



Report on Voting and Engagement

As of 31 December 2022

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In accordance with the General Regulation of the Autorité des Marchés Financiers, La Financière de l'Echiquier hereby informs you of the conditions under which it exercised voting rights at the annual general meetings of issuers in which the UCITS funds it manages are shareholders. The report also contains information about the implementation of its shareholder engagement policy.

This report covers 2022.

The companies mentioned in this report were held in the portfolios of the LFDE UCITS at the time of the annual general meetings; their continued presence in the portfolios is not guaranteed over time.

Data as of 31 December 2022

1. IN BRIEF

La Financière de l'Echiquier has been a **recognised player in responsible investment** for over 15 years. It was one of the earliest signatories of the United Nations Principles for Responsible Investment in the Paris market, in 2008.

La Financière de l'Echiquier's first experimental SRI UCITS were launched in 2010. As of 31 December 2022, **there were 12 UCITS in LFDE'S SRI labelled fund in its range.**

Central to our approach as a responsible investor is the desire to provide long-term support to companies to help them improve both their governance model and their environmental and social practices. This desire is driven by the belief that **good ESG practices are a source of financial performance**. The link between SRI and financial performance was demonstrated in La Financière de l'Echiquier's "SRI & Performance" study, available on our website in the "[To find out more](#)" section of the page "[Responsible Investment](#)", under the heading "LFDE Documents – General approach."

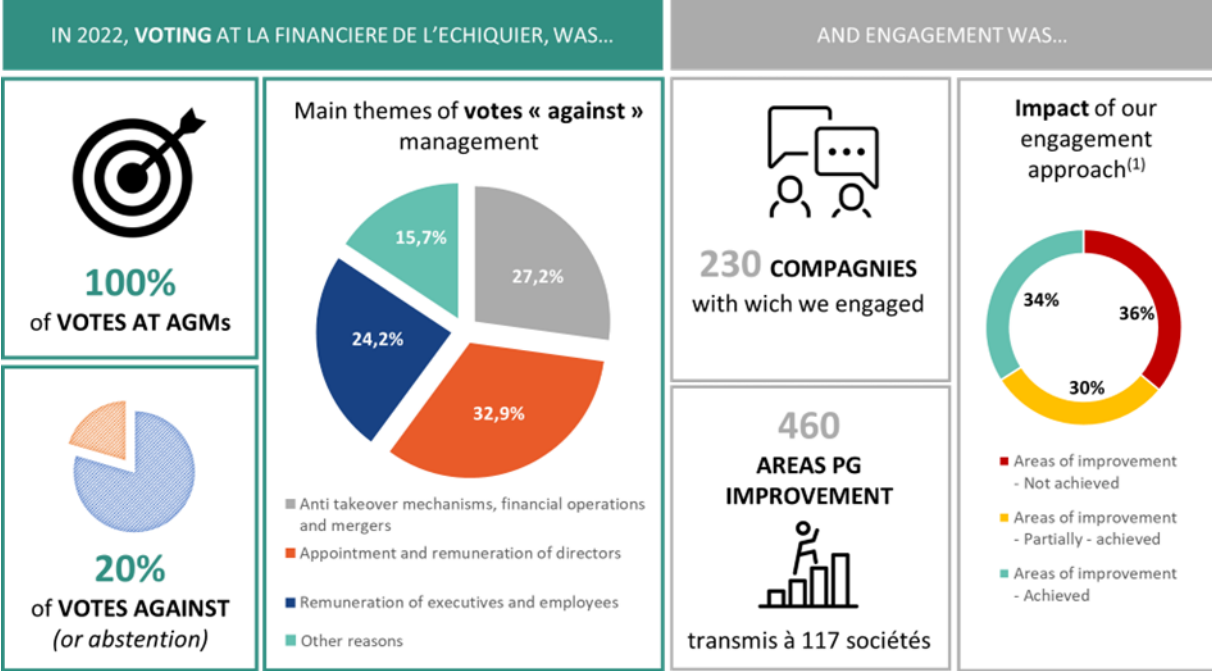
This conviction is reflected in the **systematic exercise of voting rights** at AGMs and a **shareholder engagement policy** with companies in which La Financière de l'Echiquier invests. Voting and engagement are in our view an integral part of the responsibility of an investor, especially a responsible investor:

- We believe that every shareholder has a duty to **vote at annual general meetings**. That is why we have undertaken to vote systematically at all annual general meetings of the companies in our actively managed portfolios.
- **Shareholder engagement** has been central to our relationship with companies since 2013. To achieve this, as part of each SRI UCITS fund's approach, we engage with investee companies and together identify specific areas of improvement. These areas of improvement are specified as targets for companies to pursue on non-financial issues, which we follow up over time. Where appropriate, we do not hesitate to take part in collaborative engagement initiatives. This approach is systematically applied to our SRI-labelled equity funds.

As part of its constant effort to enhance its responsible investment approach, La Financière de l'Echiquier seeks to strengthen its individual engagement practices, with the intention of systematically notifying companies of areas of improvement.

The engagement approach is not the same for each fund and depends on its extra-financial approach, but it is in all cases supervised by the SRI Research team. In particular, it tracks the engagements conducted by the fund managers with invested companies in the form of the number of areas for progress sent out and the extent to which they have been achieved.

The figures below summarise our voting and engagement approach in 2022:



(1) The results presented relate to the achievement of the 439 areas for improvement sent to 94 companies before 2021 and whose achievement was assessed at 31/12/2022. The areas for improvement were analysed for companies in the portfolio in 2022

In 2022, we voted in favour of 100% of the resolutions for which we were invited to vote. For technical reasons, approximately 1.5% of these voting decisions could not be recorded.

2. PRINCIPLES OF THE VOTING POLICY

Voting in AGMs is an integral part of our responsible investor approach. Since its creation, La Financière de l'Echiquier has developed its own voting policy. We believe the exercise of voting rights to be fundamental, because the resolutions presented at AGMs are decisive in the life of companies.

Since 2017, La Financière de l'Echiquier has undertaken to implement all the means necessary to vote systematically in all AGMs. The chart below sets out the major developments in our voting policy:



Our determination to vote systematically regardless of the percentage interest in the share capital dovetails with the implementation of a comprehensive ESG integration policy. In late 2017, La Financière de l'Echiquier formalised its ESG integration approach by making voting and ESG analysis systematic for all its actively managed portfolios.

The exercise of voting rights has been purposefully organised in a decentralised manner so that each fund manager and analyst votes for the companies for which he or she is responsible for financial and extra-financial monitoring. They are then responsible for a single vote for all LFDE holdings in that company. We believe it is essential to have **thorough knowledge of companies** and **to follow them over time** so that we can grasp the challenges faced and make the appropriate decisions – for both the company and our clients – as minority shareholders at annual general meetings. This organisational structure involves the whole management team, with the support of the SRI team, supported by the translation of our voting policy into voting recommendations on ISS's ProxyExchange platform. The RI Research team supports all analysts and managers in their understanding of resolutions and the voting process. The team may be asked to vote for the AGMs of companies deemed to be strategic (controversial companies, resolutions affecting the company's CSR strategy, 'Say on Climate' resolutions, large shareholdings, companies for which a close engagement process is underway, etc.).

During the annual general meeting season and in addition to the exercise of voting rights, it is common for La Financière de l'Echiquier analysts and fund managers to **engage in dialogue with companies**. Dialogue can take place before the AGM or following the exercise of voting rights. Its purpose is to provide the company with long-term support in drafting its resolutions and in adopting a transparent approach with its shareholders in its AGMs.

Data presented in this report relate to all the investment funds covered by our voting policy, which corresponds to **90%** of La Financière de l'Echiquier's assets under management as of 31 December 2022. UCITS managed under quantitative and macro-economic strategies, the Africa theme, and funds of funds are not covered by our voting policy.

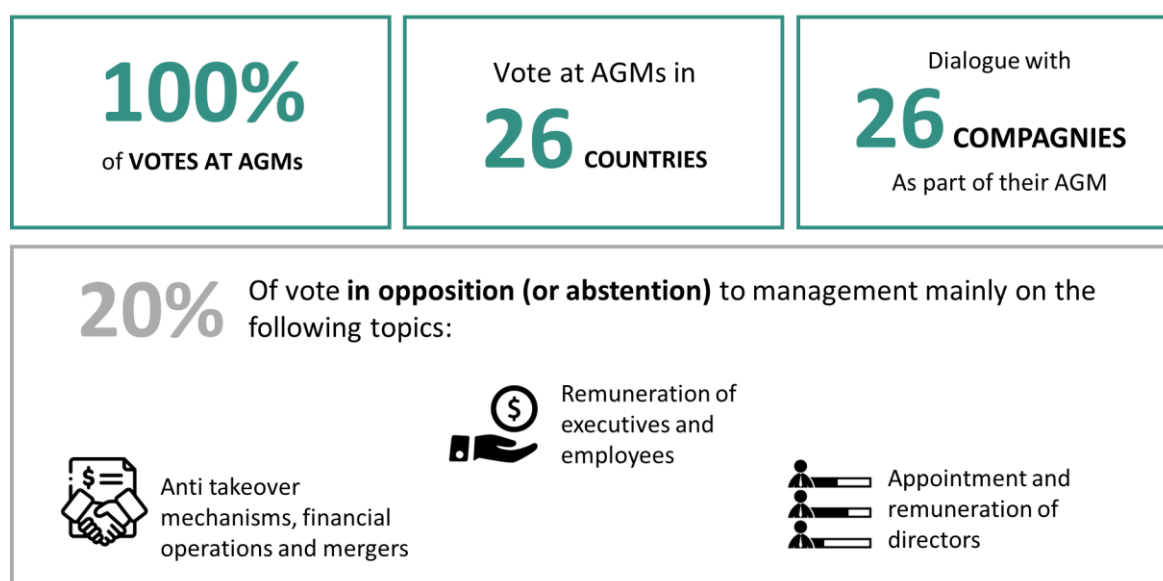
You can find our voting and engagement policy on our website in the "[Responsible Investment](#)" section of the page "[To find our more](#)", under the heading "LFDE Documents – Shareholder dialogue".

La Financière de l'Echiquier therefore exercises 100% of its voting rights, subject to obtaining the necessary authorisations to be able to vote at General Meetings.

3. EXERCISE OF VOTING RIGHTS IN 2022

3.1 IN BRIEF

In 2022, La Financière de l'Echiquier's voting record was as follow:



*LFDE voted at 100% of AGMs, subject to obtaining the necessary authorisations to exercise our voting rights. In practice, LFDE obtained these authorisations in 98.5% of cases.

Source: La Financière de l'Echiquier
AGM = Annual General Meeting

3.2 VOTING RECORD 2022 - LA FINANCIERE DE L'ECHIQUIER SCOPE

In 2022, we voted at 375 General Meetings for a total of 6,494 resolutions, i.e. for 100% of the companies in our voting perimeter within the limits of the authorisations required to exercise our voting rights. According to the AFG, by 2022, French portfolio management companies were effectively exercising their voting rights in respect of 91% of the listed shares in their portfolios, a figure that will accelerate sharply in 2022.

The main figures reflecting La Financière de l'Echiquier's voting activity in 2022 (compared with the previous 3 years) are as follows:

	2019	2020	2021	2022
Number of AGMs voted	363	385	424	414
o/w France	128	116	122	108
o/w International	235	269	302	306
Number of resolutions voted	5 315	6 067	6 616	6 494
Including votes against management (or abstention)	22%	22%	21%	20%

Source: La Financière de l'Echiquier
Data from 01/01/2019 to 31/12/2022

The number of general meetings at which our votes were cast rose remain stable between 2021 and 2022. This stability is explain by a stable number of strategies subjected to vote.

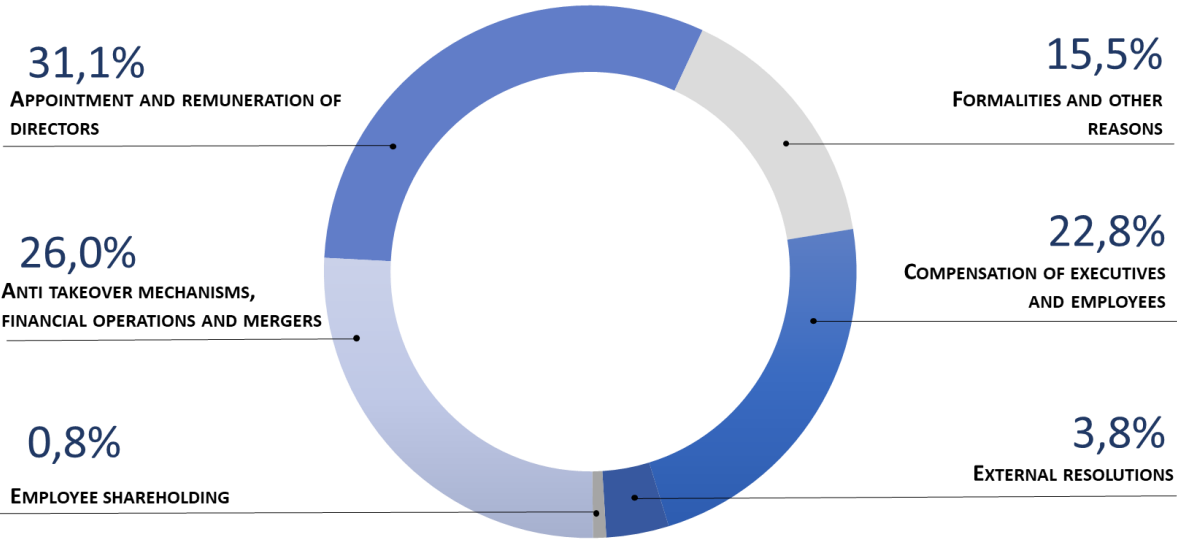
Number of AGMs at which La Financière de l'Echiquier voted in the past six years:



Source: La Financiere de l'Echiquier

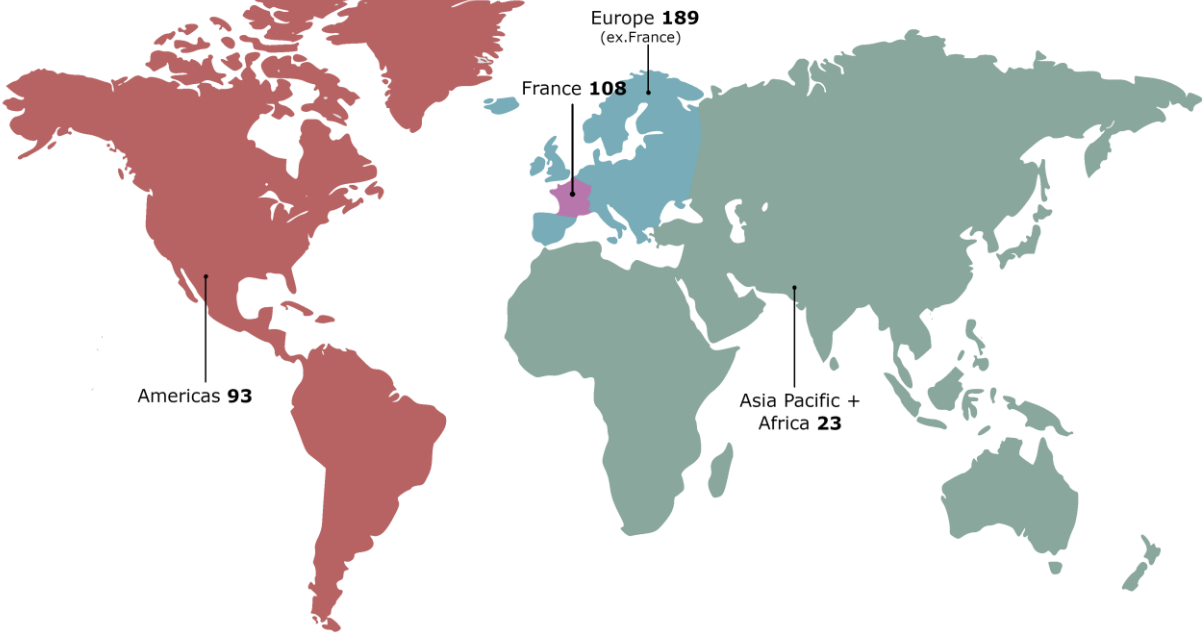
In 2022, La Financière de l'Echiquier voted “against” (or abstained from) **20.2%** of resolutions for which it expressed an opinion, or **1,244** resolutions opposed out of a total of 6,319. Abstentions are very rare, amounting to just 0.3% of votes in 2022. In comparison, in 2022, French portfolio managers voted against 20% of resolutions (and abstained on 1% of them), according to the AFG.

The main themes of the votes “against” are summarized in the chart below:



Source: La Financiere de l'Echiquier
Data from 01/01/2022 to 31/12/2022

Geographical breakdown of votes during the year:



Source: La Financiere de l'Echiquier
Data from 01/01/2022 to 31/12/2022

As a responsible investor, we conduct an in-depth review of any resolution dealing with environmental and social issues. We supported **59%** of the resolutions dealing with social or environmental issues, i.e. 62 resolutions out of 105. We remain particularly vigilant about the relevance and level of ambition of

each of the resolutions on environmental or social issues, whether they are proposed by shareholders or the company's management. We believe that not all environmental and social resolutions proposed by companies are necessarily virtuous. Some so-called "Say on climate" resolutions, for example, may propose insufficient measures and objectives in relation to the issues at stake.

It sometimes happens that, upon a case-by-case review of company-specific issues, we go against our voting policy, while doing our utmost to do so as little as possible. Such situations are closely supervised and each of these votes must be justified by the manager and/or analyst in charge of voting.

In 2022, this occurred in **2.5%** of resolutions for La Financière de l'Echiquier as a whole (vs 2.3% in 2021).

Given the large number of general meetings at which we are eligible to vote, **we attended no general meetings in person.**

La Financière de l'Echiquier detected no conflicts of interest involving the votes in which it participated in 2022.

3.3 VOTING RECORD 2022 – UCITS SCOPE

The entire fund management team is involved in the exercise of voting rights. Everyone is responsible for the smooth running of voting at annual general meetings for the stocks for which they are responsible. Our Middle Office teams also monitor the implementation of our voting policy.

These main figures reflect, on a fund-by-fund basis, **La Financière de l'Echiquier's voting activity** in 2022 (compared to 2020 and 2021) are presented in Appendix 9.1 of this document.

3.4 DIALOGUE SHAREHOLDER DIALOGUE IN THE EXERCISE OF VOTING RIGHTS

During the AGM season, in parallel with the exercise of voting rights, it is not unusual for La Financière de l'Echiquier's analysts and portfolio managers to engage a dialogue with companies. Such dialogue can take place before the AGM or after votes have been cast:

- **Dialogue ahead of the AGM:** The first case often reflects requests from companies wishing to consult us before their AGM, in the preparation and drafting phase of their resolutions, or to obtain our feedback on certain resolutions. In such cases, we seek to raise their awareness of cases where our voting policy could cause us to vote against some of their resolutions, and to explain how to adapt their resolutions accordingly, if they wish.

In 2022, we held **8** pre-AGM meeting with one of the companies invested in by one or more of the UCITS managed by La Financière de l'Echiquier.

- INFOTEL -
INVOLVING EMPLOYEES IN THE SUCCESS OF THE COMPANY

We have been shareholders in French IT services specialist INFOTEL for several years. Ahead of the Group's 2022 AGM, we spoke to Michel Koutchouk, the company's main shareholder and co-founder, about a resolution concerning the proposed allocation of free shares to certain key employees who have made a major contribution to the company's success in recent years.

Following this exchange, during which we were able to better understand the reasons for this resolution and how it works, we decided to support it.

Pre-AGM dialogue Formalities and other reasons Governance

- **Dialogue following the exercise of voting rights:** Dialogue is regularly established with companies following their annual general meeting by fund managers and analysts to explain our voting decisions (in particular votes against and abstentions) and to encourage them to adopt better practices in terms of drafting resolutions and increasing transparency for their next AGM.

In 2022, shareholder dialogue of this type concerned **19** companies, including...

- THERMADOR GROUP -

SHARING BEST PRACTICE ON THE TRANSPARENCY OF EXECUTIVE REMUNERATION POLICIES

Following the General Meeting of **THERMADOR GROUPE**, we wanted to share with the company certain best practices concerning the transparency of the remuneration of members of the Executive Committee.

One of the Group's Deputy Chief Executives is remunerated by a Group subsidiary of which he is also Chief Executive. His remuneration is therefore not put to a shareholder vote at the company's general meeting. As this practice is penalised by the voting advisory agencies, we have encouraged the company to find a way of making this executive's remuneration mechanism more transparent at their next AGM.

After discussions with the company, we received confirmation that this scheme would change and that the fixed remuneration of the Chief Operating Officer concerned would be put to the vote at the 2023 AGM.

Post-AGM dialogue | Directors' and employees' remuneration

3.5 STORIES OF VOTES AT ANNUAL GENERAL MEETINGS

The AGM is an ideal forum for shareholders to express their views on an increasingly wide range of issues, although most concern corporate governance. Issues addressed include, for instance, executive remuneration, changes in capital structure or a company's climate. We set out below a selection of the stories underlying our voting records at different AGMs.

. STORIES OF VOTES AGAINST MANAGEMENT

The boxes below set out several examples of AGMs held in 2022 where we refused to follow management's recommendations on some resolutions. The examples chosen illustrates the three main themes of votes "against", namely anti-takeover mechanisms and financial transaction/merger operations, the appointment and remuneration of directors, and the remuneration of executives and employees.

- OCADO -

A CAPITAL INCREASE TO THE DETRIMENT OF MINORITY SHAREHOLDERS

LFDE is committed to respecting minority shareholders. We do not wish to see our shareholding diluted. Through our voting policy, we are systematically **opposed to capital increases without pre-emptive rights for existing shareholders (DPS)**, which expose existing shareholders to a risk of dilution. Aware that this type of operation raises funds more quickly than a capital increase with preferential rights, we encourage companies to at least include a priority subscription period for existing shareholders. As a result, we voted against the resolution presented by **OCADO** at its AGM in May 2022 to raise capital without pre-emptive rights or priority rights.

Vote | Against | Financial transactions and mergers

- MUNTERS -

QUESTIONS REGARDING THE BOARD MEMBERS NOMINATIONS

The **independence of directors is an important criterion** for us when determining whether or not to support the appointment of a director. At the **MUNTERS 2022 Annual General Meeting**, we voted against the appointment of Kristian SILDEBY to the Board, as this would have reduced the proportion of independent members on the Remuneration Committee to below 50%.

Vote **Against** Appointment and remuneration of members of board of directors

- LATECOERE -

QUESTIONING COMPANIES' ANTI-OPA MECHANISMS

We **voted against a resolution allowing share buyback programmes to continue during takeover bid periods**. LFDE is not in favour of measures likely to frustrate a takeover bid without the prior authorisation of shareholders at a General Meeting during the takeover period.

Vote **Against** Anti-takeover mechanism

. STORIES OF VOTES ON ENVIRONMENTAL AND/OR SOCIAL RESOLUTIONS

Climate issues, which are very prominent in discussions with companies, are also increasingly so at General Meetings. In 2022, we saw a number of resolutions tabled by shareholders on these issues, sometimes encouraged by NGOs. We have seen many resolutions tabled in favour of greater transparency on environmental issues specific to companies. We are particularly vigilant when it comes to resolutions on these issues, as they do not always go in the direction of greater sustainability or are not necessarily as ambitious as the issues they are supposed to address. For example, we have included a section dedicated to 'Say on climate' resolutions in our voting policy.

- TESLA -

TRANSPARENCY ON WATER-RELATED ISSUES

Ahead of **TESLA's 2022 Annual General Meeting**, a coalition of shareholders has tabled a resolution to require the Group to publish a report on its water consumption. We felt it was important to support this resolution, which aims to make companies accountable for their negative externalities and their consumption patterns. The importance of water resources in the manufacturing process for the brand's vehicles, particularly in the manufacture of electronic components, makes this resolution particularly critical for the Group.

Vote **Approval** Environment

- MODERNA -
ACCESS TO HEALTHCARE

At MODERNA's 2022 AGM, the NGO Oxfam tabled a resolution calling for the feasibility of technology transfer related to the COVID-19 vaccine to stimulate manufacturing in low- and middle-income countries. EHIFA became a shareholder of Moderna after the AGM, but we supported the resolution on behalf of our other value holding TPOs.

Vote Approval Social

3.6 FILING OF RESOLUTIONS AT ANNUAL GENERAL MEETINGS

As a long-term investor, La Financière de l'Echiquier favours direct dialogue with companies when we wish to send them a message in defence of the interests of our clients as minority shareholders. The relationship of trust that we have built with companies over the years means that our requests are generally taken seriously and heard. However, where we do not receive a positive response from the company with which we have engaged in a dialogue and where we consider the issue to be legitimate and essential, we may opt to file one or more resolutions at the General Meeting (see escalation process). These cases are rare and occur only as a last resort. We have co-filed two resolutions in 2022, as part of the Climate Action 100+.

- TOTAL ENERGY -

ENCOURAGING THE TRANSPARENCY OF THE TRANSITION PLAN AND ITS ALIGNMENT WITH THE PARIS AGREEMENT

In 2022, LFDE continued its dialogue with **TOTALENERGIES** and in particular took part in the tabling of two resolutions at the Group's general meeting. These resolutions were tabled by two coalitions of investors, each led by one of the company's Climate Action 100+ representatives. This commitment is in line with that already made since 2020 through this same initiative and our bilateral commitment. Indeed, participation in this type of resolution filing is part of our escalation policy if we consider that the results of our individual commitment are insufficient.

One of these was a request for greater transparency on information relating to its decarbonisation strategy. It was finally withdrawn ahead of the AGM, after the Group's Board of Directors accepted a majority of the requests included in the resolution. It called for the publication of the information needed to assess the alignment of their transition plan with a scenario compatible with the Paris Agreement.

The other concerned setting targets for reducing greenhouse gas emissions, in line with the Paris Agreement. The latter was not put on the AGM agenda by the Board of Directors.

Vote Approval Environment

3.7 DATA ACCESSIBILITY

An exhaustive record of votes exercised during the year, resolution by resolution, at the general meetings of issuers in LFDE's SRI-certified funds is disclosed and freely available on the website of La Financière de l'Echiquier, under the "Responsible Investment" heading, on the page "To find out more" under the heading "LFDE documents – shareholder dialogue". Since the 2022 financial year, we have systematically included the rationale for each of our voting decisions at general meetings in our voting inventories.

The record is also available for each certified fund on its dedicated page and are accessible in the "Funds" section under "Voting record".

4. PRINCIPLES OF THE ENGAGEMENT POLICY

La Financière de l'Echiquier implements its individual engagement policy throughout the time of our financial holdings and in particular by defining, formalising and sharing areas of improvement with our invested companies.

LFDE's individual engagement policy works as follows:

- **For SRI-labelled equity funds:** Following each ESG review, several **areas of improvement** are determined by the analyst or manager in charge of the stock. These areas of improvement deal with the company's environmental issues (including the climate), as well as its social and governance aspects in which LFDE wishes to see progress. We want these objectives shared with the company to be **realistic, measurable and controllable**. These areas of improvement are **formalised in writing and sent to the company**.

During an interview held on average every two years, we sit down with the company to evaluate the progress it has achieved on the basis of previously formalised objectives (areas of improvement achieved, partially achieved or not achieved), and, together with it, determine some new areas of improvement. In addition to this biannual update and in particular for stocks in our impact funds, we strive to monitor these areas of improvement on a more regular basis, during our contacts with the companies throughout the year.

- **For SRI-labelled fixed-income and diversified funds:** Sharing of areas of improvement is systematic in the following cases:
 - **Non-listed companies**
 - Companies with an ESG rating **below 6.0/10**
 - **Companies rated category B by financial rating agencies.**
 - Areas for progress on ESG issues of particular importance to the company,
 - It is not uncommon for managers and analysts to talk to other stakeholders in the company. If certain common concerns emerge, it is then important that, as shareholders, **we share our comments with the company on material issues**,
- **ESG integration funds:** We increasingly encourage the sharing of areas of improvement with companies, in particular in the following cases:
 - **Significant capital holding** by LFDE and proximity to the company.
 - Companies with an ESG rating below 6.0/10
 - Areas for progress on ESG issues of particular importance to the company.
 - **Consultation with stakeholders:** Managers and analysts do sometimes dialogue with the company's other stakeholders. If some common concerns emerge, it is important for us, as shareholders share our remarks with the company on material issues.
 - **Post-GM engagement:** When an engagement has already been conducted at the AGM and when it deals with issues also identified as 'areas for improvement' on the basis of the ESG analysis, we do sometimes share them with the company in order to emphasise their importance.

- **Climate:** For companies in sectors deemed to be important in the **environmental transition**, whose assets' weight in LFDE's carbon footprint is significant, we step up our climate analysis and our engagement practices.

However, areas for improvement are formalized in the context of each ESG analysis, and it is not uncommon for these to be shared during meetings with the company representatives concerned, outside the systematic submission procedure.

Through its efforts to constantly enhance its sustainable investment approach, La Financière de l'Echiquier seeks to enhance its individual engagement practices with the goal of routinely informing companies of areas of improvement and thus having a homogenous approach for all its funds. To do so, the SRI Research team monitors on an annual basis the percentage of areas of improvement sent to companies out of the total number of areas of improvement expressed.

You will find our full voting and engagement policies on our website in the “Responsible Investment” section on the [“To find out more”](#), page, under the “LFDE documents – shareholder dialogue” page.

5. INDIVIDUAL ENGAGEMENT IN 2022

5.1 IN BRIEF

During 2022, Financière de l'Echiquier has sent **460** areas of improvement for **117** companies in 2022, out of the **900** areas of progress identified for **249** companies. In our extra-financial approach, engagement is central to the relationship of trust we have with companies. Our areas of improvement are considered as strong recommendations by companies, which readily attest to the good grasp we have of both their own challenges and good practices across their respective sectors and among their competitors. We firmly believe that engagement is closely linked to our corporate ESG analysis work and that, in addition to improving corporate practices, it allows us to better understand and ultimately reduce the risk of our investments.

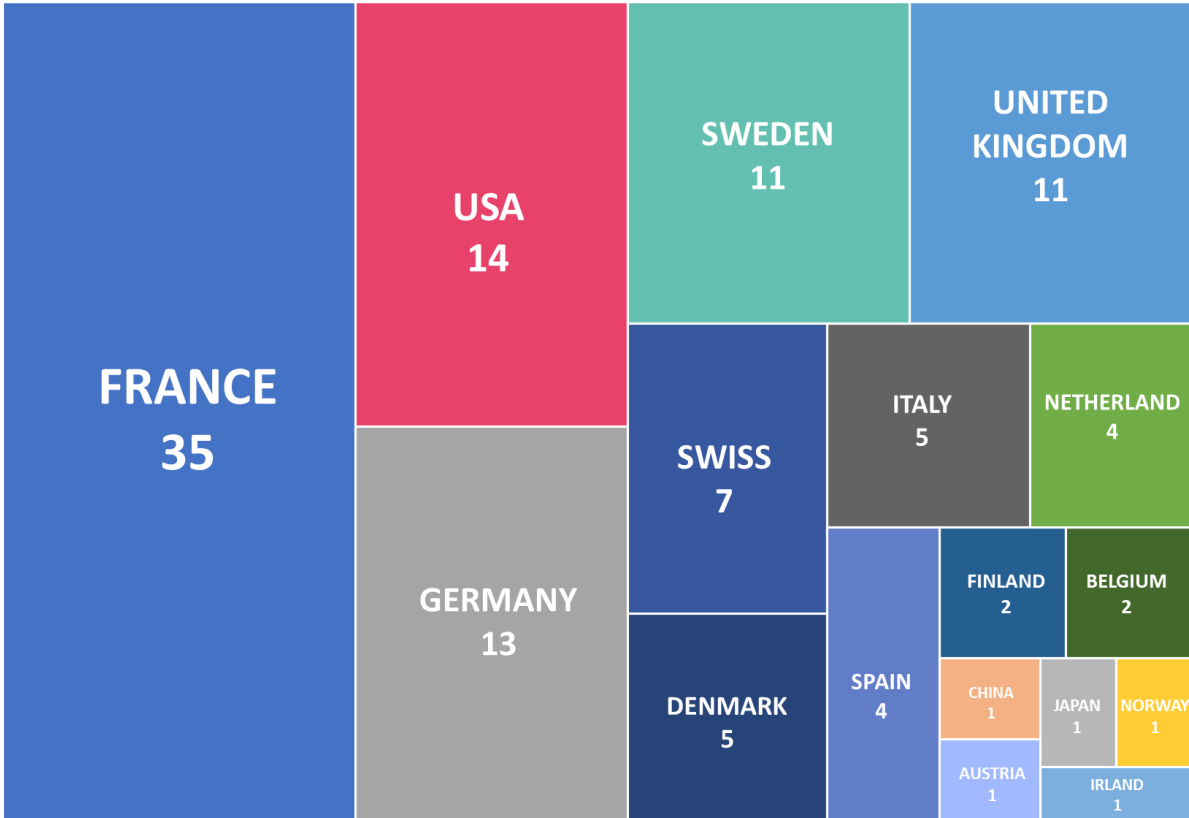
These areas of improvement are routinely formalised during each ESG review by La Financière de l'Echiquier. They are systematically sent to companies included in SRI-labelled equity funds.

For the other funds in our range, the managers and analysts in charge of ESG analyses of companies are encouraged to send these areas for improvement to the companies concerned, when they consider it relevant.

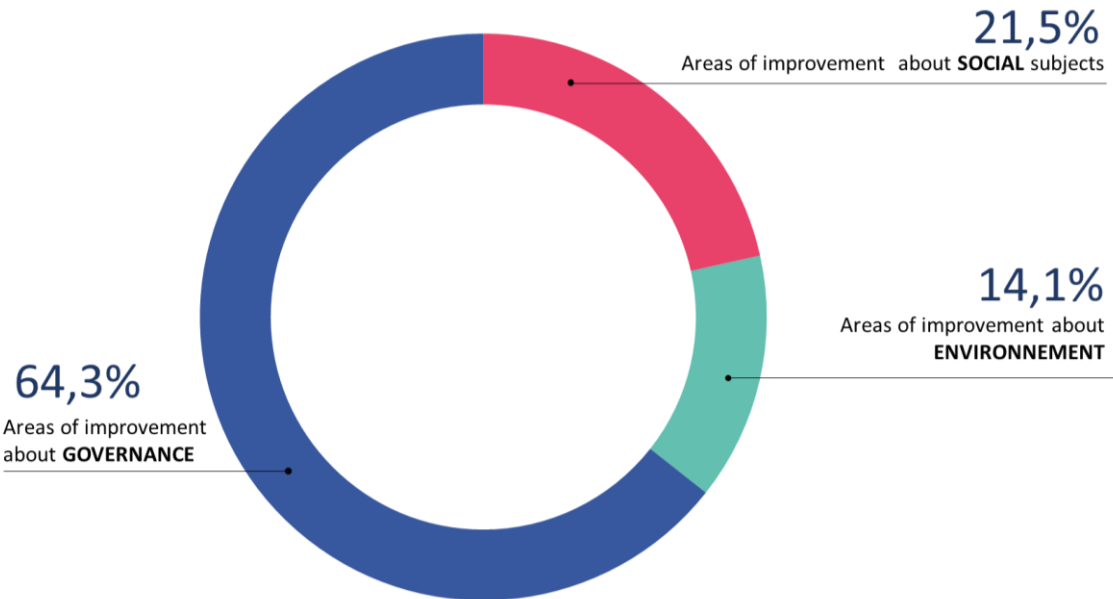
5.2 DATA ON OUR INDIVIDUAL ENGAGEMENT ACTIVITIES IN 2022

In **2022**, we reported areas of improvement to **117 companies**.

Geographically, our engagement breaks down as follows (in terms of numbers of companies):



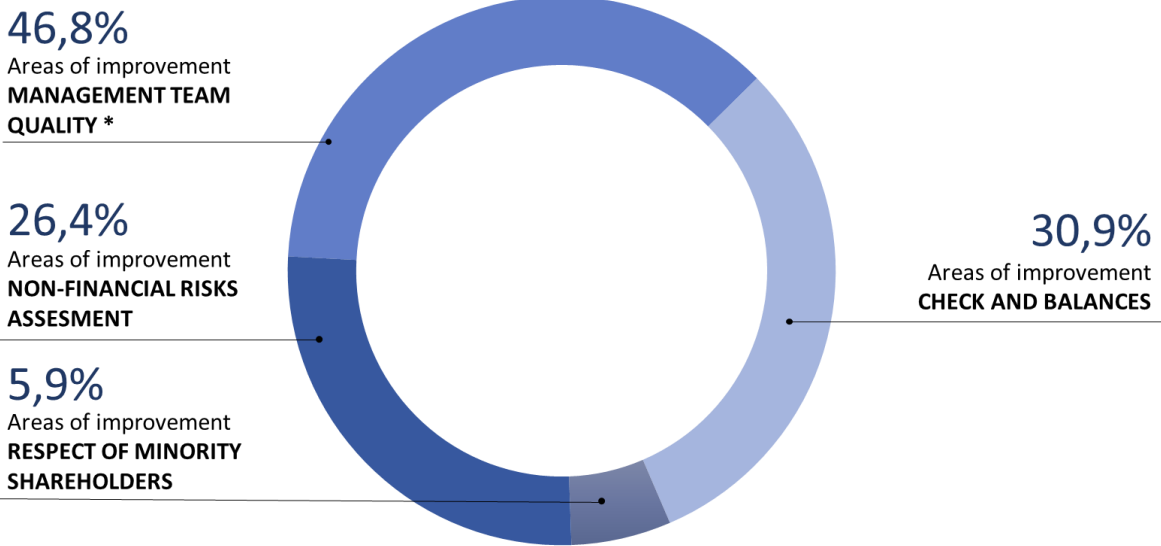
460 areas of improvement were sent to companies, addressing environmental, social and governance issues, breaking down as follows:



Source : La Financiere de l'Echiquier
Data as of 31/12/2022

Within each of the pillars, the various themes discussed broke down as follows:

- **GOVERNANCE** themes:

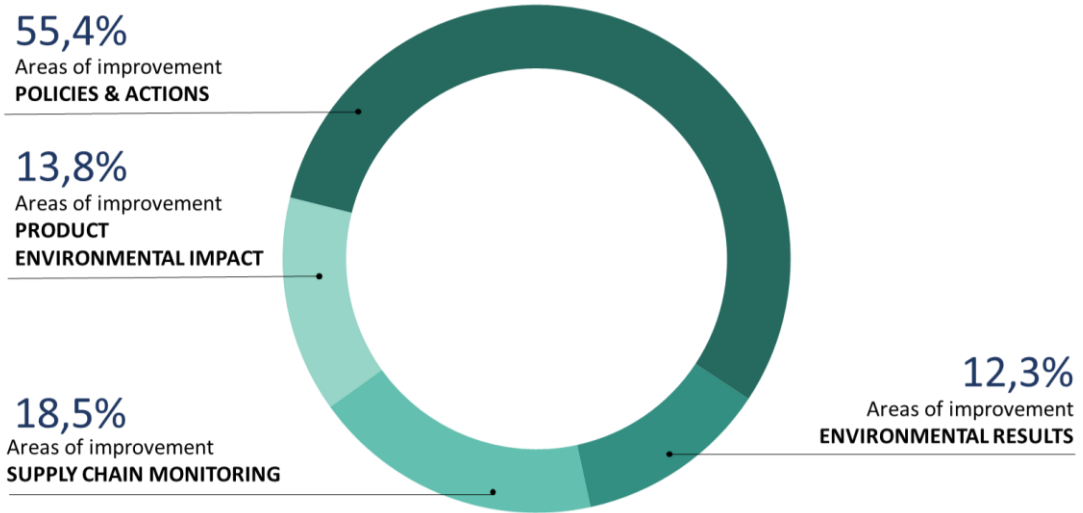


Source: La Financiere de l'Echiquier
Data as of 31/12/2022

* The "management team quality" item includes issues about remuneration plans for company leaders, an area where we frequently make recommendations to companies.

The governance issue that comes up most in our engagements with companies is **quality of management**. This makes perfect sense, given the importance that we attribute to the quality of governance of companies in which we invest. This cover, for example, proposed engagements in areas such as whether a succession plan is in place, the diversity of profiles on the executive committee or whether there are extra-financial criteria in manager compensation packages.

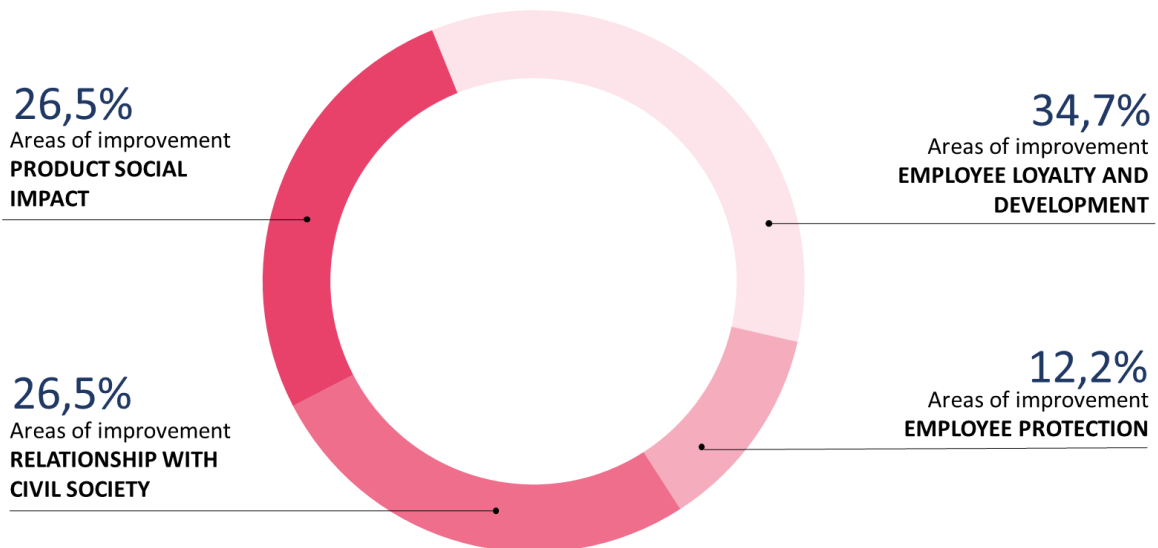
- **ENVIRONMENTAL** themes:



Source: La Financiere de l'Echiquier
Data as of 31/12/2022

The most widely addressed environmental theme in our engagements with companies is **Environmental Policies & Actions**. Most of the companies in which we invest are aware of the need to set environmental targets. Sometimes, however, these are lacking in ambition. Our role as a responsible investor and shareholder is to encourage these companies to adopt best practice by drawing up road maps with date-limited, quantified targets and breaking these down into milestones.

- **SOCIAL** themes:



Source: La Financiere de l'Echiquier
Data as of 31/12/2022

The most widely addressed social theme in our engagements with companies is that of the **Employee Loyalty and Development** within the company. We focus on this theme largely because we believe that good human resource management is a key success factor for a company. Examples of engagement proposals under this item include establishing a measure of employee satisfaction and sharing the main conclusions, establishing a policy (with dated and quantified objectives) geared towards reducing staff turnover or further broadening access to training for all employees.

5.3 COMPARISON OF INDIVIDUAL ENGAGEMENT BETWEEN 2020, 2021 and 2022

The table below compares La Financière de l'Echiquier' engagement activity between 2020, 2021 and 2022 as well as the breakdown by theme:

	2020		2021		2022	
	Number	En %	Number	En %	Number	En %
Number of companies we engaged with	60	-	118	-	117	-
Number of areas of improvement	165	-	399	-	460	-

ESG TRANSPARENCY	80	48,5%	121	30,3%	211	46,8%
CLIMATE OR BIODIVERSITY-RELATED	-	-	68	17,0%	48	10,4%
IMPACT-RELATED	-	-	-	-	112	24,3%

GOVERNANCE	113	68,5%	268	67,2%	288	63,9%
x Management team quality	50	44,2%	110	41,0%	106	36,8%
x Check and balances	41	36,3%	105	39,2%	89	30,9%
x Respect of minority shareholders	2	1,8%	7	2,6%	17	5,9%
x Non-financial risks assessment	20	17,7%	46	17,2%	76	26,4%
ENVIRONMENT	33	20,0%	80	20,0%	65	14,4%
x Policies and actions	15	45,5%	42	52,5%	36	55,4%
x Results	5	15,2%	10	12,5%	8	12,3%
x Supply chain monitoring	5	15,2%	17	21,2%	12	18,5%
x Product environmental impact	8	24,2%	11	13,8%	9	13,8%
SOCIAL	19	11,5%	51	12,8%	98	21,7%
x Employee loyalty and development	10	52,6%	31	60,7%	34	34,7%
x Employee protection	4	21,1%	8	15,7%	12	12,3%
x Supply chain monitoring	1	5,3%	1	2,0%	0	0,0%
x Product social impact	2	10,5%	1	2,0%	26	26,5%
x Relationship with civil society	2	10,5%	10	19,6%	26	26,5%

N.B. Each area of improvement is allocated to one of the themes (governance, environment or social). It may also be allocated to the "ESG transparency" theme if the recommendation is for the firm to be more transparent on the issue in question.

Source: La Financière de l'Echiquier

Main takeaways of this figures:

- The **steady increase in the number of commitments since 2020** is explained by the widening of our scope of UCIs that have systematically sent us their progress reports. This includes a growing number of SRI-labelled funds. We have also made a specific commitment to 8 of the most polluting companies in all our investments, as well as to companies in our portfolios that are involved in coal-fired power generation. The management teams of LFDE's other funds are also encouraged to share their areas for improvement with the management of the companies concerned.
- **The concentration of areas for improvement on the theme of governance** remains constant (63.9% in 2022 compared with 67.2% in 2021). This trend is explained by the extension of our

systematic engagement approach to two funds and one small and mid-cap mandate, in which the internal ESG analysis of issuers focuses mainly on governance.

- We are seeing a sharp **increase in social issues**. The number of areas for progress on these themes has risen from 19 to 98 between 2020 and 2022. In relative terms, these issues now represent more than 21% of the areas for progress shared with companies, compared with just under 12% in 2020 and 13% in 2021. This change is mainly due to the launch of a thematic strategy with an impact on access to health, which has a strong commitment dynamic.

It is worth pointing out that in absolute terms, the number of areas of improvement on environmental and social aspects sent to companies has increased.

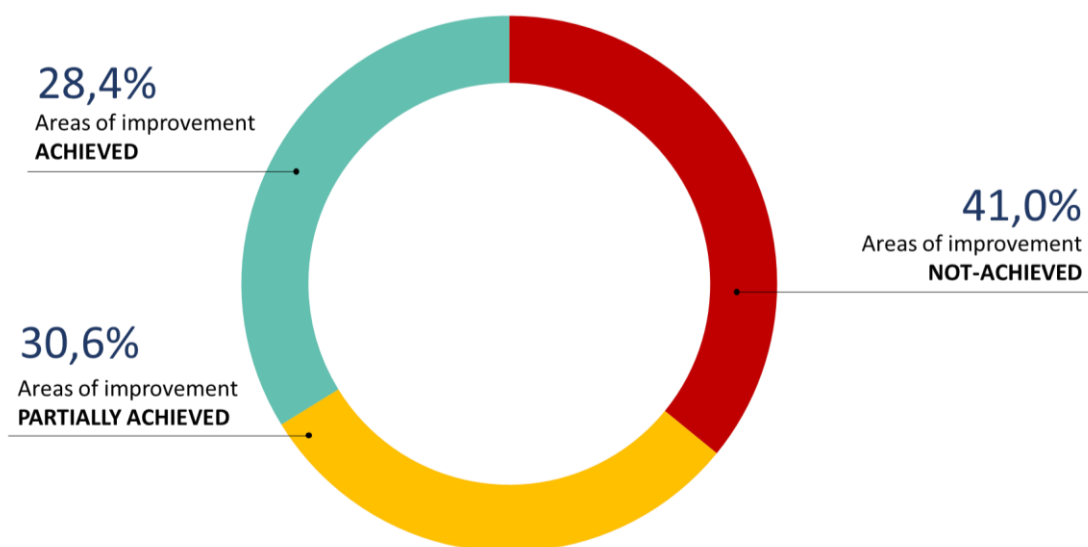
5.4 IMPACT OF OUR INDIVIDUAL ENGAGEMENT ACTIVITY

As part of our determination to constantly enhance our engagement policies and to measure their impact more precisely, we have decided to measure the success of our engagement activity based on whether the areas of improvement reported to companies have been achieved by those companies. We are fully aware of the fact that we alone are not responsible for progress achieved by companies in which we invest. We do, however, do our utmost to provide companies with the support they need in their efforts. We thus hope that our quality engagement will also play as decisive role as possible in the positive changes that we are pleased to witness.

Our analysis covers companies that were in the portfolios of Financière de l’Echiquier’s SRI-labelled funds in 2022 and to which we reported our areas of improvement. Our approach consists in measuring whether these companies have achieved the areas of improvement that were assigned to them during the previous review. One such area for improvement could be:

- Either **“achieved”** if the company has adopted the recommendation,
- **“Partially achieved”** if the company has started to adopt the recommendation but the recommendation has not yet been fully implemented,
- Or **“not achieved”** if the company has not adopted the recommendation.

The results for all the companies in our scope are as follows:



La Financière de l'Echiquier is satisfied with the progress made: just over **64%** of the **439** areas for progress communicated to **94** companies before 2021 have been achieved or are in the process of being achieved. This attests to the seriousness and quality of La Financière de l'Echiquier's commitment to companies and the relevance of the recommendations made.

We have chosen to illustrate some “**engagement stories**” about companies with which we have engaged over the long term to help them improve their ESG practices:

- AIR LIQUIDE -
AN ENVIRONMENTAL COMMITMENT THAT IS BEARING FRUIT

AIR LIQUIDE is present in several of the portfolios of our SRI-labelled funds. In March 2020 we shared with the company our desire to see the company measure all of its Scope 3 greenhouse gas emissions and to publish the results of this exercise. During our review of the company's ESG rating, which includes an assessment of the progress already made, we noted that the company had indeed published all the scopes of its greenhouse gas emissions in its annual report.

In 2022, when we updated the Group's ESG rating, we re-engaged with the company on environmental, social and governance issues. We asked the company to disclose the proportion of its sites with environmental certification. We also encouraged them to appoint an independent director with expertise in the Asia region or in energy transition solutions, and to communicate the results of their employee satisfaction surveys.

Engagement Areas of improvement achieved Environment Governance Social

- EXPERIAN -
A MULTI-THEMATIC COMMITMENT

Following our ESG analysis, three areas for improvement were communicated to **EXPERIAN**, a Danish pharmaceutical group, in 2020. At the time of our review in 2022, we noted that 2 of these areas of progress had been achieved. These areas of commitment concerned the publication of achievable targets for reducing greenhouse gas emissions over time, as well as transparency regarding the company's employee retention rate and policy.

During our ESG analysis in 2022, we took advantage of our close relationship with the company to again suggest that it sign the United Nations Global Compact. We also encouraged the company to include extra-financial objectives in determining the short- and long-term remuneration of the company's senior executives.

Engagement Governance Environment Social Transparency Areas of progress not achieved

- SPIE -
SETTING UP A MATERIALITY MATRIX

In 2020, we carried out an ESG analysis of the French industrial group **SPIE**. At the end of the interview dedicated to extra-financial issues, we shared 3 areas for progress with the company. At the time of our review in 2022, all three areas of progress had been achieved, as the company had set itself the target of increasing the number of women in key positions and had responded to the CDP climate questionnaire. The company also organised a consultation of its stakeholders to draw up its materiality matrix.

Following the update of our ESG analysis in 2022, we wanted to encourage the company to go further, by appointing a climate specialist to its Board of Directors, setting targets for circularity and making commitments to develop the skills of its employees.

Engagement Governance Social Transparency Areas of improvement achieved

5.5 OTHER EXAMPLES OF INDIVIDUAL ENGAGEMENT

Besides our individual engagement process based on sharing areas of improvement, La Financière de l'Echiquier also frequently engages in a more discretionary way with companies in its portfolios or with a diverse and varied range of stakeholders (including non-financial rating agencies). These engagements can take various forms including: (1) in-depth exchanges with companies on specific points that emerge from the areas of improvement or with consultants at companies' request and (2) post-divestment engagement on ESG issues.

Here are **3** examples from 2022 that illustrate this type of engagement:

- ESKER -
A COMPLEMENTARY COMMITMENT TO AREAS OF PROGRESS

In 2022, following the transmission of our progress targets, **Esker's** teams wanted to organise a telephone meeting with the management team to go into certain subjects in greater depth. During this meeting, we encouraged the company to include the widest possible scope 3 of its greenhouse gas emissions in its *Science Based Targets* commitments and to determine relevant indicators for measuring the social impact of the solutions developed by the company.

Engagement Social Environment

- DIPLOMA -
IMPROVING REMUNERATION PRACTICES

For several years now, we have been working with **DIPLOMA** to improve its **remuneration scheme**, both at the time of our ESG analyses and during the AGM season. In 2022, we continued our long-term commitment to this issue. We were invited by the company to a **meeting dedicated to** the subject in order to express our point of view on the existing scheme. We again encouraged the company to introduce more ambitious and progressive **non-financial criteria for awarding** remuneration.

Commitment Social

- GREATER TRANSPARENCY IN OUR IMPACT FUNDS -
SHARING THE IMPACT REPORT OF OUR IMPACT MUTUAL FUNDS

The publication of the **impact reports** for our impact funds was an opportunity for us to share them with **the 54 companies in our portfolio**. This enabled us to remind them of the importance of the availability of the extra-financial data they communicate, particularly in terms of impact. We are convinced that this sharing is a good way of showing companies the vital role of the data they publish, their virtuous use by responsible investors and of highlighting their commitments.

Engagement Stakeholders

6. COLLECTIVE ENGAGEMENT 2022

Since 2019, besides the individual engagement approach with companies in portfolios, La Financière de l'Echiquier also decided to step up its role in collective engagement processes alongside other investors. These collective initiatives are crucial as they allow us to engage on themes that may be hard to address at individual company level or target all companies in a sector at one time. This method of engagement also means we can make our voice heard by some companies with whom individual engagement would not work.

In 2022, La Financière de l'Echiquier took part in **4** collective engagement initiatives, including:

- FINANCE FOR BIODIVERSITY FOUNDATION - AN ENGAGEMENT IN FAVOUR OF BIODIVERSITY

In 2020, we signed the [Finance for Biodiversity Pledge](#) and were a founding member of the [Finance for Biodiversity Foundation](#). The foundation brings together financial market participants seeking to reverse the loss of natural capital over the past decade and to facilitate cooperation and collective actions on the signatories' five commitments.

For example, La Financière de l'Echiquier pledged by 2024 to integrate biodiversity criteria in its research, to measure its investments' impact on biodiversity and to disclose them transparently. As part of this initiative, we are part of the [Impact Assessment](#) working group, which aims to better measure biodiversity impacts and to help investors better take them into account, using specific indicators. We are also part of [Engagement with Companies](#), which uses engagement to encourage companies to be more transparent in their practices and in onboarding biodiversity themes.

Collective Engagement | Biodiversity

- CDP - NON-DISCLOSURE CAMPAIGN: AN ENGAGEMENT FOR MORE TRANSPARENCY ON ENVIRONMENTAL IMPACTS

Since 2020, LFDE has been taking part in the [Carbon Disclosure Project's \(CDP\) Non-Disclosure Campaign](#). This campaign encourages companies to respond to CDP questionnaires on the subjects of climate change, forests and water. These questionnaires provide investors with standardised data enabling them to compare the environmental performance of companies, particularly in terms of their carbon footprint.

During the 2022 commitment campaign, we [engaged directly with 32 companies](#) and supported the engagement of other players as co-leads with 81 companies. The results of our engagements have been quite positive. More than a quarter of the companies we approached as leads or co-leads agreed to answer the CDP questionnaire.

Collaborative Engagement | Environment | Biodiversity | Transparency

The three other collaborative engagements to which by La Financière de l'Echiquier contributed in 2022 are the Climate Action 100+ in which we are participating in a working group on PHILIPS, and the CDP campaign on [Science Based Targets](#) encouraging companies to set carbon neutrality targets by following best-in-class standards.

7. ENGAGEMENT HISTORY

LFDE's engagement with companies takes many forms, including at general meetings, in sharing areas of improvement for ratings, through collective engagements or other occasions throughout the period of our holdings. These engagements feed off one another and are coordinated with one another to increase interactions with the company and, ultimately, a more qualitative engagement.

Our involvement with **KEMIRA**, a Finnish company in which we became a shareholder at the beginning of 2022, illustrates this point:

- KEMIRA -
A HISTORY OF COMMITMENT

KEMIRA is a Finnish chemical company specialising in solutions for the treatment of drinking water and the efficiency of water-intensive industrial processes. Its products improve the efficiency and quality of its customers' production, particularly by reducing their water consumption. Following a successful pre-investment engagement, we became shareholders in **KEMIRA** in early 2022. Subsequently, we continued our engagement by meeting with the CSR Director and the Quality & Environment teams.

In February 2022, we organised a progress review with **KEMIRA's** CSR Director to review the ESG progress areas shared in 2021. Those relating to reducing staff turnover and setting up a materiality matrix were achieved. The meeting also provided an opportunity to formulate more specific areas for progress on climate and biodiversity:

1. Define targets for reducing water use and waste production
2. Measuring the temperature of the water leaving the plants
3. Define targets for reducing scope 3 GHG emissions
4. Implement a responsible palm oil sourcing policy

At the end of 2022, we met again with the CSR Director and the Head of the Quality and Environment teams, as well as their experts in water, biodiversity and CO2. For several months now, **studies have been carried out to measure the temperature of water leaving the plants, in direct connection with our commitment to their impact on biodiversity.** These exchanges have been an opportunity to develop long-term thinking on the challenges of biodiversity in the value chain, physical risks and the valuation of product impact.

The company's responsiveness in our discussions and its strong commitment to progress convinced us to make this a long-term commitment.

Engagement with stakeholders	Climate	Biodiversity
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8. ENGAGING WITH OTHER STAKEHOLDERS

8.1 PRACTICE OF ENGAGEMENT WITH OUR PROVIDERS

As part of our activities, we use a number of service providers, including non-financial data providers. The data they provide is based on proprietary methodologies that may have some limitations. It is also possible that they are only available for a limited number of companies. We therefore regularly exchange with our partners in order to better understand them and to help them develop their methodologies through our field feedback.

In 2022, LFDE has made several such commitments, including the following:

- DATA HUB PROVIDER - AN ENGAGEMENT ON DATA QUALITY

At the end of 2021, LFDE selected a new service provider to help **manage our extra-financial database**. We have been in weekly contact with them for over a year to help launch their data management solution so that it can best meet the needs of responsible investors.

Engagement with stakeholders

8.2 ENGAGEMENT WITH PUBLIC AUTHORITIES ON SUSTAINABLE ISSUES

This form of engagement can take different forms: responding to consultations ahead of the publication of new regulations, participating in working groups and advocacy activities on the subject.

In 2022, LFDE has made several such commitments, including the following:

- AFG RESTRICTED IR COMMITTEE - CONSTANT COMMITMENT TO REGULATORY ISSUES

La Financière de l'Echiquier is a permanent member of the restricted IR committee of **the French Asset Management Association**. As part of this committee, we contribute to several projects that provide a framework for sustainable finance.

In 2022, because of the major regulatory developments, we have had to deal with several subjects of structural importance for sustainable finance, such as the SFDR, the MiFID2 review and the definition of sustainable investment.... This permanent seat enables us to put forward our opinion on each of the subjects discussed.

Public authorities' engagement

- REPORTING STANDARD -
CONSULTATION OF THE EUROPEAN COMMISSION

In 2022, we responded to the call from the French Asset Management Association and replied to EFRAG's consultation on social standards for CSRD regulation. This consultation gave us the opportunity to put forward our point of view on what we consider to be reporting standards for companies, including those in which we are invested. In this way, we hope to have contributed to the improvement of transparency standards for companies on social issues.

Public authorities' engagement Governance

8.3 ENGAGEMENT WITH PUBLIC AUTHORITIES ON SUSTAINABLE ISSUE

Finance for Tomorrow has launched a working group dedicated to impact investing in March 2021, at the initiative of Bruno Le Maire, Minister of the Economy, Finance and Recovery, and Olivia Grégoire, Secretary of State for the Social and Responsible Economy.

- WORKING GROUPS ON IMPACT INVESTING – INSTITUT DE LA FINANCE DURABLE -

As a leading player in impact finance, we believe it is our responsibility to contribute to debates and to the structuring of the vision of impact, particularly on listed markets. As early as 2020, LFDE took part in the discussions on the definition of impact in the listed and unlisted universe led by the **Forum pour l'Investissement Responsable (FIR)** and France Invest. LFDE has worked within the 3 working groups on the 3 pillars of Impact Finance: intentionality, additionality and measurability.

In 2021, the French Ministry of Finance and the Economy commissioned the Institut de la Finance durable to continue work on the definition of impact. LFDE once again participated in a working group and in the debates in order to share our demanding vision of impact.

The aim of this work is to publish a common definition of impact finance. At the same time, LFDE published its own innovative and evolving impact doctrine in 2021, reflecting our demanding positioning.

In 2022, LFDE contributed to the debates within several sub-groups, in particular those concerning the impact charter and the formulation of proposals for an 'impact' version of the French government's SRI label.

Public authorities' engagement

8.4 SPECIFIC COMMITMENT ON CLIMATE AND BIODIVERSITY

LFDE has reinforced its commitment to climate and to meeting the objectives of the Paris Agreement by publishing its **Climate and Biodiversity Strategy** in early 2021, including thermal coal and unconventional and controversial fossil fuels policies. As part of this strategy, engagement with businesses plays a key role.

A specific engagement procedure is defined for the companies involved in the thermal coal sector in order to accompany them in their total exit from these activities by 2030. In addition, companies that

are deemed to be material to the environmental transition are also subject to a reinforced commitment. In both cases, our engagement work will be based on a detailed analysis using the proprietary Climate and Biodiversity Maturity methodology.

This desire to raise awareness among our stakeholders was also illustrated by the organisation of the second edition of our event dedicated to the climate and biodiversity.

- CLIMATE AND BIODIVERSITY MEETINGS 2022 -

At the beginning of October 2022, the second Climate and Biodiversity Meeting brought together experts, companies and LFDE customers to mobilise our entire ecosystem, encourage the exchange of best practice and identify concrete ways of working to combat climate change and preserve biodiversity.

The event took place in two parts: an evening at the GoodPlanet Foundation in Paris and workshops bringing together experts, companies and customers. 3 workshops were organised on the themes of European taxonomy, biodiversity management for forests and the just transition. They brought together 8 European companies and 14 clients, together with the management team of our climate and biodiversity strategy and our Responsible Investment Research team. These workshops, led by European environmental and responsible finance experts - Carbon4 Finance, Reforest'Action and the Institut de la Finance Durable - provided valuable initial lessons and identified avenues for commitment, which will be followed up over time.

Environment Biodiversity

9. ANNEXES

9.1 RESULTS OF THE SCALED FUND VOTING POLICY

The main figures reflecting LFDE's voting activity by fund in 2022 (compared with 2020 and 2021) are shown below:

	2020		2021		2022		Number of votes against (or abstentions)
	of votes at AGMs* (%)	of votes against (or abstentions)	of votes at AGMs* (%)	of votes against (or abstentions)	of votes at AGMs* (%)	of votes against (or abstentions)	
IMPACT INVESTMENTS							
x Exchequer Climate & Biodiversity Impact Europe	-**	-**	100%	16,0%	100%	11,2% ↓	77
x Health Impact for All			100%	21,9%	100%	14,6% ↓	55
x Echiquier Impact et Solidaire	-**	-**	-**	-**	100%	14,4%	95
x Echiquier Positive Impact Europe	100%	18,7% ↑	100%	16,7% ↓	100%	14,5% ↓	98
SRI							
x Echiquier Agenor Euro SRI Mid Cap	100%	26,4% ↑	100%	18,5% ↓	100%	14,0% ↓	69
x Echiquier Agenor SRI Mid Cap Europe (1)	100%	15,6% ↓	100%	15,0% ↓	100%	14,0% ↓	89
x Echiquier Alpha Major SRI	100%	20,5% ↑	100%	19,7% ↓	100%	14,5% ↓	92
x Echiquier Major SRI Growth Europe (1)	100%	20,5% ↑	100%	19,7% ↓	100%	14,5% ↓	92
x Echiquier Arty SRI (1)	100%	19,2% ↓	100%	19,1% ↓	100%	15,3% ↓	112
x Echiquier High Yield SRI Europe		0,0%	100%	0,0%		0,0%	0
x Echiquier Convexité SRI Europe		0,0%	100%	14,3%		0,0%	0
x Echiquier Credit Europe SRI		0,0%	100%	7,7%		0,0%	0
ESG INTEGRATION							
x Echiquier Agressor and Agressor PEA	100%	19,1% ↓	100%	16,8% ↓	100%	13,7% ↓	111
x Echiquier Artificial Intelligence	100%	24,6% ↑	100%	27,1% ↑	100%	15,2% ↓	48
x Echiquier Entrepreneurs	100%	17,0% ↑	100%	12,8% ↓	100%	12,8% ↓	110
x Echiquier Excelsior	100%	16,3% ↑	100%	14,6% ↓	100%	12,9% ↓	78

x Echiquier Patrimoine	100%	29,6% ↗	100%	20,0% ↘	100%	15,5% ↘	114
x Echiquier Luxury	100%	25,9% ↘	100%	26,13% ↗	100%	23,17% ↘	92
x Echiquier Robotics	100%	17,3% ↘	100%	19,39% ↗	100%	16,55% ↘	60
x Echiquier Space	-*	-*	100%	31,5%	100%	23,56% ↘	82
x Echiquier USA	100%	24,2% ↗	100%	26,87% ↗	100%	27,54% ↗	103
x Echiquier Value Euro	100%	20,7% ↘	100%	23,44% ↗	100%	19,74% ↘	211
x Echiquier World Equity Growth	100%	18,2% ↘	100%	26,51% ↗	100%	21,43% ↘	84
x Echiquier World Next Leaders	100%	28,6%	100%	27,05% ↘	100%	35,62% ↗	78

Source: La Financière de l'Echiquier
Data at 31/12/2020, 31/12/2021 and 31/12/2022

*Percentage of voting rights exercised at general meetings for which LFDE has obtained authorisation to exercise voting rights

** The absence of data for some funds is due to their recent creation.

(1) The voting data for the Echiquier Agenor SRI Mid Cap Europe Fund and Echiquier Major SRI Growth Europe Fund sub-funds of the "ECHIQUIER FUND" Luxembourg SICAV are identical to those shown in the table.

In addition, our twelve SRI-labelled UCIs in 2022 :

	Number of AGMs voted	Number of resolutions passed	of votes at AGMs* (%)	Number of votes against
IMPACT INVESTMENTS				
x Exchequer Climate & Biodiversity Impact Europe	36	688	100%	77
x Health Impact for All	27	387	100%	55
x Echiquier Impact et Solidaire	32	661	100%	95
x Echiquier Positive Impact Europe	33	676	100%	98
SRI				
x Echiquier Agenor Euro SRI Mid Cap	31	493	100%	69
x Echiquier Agenor SRI Mid Cap Europe	38	665	100%	89
x Echiquier Alpha Major SRI	38	726	100%	143
x Echiquier Major SRI Growth Europe	38	726	100%	143
x Echiquier Arty SRI	51	903	100%	172
x Echiquier Convexité SRI Europe	0	0	-	0
x Echiquier High Yield Europe SRI	0	0	-	0
x Echiquier Credit Europe SRI	0	0	-	0

*Percentage of votes at general meetings for which LFDE has obtained authorisation to exercise its voting rights

The Echiquier Credit Europe SRI, Echiquier High Yield SRI Europe and Echiquier Convexité SRI Europe funds are included in the two tables above because they are SRI-labelled bond funds, for which we also vote at 100% of AGMs. This number of AGMs is very small given the asset class: 0 in 2018, 4 in 2019, 0 in 2020, 6 in 2021 and 0 in 2022. This approach also applies to the bond compartments of our diversified funds, including Echiquier ARTY SRI.

The change in our voting policy (systematic voting regardless of the percentage of capital held) is reflected in the voting data for all the funds. However, this change did not call into question the attention paid to each resolution. We voted in favour of 100% of the resolutions for which we were invited to vote. For technical reasons, around 1.5% of these voting decisions did not reach their destination.

In the event of opposition, it is very common for a dialogue on this subject to take place with the company at the AGM or during the meeting with the company dedicated to extra-financial issues.

9.2 RESULTS OF THE SCALED FUND VOTING POLICY

These figures relate only to the **areas for improvement sent** to our portfolio companies. In 2022, we formalised **920** areas of progress concerning **255** companies, of which **460** were sent to **117** companies. You will find below the figures relating to the areas of progress sent as part of the commitment policy of our SRI-labelled funds.

At 31/12/2022, **La Financière de l'Echiquier** had **12** SRI-labelled funds in its range.

- Echiquier Major SRI Growth Europe
- Echiquier Alpha Major SRI
- Echiquier Positive Impact Europe
- Echiquier Agenor SRI Mid Cap Europe
- Echiquier Agenor Euro SRI Mid Cap
- Echiquier Impact et Solidaire
- Echiquier Credit Europe SRI
- Echiquier ARTY SRI
- Echiquier Convexité Europe SRI
- Echiquier Climate & Biodiversity Impact Europe
- Echiquier High Yield SRI Europe
- Health Impact For All

Please note that for the remainder of this report, the voting and commitment results of the Echiquier Major SRI Growth Europe and Echiquier Alpha Major SRI funds will be presented together, as the portfolios follow the same strategy.

- Review of the **Echiquier Positive Impact Europe** and **Echiquier Climate & Biodiversity Impact Europe** Commitments:

	Echiquier Positive Impact Europe		Echiquier Climate & Biodiversity Impact Europe		Echiquier Health Impact For All	
	2022	As a % of	2022	As a % of	2022	As a % of
Number of companies with a commitment	20	47%	32	78%	14	37%
Number of areas for improvement	70	-	114	-	84	-

ESG TRANSPARENCY	31	-	30	-	43	-
CLIMATE AND BIODIVERSITY	12	-	8	-	4	-
IMPACT	37	-	26	-	37	-

GOVERNANCE	26	37,10%	47	40,4%	39	46,4%
x Competence of the management team	8	30,8%	9	47,4%	11	28,2%
x Counter-power	9	34,6%	4	21,0%	9	23,1%
x Respect for minority shareholders	0	0,0%	0	0,0%	0	0,0%
x Non-financial risk assessment	9	34,6%	6	31,6%	19	48,7%
ENVIRONMENT	18	25,7%	8	17,0%	9	10,7%

x Environmental policy and actions	8	44,4%	5	62,5%	6	66,7%
x Results	0	0,0%	0	0,0%	0	0,0%
x Suppliers	5	27,8%	2	25,0%	2	22,2%
x Environmental impact of products	5	27,8%	1	12,5%	1	11,1%
SOCIAL	26	37,1%	20	42,6%	36	42,9%
x Loyalty & progression	9	34,6%	8	40,0%	8	22,2%
x Employee protection	2	7,7%	2	10,0%	3	8,3%
x Suppliers	0	0,0%	0	0,0%	0	0,0%
x Social impact of products	5	27,8%	6	30,0%	16	44,5%
x Relations with civil society	8	30,8%	4	20,0%	9	25,0%

	Before 2021	As a % of	Before 2021	As a % of	Before 2021	As a % of
RESULTS OF THE COMMITMENT	149	100%	109	100%	23	100%
Progress achieved	58	38,9%	41	37,6%	2	9,5%
Areas for progress partially achieved	41	27,5%	38	34,9%	7	33,3%
Areas of progress not achieved	50	33,6%	30	27,5%	12	57,1%

	Echiquier Positive Impact Europe	Echiquier Climate & Biodiversity Impact Europe	Echiquier Health Impact For All
	2022	2022	2022
OTHER COMMITMENTS 2022			
Collaborative engagement ¹	8	4	5
Pre-GM commitment	1	0	0
Post-GM commitment	11	6	0
2022 Climate and Biodiversity Meetings	3	3	0
Other	43	41	4

¹Number of companies in each UCI involved in collaborative engagement campaigns in which LFDE participated

- Assessment of the commitment of Echiquier Agenor SRI Mid Cap Europe, Echiquier Agenor Euro SRI Mid Cap and Echiquier Major SRI Growth Europe:

	Echiquier Major SRI Growth Europe		Echiquier Agenor SRI Mid Cap Europe		Echiquier Agenor Euro SRI Mid Cap	
	2022	As a % of	2022	As a % of	2022	As a % of
Number of companies with a commitment	19	50%	19	37%	12	42%
Number of areas for improvement	67		64	-	44	-

ESG TRANSPARENCY	29	-	32	-	29	-
CLIMATE AND BIODIVERSITY	7	-	4	-	3	-

GOVERNANCE	32	47,8%	44	68,8%	29	65,9%
x Competence of the management team	15	46,9%	12	27,3%	7	24,1%
x Counter-power	4	12,5%	19	43,2%	12	41,4%
x Respect for minority shareholders	0	0,0%	2	4,5%	0	0,0%
x Non-financial risk assessment	13	40,6%	11	25,0%	10	34,5%
ENVIRONMENT	12	17,9%	7	10,9%	5	11,4%
x Environmental policy and actions	9	75,0%	3	42,9%	1	20,0%
x Results	0	0,0%	1	14,2%	3	60,0%
x Suppliers	3	25,0%	3	42,9%	1	20,0%
x Environmental impact of products	0	0,0%	0	0,0%	0	0,0%
SOCIAL	23	34,3%	13	20,3%	10	22,7%
x Loyalty & progression	6	26,1%	6	46,1%	5	50,0%
x Employee protection	3	13,0%	0	0,0%	0	0,0%
x Suppliers	0	0,0%	0	0,0%	0	0,0%
x Social impact of products	8	34,8%	4	30,8%	4	40,0%
x Relations with civil society	6	26,1%	3	23,1%	1	10,0%

	Before 2021	As a % of	Before 2021	As a % of	Before 2021	As a % of
RESULTS OF THE COMMITMENT	122	-	89	-	67	-
Progress achieved	48	39,3%	26	29,5%	15	22,4%
Areas for progress partially achieved	34	27,9%	28	31,8%	23	34,3%
Areas of progress not achieved	40	32,8%	34	38,6%	29	43,3%

	Echiquier Major SRI Growth Europe	Echiquier Agenor SRI Mid Cap Europe	Echiquier Agenor Euro SRI Mid Cap
	2022	2022	2022
OTHER COMMITMENTS 2022			
Collaborative engagement ¹	3	19	11
Pre-GM commitment	0	4	4
Post-GM commitment	2	5	5
2022 Climate and Biodiversity Meetings	1	1	1
Other	19	12	11

¹Number of companies in each UCI involved in collaborative engagement campaigns in which LFDE participated

- Review of the **Echiquier Arty SRI**, **Echiquier Credit SRI Europe** and **Echiquier Convexité SRI Europe** commitment:

	Echiquier Arty SRI		Echiquier Credit SRI Europe		Echiquier Convexité SRI Europe	
	2022	As a % of	2022	As a % of	2022	As a % of
Number of companies with a commitment	40	27%	33	29%	13	20%
Number of areas for improvement	133	-	111	-	43	-

ESG TRANSPARENCY	55	-	45	-	16	
CLIMATE AND BIODIVERSITY	13	-	8	-	3	

GOVERNANCE	84	63,2%	72	64,9%	32	74,4%
x Competence of the management team	35	41,7%	24	33,3%	12	37,5%
x Counter-power	31	36,9%	27	37,5%	9	28,2%
x Respect for minority shareholders	2	2,4%	2	2,8%	1	3,1%
x Non-financial risk assessment	16	19,0%	19	26,4%	10	31,2%
ENVIRONMENT	16	12,0%	12	10,8%	5	11,6%
x Environmental policy and actions	11	68,7%	8	66,7%	2	40,0%
x Results	1	6,3%	1	8,3%	1	20,0%
x Suppliers	2	12,5%	2	16,7%	1	20,0%
x Environmental impact of products	2	12,5%	1	8,3%	1	20,0%
SOCIAL	33	24,8%	27	24,3%	6	14,0%
x Loyalty & progression	14	42,5%	11	40,8%	4	66,6%
x Employee protection	3	9,1%	2	7,4%	1	16,7%
x Suppliers	0	0,0%	0	0,0%	0	0,0%
x Social impact of products	8	24,2%	8	29,6%	1	16,7%
x Relations with civil society	8	24,2%	6	22,2%	0	0,0%

	Before 2021	As a % of	Before 2021	As a % of	Before 2021	As a % of
RESULTS OF THE COMMITMENT	188	-	148	-	62	-
Progress achieved	78	41,5%	65	43,9%	20	32,3%
Areas for progress partially achieved	47	25,0%	37	25,0%	19	30,6%
Areas of progress not achieved	63	33,5%	46	31,1%	23	37,1%

	Echiquier Arty SRI	Echiquier Credit SRI Europe	Echiquier Convexité SRI Europe
	2022	2022	2022
OTHER COMMITMENTS 2022			
Collaborative engagement ¹	34	24	12
Pre-GM commitment	3	3	3
Post-GM commitment	6	5	4
2022 Climate and Biodiversity Meetings	3	3	2
Other	37	31	15

¹Number of companies in each UCI involved in collaborative engagement campaigns in which LFDE participated

The purpose of this document is to meet the obligation of transparency regarding the exercise of voting rights by LFDE at General Meetings of issuers. It is not a sales or marketing document. Some of the funds mentioned in this report may not be marketed in your country. For further information, please contact the management company.