of information, business continuity plan

Patronage for the benefit of civil society

170€ of donations made to the Curie Institute for cancer research through the Daffodil Run during this semester

Ambitions and long-term objectives

ENVIRONMENTAL OBJECTIVES

Gay-Lussac Gestion aims to increase transparency regarding the integration of sustainability risks and the company's environmental, social and governance risks.

Therefore, we wish to set up more detailed assessments of our energy consumption but also of our direct and indirect greenhouse gas emissions, in order to have an increasingly transparent documentation.

From this point of view, Gay-Lussac Gestion wishes to optimize its needs in energy resources and minimize its impact on the environment in the long run.

We wish to continue our commitment to the preservation of biodiversity and the environment by reflecting on new projects to be implemented within our company.

We want to comply with many other international initiatives/principles/acts to solidify our commitment.

SOCIAL OBJECTIVES

In addition, we wish to participate in other social initiatives of patronage and donations for causes related to our deepest convictions: culture, development of medicine and research, education or social inclusion.

In this way, in the long term, we want to set up a partnership with the Gay-Lussac museum in Saint-Léonard de Noblat, in order to underline our will to support our cultural heritage in connection with our identity.

Finally, we are looking for new social initiatives in order to have a positive social impact on society and to contribute to the resolution of current issues such as inequality, access to education or inclusion of the most isolated.