



**ALPHAVALUE**  
different by **nature**

**ESG & SFDR:**  
**Made Simple**  
**&**  
**Better**

2023



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# About Us

Founded in 2007, AlphaValue has become the leading provider of independent European equity, credit risk and ESG research, offering agnostic analysis of business models and valuations, and helping clients assess their investment risks and opportunities. Our team of 30 analysts actively covers over 450 large caps in Europe, maintaining regular communications with management and clients.

In a holistic and consistent approach, the analyst is responsible for both financials (modelling and valuation) and extra-financials (S-ESG) utilizing 15 years of proprietary data.

To ensure impartiality and facilitate meaningful comparisons between stocks, we deploy a highly disciplined and standardized research process, designed to minimize analyst bias.



AlphaValue is a proud member of Euro IRP [Click here](#) if you want to know more.

CO<sub>2</sub>

0.36 ton [per stock](#) covered



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# AlphaValue's Unique Sustainability Ratings

AlphaValue has been committed to the mandatory inclusion of ESG parameters in all research from day one. Over the span of 11 years, we have meticulously accumulated a proprietary repository of ESG data, seamlessly interconnected with financial data, underscoring our dedication to distilling valuable insights from the noise inherent in ESG datasets. This meticulously integrated ESG data remains in constant synergy with our fundamental research process, thereby offering astute investors a conduit for extracting actionable financial implications.

In a testament to our forward-looking approach, the past three years have witnessed the strategic utilization of dynamic ESG data to consistently influence valuations across a comprehensive universe of 450+ stocks. It's worth noting that AlphaValue currently stands as the sole equity research provider in Europe to have achieved this level of integration, allowing for a seamless infusion of ESG insights into valuation considerations.

This integration of ESG data remains accessible for all stocks, sectors, and selection criteria. This provides a distinctive edge for investors who want detailed and timely analysis of how ESG issues can impact a company's value.



# AlphaValue's 3 ESG Pillars

1

## Robust Data & Transparent Methodology

- Consistent data, validated by analysts and issuers on 550 companies in Europe
- All the calculations methods and algorithms are transparent for clients
- Data is auditable at will

2

## ESG Rating with an Impact

- Our ESG data has an impact on our valuations and target price
- This impact can modify the DCF value by up to +/-25%.

3

## SFDR Compliant Reporting Tool

- Our portfolio reporting setup includes various metrics, including ESG which is SFDR art 6 & 8 compliant
- Average rating of the portfolio on E, S and G as well as sustainability available



# A Proprietary, Robust and Consistent Dataset

## A disciplined approach on data and methodology:

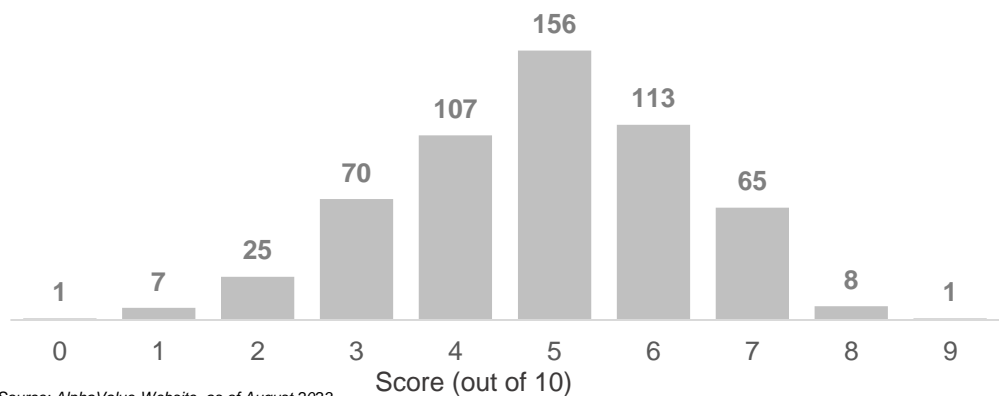
- Consistent parameters used across 31 sectors covering 550 stocks
- No exclusion, all stocks made comparable
- 100% proprietary data with no data purchased externally
- Data verified and validated by the analyst and discussed with the issuer when needed
- Up to 12 years of historical ESG data available
- Transparent methodology with algos details available on demand

## Sustainability rating, Environment, Social and Governance:

- E, S and G are assessed independently
- Sustainability Score is derived from relevant E, S and G sub-components

**Not only that, we also produce written analysis on these scores.**

## Sustainability ratings on a scale of 0 - 10 for companies in coverage

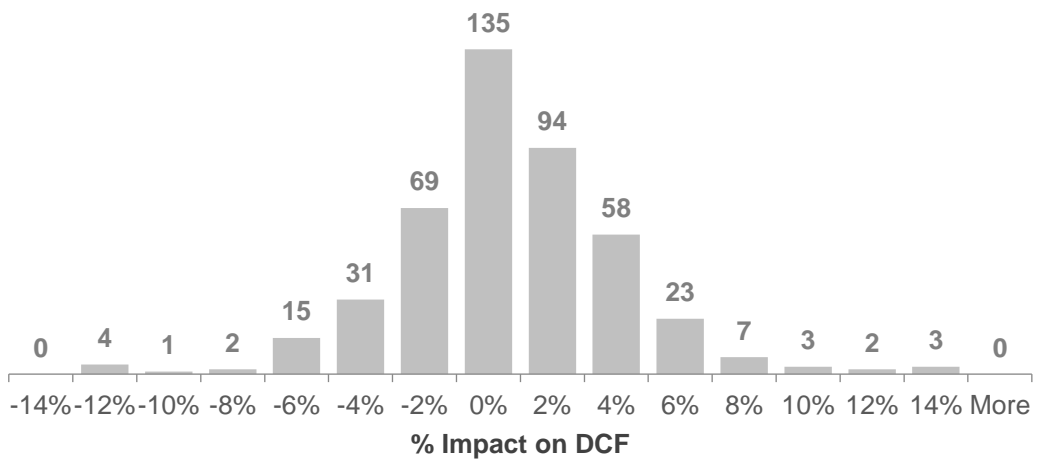




# Unique: ESG Metrics with Live Impact on Target Price

Our sustainability ratings directly impact our DCF within a +/- 10% band. All stocks are impacted.

Sustainability Impact on DCF (in %)



Source: AlphaValue Website, as of August 2023



# SFDR Compliant at No Cost

AlphaValue tools can be freely used to build and maintain a portfolio that meets SFDR article 6 and 8 requirements for stock selection and reporting.

## AlphaValue does SFDR simply, thoroughly and transparently

AlphaValue provides SFDR-type reporting on all its current coverage of c.550 European stocks at a click that covers most investment strategies, equity and debt.

- Consistent: same elements for all stocks under coverage in E, S and G
- Quantitative and qualitative approach impacting our valuation
- Live updating
- Open for discussion with the issuer and the client
- SFDR results can be audited at will

Using AlphaValue tools, SFDR requirements are met up to Article 8. Thanks to our portfolio analysis tool using our proprietary ESG data, reporting & tracking is immediate at no cost.

My ESG Wallet - Sustainability				
	Sustainability Score	Governance Score	Environment Score	Social Score
	/10	/10	/10	/10
<b>My ESG Wallet</b>	<b>6.3</b>	<b>6.6</b>	<b>7.2</b>	<b>6.6</b>
AlphaValue	5.5	6.7	5.3	6.3
My ESG Wallet - Sustainability				
Company	Sustainability Score	Governance Score	Environment Score	Social Score
	/10	/10	/10	/10
Aalberts	5.9	8.6	3.9	7.2
BAT	8.7	7.9	9.9	6.2
Danone	7.4	6.9	6.7	7.2
Kingfisher	5.0	8.6	3.0	5.9
NH Hotel Group	5.5	4.3	8.6	6.1
Pernod Ricard	6.1	3.3	9.0	6.3
Rexel	5.8	7.7	6.4	6.7
Worldline	5.9	5.6	10.0	7.3

Source: AlphaValue Website, as of August 2023



# AlphaValue's In-House ESG Scorecard

## Diversity in origins and nationalities



## Diversity in social and educational background

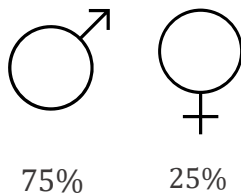


All our analysts are or will be CESGA trained and certified (on a purely voluntary basis)

## Diversity in experience

Average age of 42 y with Std Dev of 13,5y.  
Ranging from senior (3 >60) to junior (6 <26)

## Still Improving on Gender Diversity



## Lowest Carbon Footprint

175t CO2 in 2020 i.e. 0,36t per company under coverage (the lowest in the industry)





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Please do not hesitate to contact us if  
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