MANAGEMENT REPORT / JULY 31, 2026 A Share EQUITY FUND

ARKEA ASSET MANAGEMENT

ARKÉA INDICIEL PAB EUROPE

The Arkéa Indiciel PAB Europe fund aims to physically replicate the performance of the S&P Western Europe Plus LargeMidCap 100 Paris-Aligned Transition ESG Index®, expressed in euros, with dividends reinvested, both upward and downward, by directly investing in the stocks of the index.

Features of the Funds

Creation date	**02/15/2024**	**ISIN Code**	**FR001400NLS1**
Nav per share (€)	**140.87**	**Fund manager**	**LAUSTRIAT Blaise (Since 09/2023)**
Net asset value per share (€)	**11,884,525.26**	**Fund manager**	**BOILEAU Charles-H. (Since 09/2023)**
Portfolio Net asset value (€)	**302,141,335.21**		
Benchmark	**100% S&P Western Eur+ LargeMidCap 100 PAB Transition ESG NTR**		

Comments

Two major factors shaped the landscape in July: escalating tensions between the United States and Iran—which drove up energy and commodity prices—followed by a return to geopolitical stability that shifted the focus back to second-quarter earnings and profitability linked to artificial intelligence (AI). Economically, conditions remain generally robust despite geopolitical turbulence:

In the United States, the labor market is softening slightly, yet unemployment is falling and jobless claims remain low, signaling overall stability. Inflation has declined sharply, as has the PPI. Economic activity remains solid, with the composite PMI hitting an eight-month high (53.6) driven by the services sector, despite a slight slowdown in manufacturing. Q2 GDP growth is estimated at 1.5%, held back by the trade balance and inventories. In the Eurozone, inflation is easing (2.8% in June, 2.4% core), though a slight uptick was observed in July (2.9%) due to rising energy costs. Leading indicators point to a growth recovery (composite PMI at 51.9), and preliminary Q2 GDP figures confirm this trend.

In Japan, the yen's weakness has triggered the first joint intervention with the United States since 1998. Producer price inflation is accelerating (7.1% year-on-year), while consumer price inflation remains moderate (1.6%) and economic activity stays robust.

Regarding monetary policy, the Fed, the ECB, and the BoJ have kept their key interest rates unchanged, reflecting a consensus on robust growth alongside persistent inflationary risks and the likely continued normalization of policies. Finally, at the microeconomic level, half of the companies that have reported earnings show excellent overall results—with revisions predominantly to the upside—though market reactions have been mixed due to high expectations. Against this backdrop, equity markets have not reacted uniformly to rising oil prices and uncertainties surrounding AI. In the United States, the NASDAQ has fallen by more than 6%, while the S&P 500 has remained virtually flat (-0.13%). The financial (+12.43%) and energy (+6.06%) sectors have taken the lead, whereas the technology sector has declined by 3%. In Europe, the Stoxx 600 has posted a slight gain (+1.16%) amid a similar sector rotation, though the correction has hit technology stocks harder (-13.55%). Nevertheless, European small and mid-cap stocks have outperformed, rising 4.50%. In Asia, the impact of AI-related tensions has been more pronounced, particularly in South Korea, where the KOSPI has plunged 23.63%, weighed down by declines in Samsung (-22%) and SK Hynix (approx. -35%).

In bond markets, volatility increased after a quiet start to the month, driven by a surge in energy prices resulting from the renewed conflict in the Middle East and new tariffs. Yield curves are steepening: 2-year German and US yields edged down slightly (-1 and -4 bps), while long-term yields rose (US 10-year: +6 bps to 4.73%; 10-year Bund: +5 bps to 3.21%).

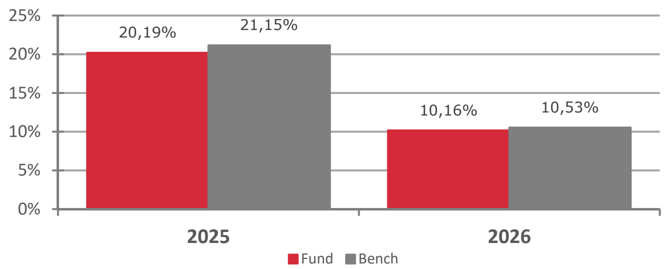
The currency market saw significant activity: coordinated intervention by the US and Japan triggered a sharp appreciation of the yen (+3.27% to 157.4 JPY/USD). Uncertainty regarding the Fed contributed to a slight decline in the dollar against major currencies.

Finally, commodities rebounded: Brent crude climbed 24% to $90/barrel. Gold, after peaking at $4,176/ounce, ended with a moderate gain (+0.96% to $4,046/ounce).

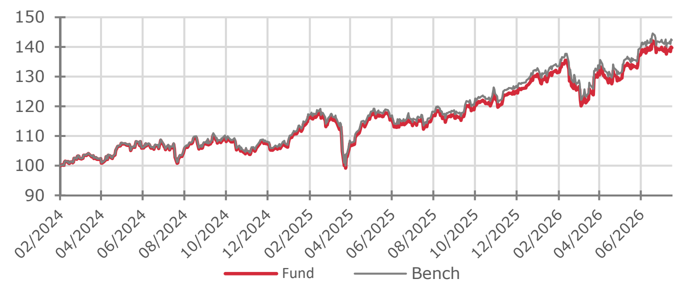
Total Return at 2026-07-31

		1 month	Since 01/01	1 year rolling	3 years rolling	5 years rolling	10 years rolling
Cumulated performance	*Fund*	-0.32%	10.16%	21.98%	nc	nc	nc
	Bench	-0.25%	10.53%	22.89%	nc	nc	nc

Annual Performance



Fund performance vs benchmark (base 100)



Indicators at 2026-07-31

Management indicators	1 year rolling	3 years rolling	5 years rolling
Fund volatility annualised	14.14%		
Bench volatility annualised	14.16%		
Information Ratio annualised	-7.19		
Sharpe Ratio	1.35		
Tracking Error annualised	0.13%		
Fund Max Drawdown	11.34%		
Bench Max Drawdown	11.30%		
Alpha	-0.72%		
Beta	1.00		

Data source for benchmark indices : Six Financial Information

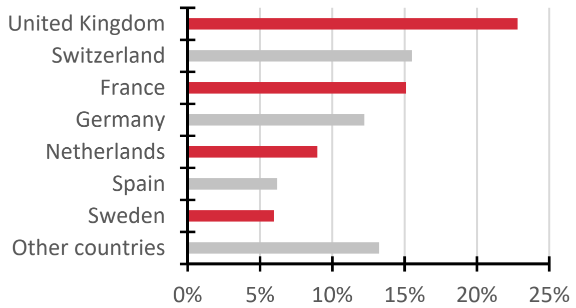
For more information on risk indicators, please refer to the glossary available on our website www.arkea-am.com

Past performance is not indicative of future performance and is not constant over time.

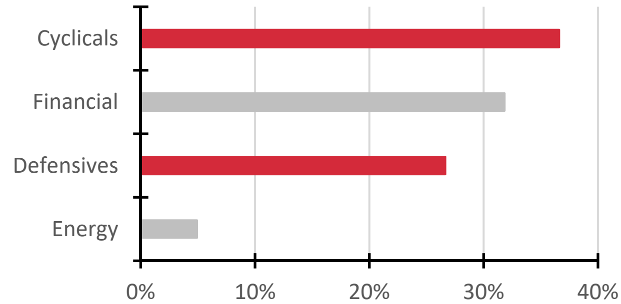
ARKÉA INDICIEL PAB EUROPE

Asset Breakdown

Geographic distribution - Equities (% valuation)



Sector breakdown - equities (% valuation)



Portfolio

Main transactions from 01/07 to 31/07/2026

Buy	Sell
ACS Actividades de Construccio	ASML Holding NV
ACS ACT.CONSTR.SERVICIOS NV26	HSBC Holdings PLC
ACS ACT.CONSTR.SERVICIOS NV26	AstraZeneca PLC
	Roche Holding AG
	Novartis AG
	Nestle SA
	Schneider Electric SE
	Banco Santander SA
	Siemens AG
	LVMH Moet Hennessy Louis Vuitton SE

Main instruments (% exposure)

ASML Holding NV	5.91%
HSBC Holdings PLC	4.98%
AstraZeneca PLC	3.38%
Roche Holding AG	3.32%
Novartis AG	3.02%
Schneider Electric SE	3.01%
Nestle SA	2.87%
Banco Santander SA	2.17%
Siemens AG	2.00%
LVMH Moet Hennessy Louis Vuitton SE	1.84%
Number of Instruments	**103**

Contribution to Return

Top month Contributors

HSBC Holdings PLC	0.49%
Deutsche Telekom AG	0.17%
Roche Holding AG	0.17%
Intesa Sanpaolo SpA	0.13%
DHL Group	0.13%

Bottom month Contributors

ASML Holding NV	-1.18%
Infineon Technologies AG	-0.47%
AstraZeneca PLC	-0.37%
STMicroelectronics NV	-0.20%
ASM International NV	-0.18%

Classification	**Actions of European Union countries**
AMF risk profile	**1 2 3 4 5 6 7** (4)
Investment area	**Europe**
Legal nature	**Collective Investment Scheme in Transferable Securities**
Recommended investment period	**5 years**
Subscription	**Order placed at 12:30 PM - Payment for next-day delivery**

PEA eligibility	**No**
Life Insurance Eligibility	**Yes**
Eligibility ordinary securities acc.	**Yes**
PEA/PME eligibility	**No**
Feeder fund	**No**
Maximum entry fees	**0.00%**
Exit fees	**0.00%**
Actual management fees	**0.80%**
Outperformance fee	**0.00%**

Arkéa Indiciel PAB Europe

July 2026

Fund ESG Philosophy (1)

The Arkéa Indiciel PAB Europe Fund is a passively managed mutual fund designed to physically replicate the performance of the S&P Western Europe Plus LargeMidCap 100 Paris-Aligned Transition ESG Index. The fund adopts a stringent ESG integration approach by applying normative exclusion criteria to the index universe, effectively removing companies with the poorest ESG performance as assessed through Sustainalytics' comprehensive ESG evaluations.

Following the exclusion of approximately 30% of the initial investable universe, the fund further prioritizes holdings based on their climate alignment, selecting companies demonstrating superior performance in decarbonization consistent with the Paris Agreement targets.

Main intruments (% exposure)

Instruments	Emetteurs	Weight	ESG Rating (2)
ASML Holding NV	ASML Holding NV	5,91%	B
HSBC Holdings PLC	HSBC Holdings PLC	4,98%	C
AstraZeneca PLC	AstraZeneca PLC	3,38%	C
Roche Holding AG	Roche Holding AG	3,32%	D
Novartis AG	Novartis AG	3,02%	A
Schneider Electric SE	Schneider Electric SE	3,01%	A
Nestle SA	Nestle SA	2,87%	E
Banco Santander SA	Banco Santander SA	2,17%	A
Siemens AG	Siemens AG	2,00%	A
LVMH Moet Hennessy Louis Vuitton SE	LVMH Moet Hennessy Louis Vuitton SE	1,84%	B

ESG Analysis Selectivity (3)

Rate	30 %
Data as of	juin 2026

Non-Financial Data

SFDR Classification	Article 9
Label	

(1) Environmental, Social, Governance.

(2) ESG Rating: Issuer rating based on the three criteria analyzed by Arkéa Asset Management. This rating is based on information provided by companies as of the reporting date.

(3) ESG Analysis Selectivity: the proportion of issuers excluded relative to the number of issuers analyzed from an ESG perspective.

ESG Research Team Commentary

PFAS in Textiles – When Small Molecules Become a Big Problem

The so-called “forever pollutants,” technically known as PFAS, have become a focal point for media and scientific communities. The risks their pollution poses to health and the environment are now taken seriously, and regulations are evolving to limit the damage.

Historically used for their stain-resistant and water-repellent properties, PFAS now contaminates consumers through their diet, electronic devices, and textiles. Although these substances are known to be carcinogenic and endocrine disruptors, a study has revealed that 99% of Americans have PFAS in their blood.

What about the textile industry? A study conducted by the Natural Resources Defense Council (NRDC) tested 115 textiles and highlighted significant progress in this sector. For reasons of reputation and quality, brands have managed to significantly reduce the amount of PFAS in their technical materials, particularly in tights, swimsuits, shoes, and rainwear. Compared to analyses carried out three years earlier, outdoor specialist brands have reduced the PFAS content of their waterproof jackets by 97%.

Unfortunately, some categories still display worrying levels of PFAS, above upcoming Californian standards, such as tablecloths, pet textiles (toys, beds), and baby diapers. These are products that, moreover, affect populations more vulnerable to the effects of PFAS.

As a consumer, what should you do? It’s difficult. Lawmakers are fighting against chemical lobbies to set limits and ban certain PFAS, even though the vast majority of them have inexpensive alternatives. Not all brands are transparent about the use of PFAS in their products.