



Voting and Engagement Report

At 31 December 2023

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In accordance with the provisions of the General Regulations of the Autorité des Marchés Financiers (AMF), La Financière de l'Echiquier (LFDE) hereby informs you of the conditions under which it exercised voting rights at the General Meetings of shareholders of issuers whose mutual funds it manages. In this report, we also report on the implementation of our shareholder engagement policy.

This report covers the 2023 financial year.

The companies mentioned in this report were present in the portfolios of LFDE's mutual funds at the time of the General Meetings, but their presence in the portfolio is not guaranteed over time.

Data as of 31 December 2023

1. IN BRIEF

La Financière de l'Echiquier has been a **recognised player in responsible investment** for over 15 years and has been a signatory of the United Nations Principles for Responsible Investment since 2008. La Financière de l'Echiquier launched its first SRI UCITS in 2010. As of 31 December 2023, **La Financière de l'Echiquier had 13 SRI-labelled funds in its range.**

Central to our approach as a responsible investor is the desire to support companies over the long term, helping them to improve both their governance model and their environmental and social practices. This desire is driven by the conviction 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 "[Responsible Investment](#)" page, under the heading "LFDE Documents – General approach."

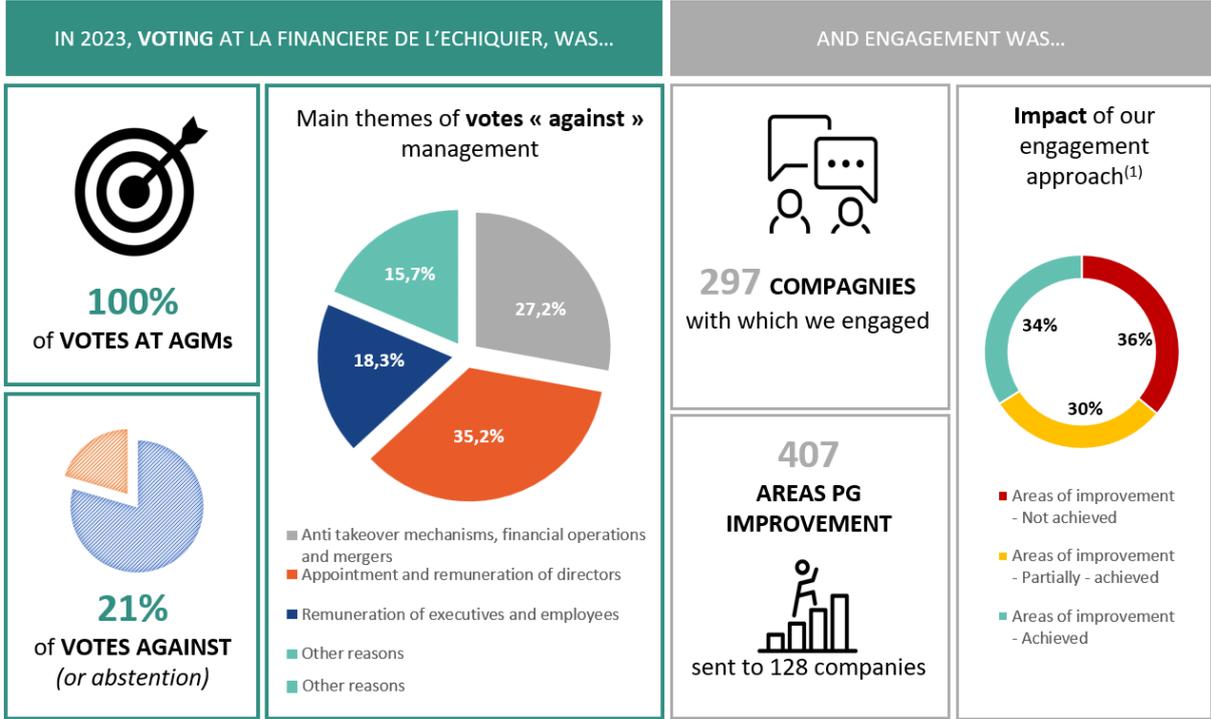
This conviction is reflected in the **systematic exercise of voting rights** at AGMs and a **shareholder engagement policy** with companies in which La Financière de l'Echiquier invests. Voting and engagement are in our view an integral part of the responsibility of an investor, especially a responsible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

Through the continuous improvement of its responsible investment approach, LFDE seeks to strengthen its individual engagement practices with the aim of improving the targeting of its engagement actions and the quality of its dialogue with companies, in particular for its SRI-labelled funds, in order to maximise its impact.

While the approach to engagement varies according to each fund's extra-financial approach, it is always supervised by the RI Research team. In particular, it monitors the commitments made by the management teams to investee companies, in terms of the number of areas for progress sent and the extent to which they have been achieved.

The figures below summarise our approach to voting and engagement in 2023:



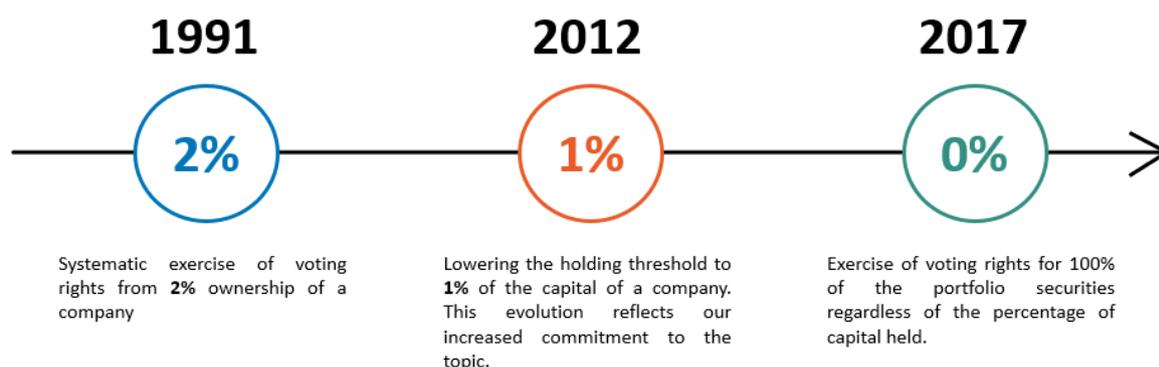
¹ The results presented concern the achievement of the 474 areas for improvement sent to 152 companies before 2022, and whose achievement was assessed on 31 December 2023. The areas for improvement were analysed for companies in the portfolio in 2023.

In 2023, we voted in favour of 100% of the resolutions for which we were invited to vote. For technical reasons, around 0.7% of these voting decisions could not be recorded.

2. VOTING POLICY PRINCIPLES

Voting at AGMs is an integral part of our approach as a responsible investor. Since its creation, La Financière de l'Echiquier has implemented its own voting policy. In our view, the exercise of voting rights is fundamental, as resolutions are presented at AGMs that have a decisive impact on the life of companies.

Since 2017, LFDE has been committed to implementing all necessary means to systematically vote at all AGMs. The chart below shows the major changes in our voting policy:



Our determination to vote systematically regardless of the percentage of capital held coincides with the implementation of our broader ESG integration policy. Indeed, at the end of 2017, LFDE chose to formalise its ESG integration approach by making ESG voting and analysis systematic for all its actively managed portfolios.

The exercise of voting rights has been deliberately organised on a decentralised basis, so that each 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 vital to have **in-depth knowledge of companies** and to **monitor them over the long term**, in order to understand the issues at stake at Annual General Meetings and to take the decisions that we, as minority shareholders, feel are best for both the company and our clients. This organisation involves the entire management team, with the support of the Responsible Investment Research team, and is facilitated by the translation of our voting policy into voting recommendations on ISS's *Proxy Exchange* platform. The RI Research team supports all analysts and managers in their understanding of resolutions and in the voting process. The team may be called upon to vote for the AGMs of companies deemed to be strategic (controversial companies, resolutions affecting the company's CSR strategy, "Say on Climate" resolutions, major shareholdings, companies for which a close engagement process is underway, etc.).

During the Annual General Meeting season, La Financière de l'Echiquier's analysts and fund managers are often called upon to **talk to companies** in parallel with the exercise of voting rights. This dialogue may take place prior to the AGM or following the exercise of voting rights. The aim is to support the company over the long term in the drafting of its resolutions and in its transparency with its shareholders at its AGM.

The data presented in this report relates to all the UCIs covered by our voting policy, corresponding to **90%** of LFDE's assets under management at 31 December 2023. UCIs managed according to

quantitative and macro-economic strategies, as well as funds of funds, are not covered by our voting policy.

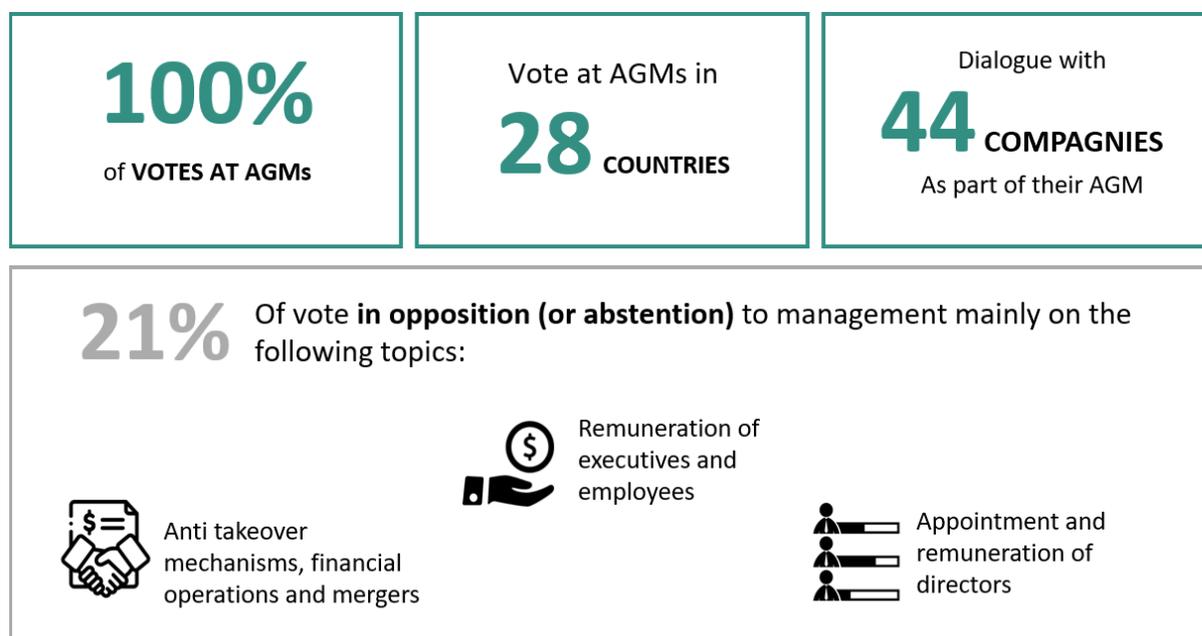
You will find our voting policy and our commitment policy in two separate documents on our website in the “Responsible Investment” section, on the [“To find out more”](#) page, under the heading “LFDE Documents - Voting Rights and Engagement”.

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

3. EXERCISING VOTING RIGHTS IN 2023

3.1 IN BRIEF

In 2023, exercising voting rights at La Financière de l'Echiquier means:



*LFDE has voted at 100% of AGMs, subject to obtaining the necessary authorisations to exercise our voting rights. In practice, LFDE obtained these authorisations in 99.3% of cases.

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

3.2 VOTING RECORD 2023 – LA FINANCIERE DE L'ECHIQUIER SCOPE

In 2023, we voted at **403** Annual General Meetings for a total of **6,566** resolutions, i.e. for **100%** of the companies within our voting remit within the limits of the authorisations required to exercise our voting rights. According to the AFG, by 2023, French portfolio management companies were effectively exercising their voting rights for 92% of the listed shares in their portfolios, a figure that will accelerate sharply in 2023.

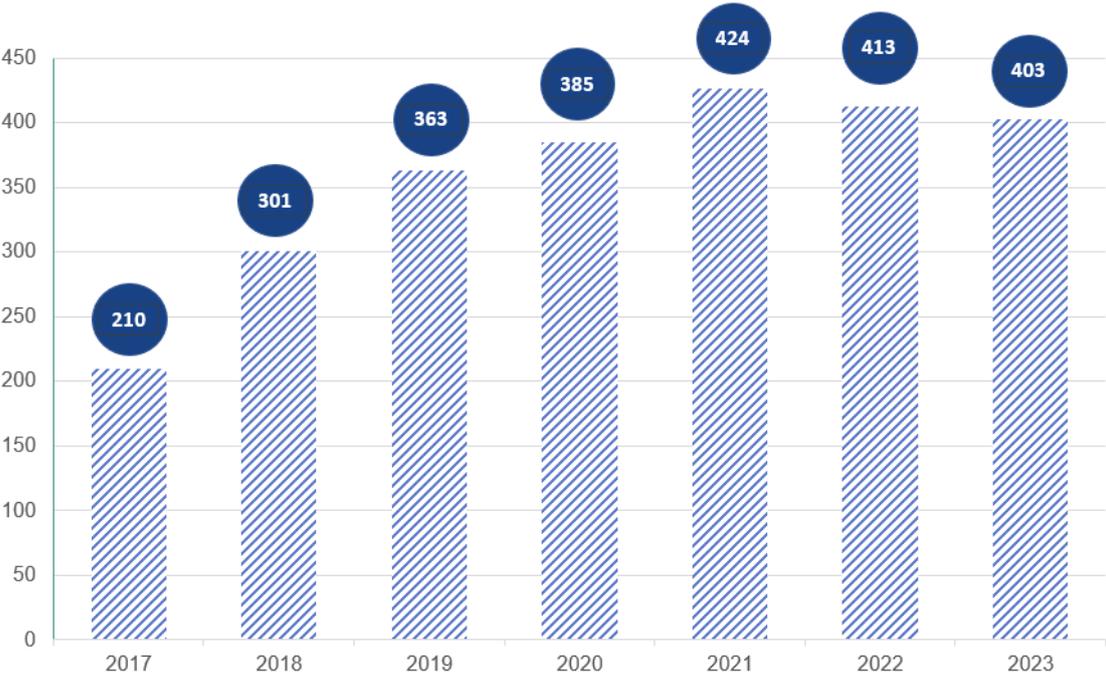
The main figures reflecting La Financière de l'Echiquier's voting activity in 2023 (compared with the previous four years) are as follows:

	2019	2020	2021	2022	2023
Number of AGMs voted	363	385	424	414	403
o/w France	128	116	122	108	94
o/w International	235	269	302	306	309
Number of resolutions voted	5 315	6 067	6 616	6 494	6 566
Including votes against management (or abstention)	22,1%	22,0%	20,6%	20,2%	20,5%

Source : La Financière de l'Echiquier
Data from 01/01/2019 to 31/12/2023

Between 2021 and 2023, the number of Annual General Meetings held stable, due to the stability of the number of directly invested strategies managed by LFDE.

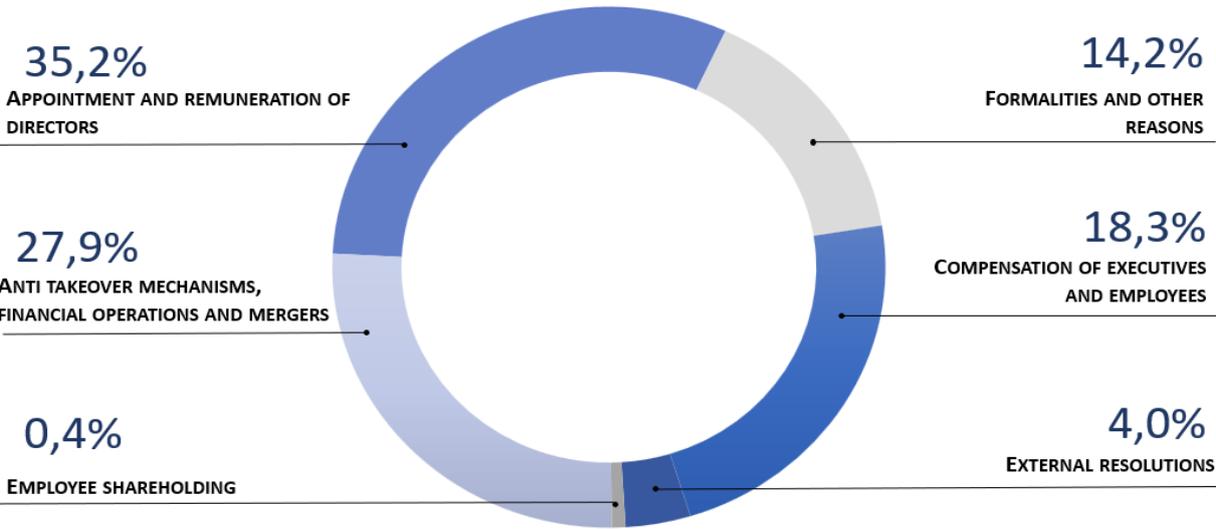
Number of AGMs at which La Financière de l'Echiquier has voted over the past seven years:



Source: La Financière de l'Echiquier

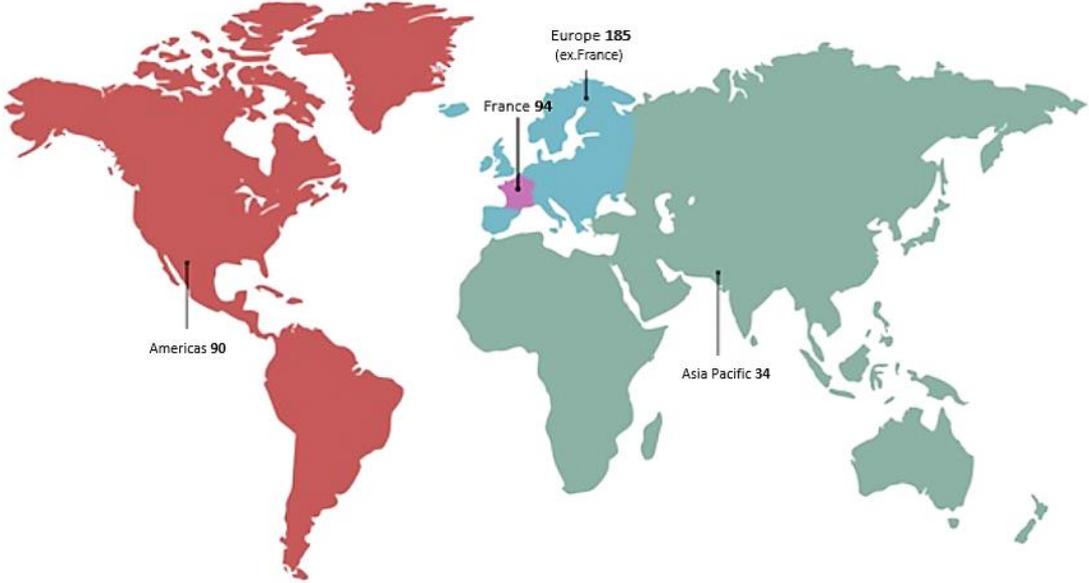
In 2023, La Financière de l'Echiquier voted “against” (or abstained from) **20.5%** of the resolutions for which it voted, i.e. **1,300** resolutions out of 6,566. Abstentions were rare (0.72% of votes in 2023). By comparison, in 2023, French assets managers voted against 21% of resolutions (and abstained from 1%), according to the AFG.

The reasons for these “against” votes are summarised in the graph below:



Source : La Financière de l'Echiquier
Data from 01/01/2023 to 31/12/2023

The geographical breakdown of votes exercised during the year is as follows:



Source : La Financière de l'Echiquier
Data from 01/01/2023 to 31/12/2023

As a responsible investor, we analyse in detail all resolutions dealing with environmental and social issues. We supported **112 out of 113 resolutions dealing with** social or environmental issues. We remain particularly vigilant as to how relevant and ambitious each resolution is on environmental or social issues, whether proposed by shareholders or company 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.

Occasionally, a case-by-case analysis of a company's specific characteristics may lead us to deviate from our voting policy, although we do our utmost to keep such situations to a minimum. These types of situations, which are closely supervised, require each vote to be justified by the manager and/or analyst in charge of the vote.

In 2023, this was the case for **1.5%** of resolutions at LFDE level (vs. 2.5% in 2022).

Given the large number of AGMs we are invited to vote at, **we did not physically attend any.**

LFDE detected no conflicts of interest in connection with the votes cast in the 2023 financial year.

3.3 VOTING RECORD 2023 – UCITS SCOPE

The entire fund management team is involved in the exercise of voting rights. Each member of the team is responsible for the smooth running of voting at AGMs for the securities for which they are responsible. Our Middle Office teams also monitor the implementation of our voting policy.

The main figures reflecting **LFDE's voting activity** by fund in 2023 (compared with 2021 and 2022) are presented in Appendix 9.1 of this document.

3.4 SHAREHOLDER DIALOGUE IN THE EXERCISE OF VOTING RIGHTS

During the AGM season, and in parallel with the exercise of voting rights, La Financière de l'Echiquier's analysts and managers are often called upon to talk to companies. This dialogue can take place prior to the AGM or following the exercise of voting rights:

- **Dialogue prior to the AGM:** In the first case, we are either asked by companies to consult us prior to their AGM, in the phase of defining and drafting their resolutions, or to get our feedback on certain resolutions, or we proactively ask them to clarify certain resolutions. In this context, we make them aware of cases where our voting policy could lead us to vote against some of their resolutions, and explain how they can adapt their resolutions accordingly, if they so wish.

In 2023, we held **9** pre-AGM dialogue actions with companies invested in one or more mutual funds managed by La Financière de l'Echiquier.

- ESKER -

IMPROVING SHAREHOLDER DEMOCRACY AROUND EXECUTIVE COMPENSATION POLICY

We have been shareholders of **ESKER** for several years. Ahead of the 2023 AGM, we spoke to the company's CEO and CFO to introduce the *Say on Pay* issue. We feel that it is important for all shareholders to be able to express their views on the company's executive compensation mechanism.

Following this exchange, the group undertook to study the subject and is considering a resolution on this topic as early as 2024.

Pre-AGM dialogue	Formalities and other reasons	Governance
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- **Dialogue following the exercise of voting rights:** Managers and analysts regularly engage in dialogue with companies following the Annual General Meeting in order to explain our voting choices (in particular in the case of votes against and abstentions) and to encourage the company to adopt better governance practices, as well as to adjust the wording of its resolutions and its transparency accordingly, with a view to its next AGM.

In 2023, this type of shareholder dialogue involved **33** companies, including...

- STELLANTIS -

SHARING BEST PRACTICES IN EXECUTIVE COMPENSATION POLICY TRANSPARENCY

In 2023, following the exercise of our voting rights at the AGM, we held talks with **STELLANTIS**, one of the world leaders in the automotive sector. We had the opportunity to discuss with the company the reasons for our votes against management on several resolutions.

In particular, we voted against the Group's executive compensation report, as we noted a lack of clarity regarding key perquisites awarded to the CEO and informed them that the lack of transparency on performance indicators associated with compensation was clear grounds for opposition, in line with our voting policy.

We also opposed the appointment of Mr Ribadeau-Dumas as a non-executive director, as we noted the risk of an excessive number of Board members, which could have an impact on the Board's smooth running.

Post-AGM Dialogue

Respect for Minority Shareholders

3.5 VOTING RECORDS AT ANNUAL GENERAL MEETINGS

The Annual General Meeting is the ideal forum for shareholders to express their views on an increasingly wide range of issues, most of which relate to corporate governance. These may, for example, include executive compensation, changes in capital structure or a company's climate strategy. Below, we have chosen to present some of the stories behind voting at AGMs.

. VOTES AGAINST MANAGEMENT

The boxes below detail several examples of Annual General Meetings held in 2023 when we did not follow management's recommendations on certain resolutions. We have chosen to illustrate the three main "against" voting themes, namely anti-takeover and financial/merger measures, the appointment and compensation of Board members, and executive and employee compensation.

- NESTE -

AUTHORISATION FOR A CAPITAL INCREASE IN FAVOUR 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 Preferential Subscription Rights (DPS)**, which expose existing shareholders to a risk of dilution. Aware that this type of operation enables funds to be raised more rapidly than a capital increase with preferential rights, we encourage companies to at least include a priority subscription period for existing shareholders. Consequently, we were led to vote against the resolution presented by **NESTE** at its AGM in March 2023 to raise capital without preferential rights.

Vote **Against** **Financial transactions and mergers**

- SPOTIFY -

QUESTIONING THE APPOINTMENT OF BOARD MEMBERS

The independence of directors is an important criterion for us when determining whether or not to support the appointment of a director. At **SPOTIFY's** Annual General Meeting 2023, we voted against the appointment of Shishir Samir Mehrotra to the Board as the Compensation Committee is only 33% independent, which is below market best practice.

Vote **Against** **Appointment and compensation of members of the Board of Directors**

- BOUYGUES SA -

QUESTIONING THE COMPANY'S ANTI-TAKEOVER MECHANISMS

We **voted against a resolution authorising the Board of Directors to issue free warrants with pre-emptive rights in the event of a takeover bid at the BOUYGUES 2023 AGM**. LFDE is not in favour of measures likely to frustrate a takeover bid without prior authorisation by shareholders in a vote at the AGM during the takeover bid period.

Vote **Against** **Anti-takeover mechanism**

. VOTING ON ENVIRONMENTAL AND/OR SOCIAL RESOLUTIONS

Climate issues, which are very much at the forefront of discussions with companies, are also increasingly being raised at Annual General Meetings. In 2023, 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, nor are they necessarily as ambitious as the challenges they are supposed to address. For example, we have included a section dedicated to “Say on climate” resolutions in our voting policy.

- AMAZON -

TRANSPARENCY ON PLASTIC-RELATED ISSUES

Ahead of **AMAZON's** 2023 Annual General Meeting, a coalition of shareholders tabled a resolution to oblige the group to publish a report on its efforts to reduce the use of plastic. We felt it was important to support this resolution, which aims to make companies accountable for their negative externalities.

Reducing the use of plastic in the packaging and distribution of the company's products, particularly in parcel shipping and warehouse management, is a key issue for a group like **AMAZON**, and one on which we wanted to be able to track the company's actions and progress.

Vote For Environment

- JOHNSON & JOHNSON -

ACCESS TO HEALTH

At **JOHNSON & JOHNSON's** Annual General Meeting 2023, we voted in favour of a resolution calling on the company to put in place a process to report on the impact of extended patent exclusivities on access to products. This is motivated by our firm belief that affordability is an essential consideration in the commercialisation of medical treatments. We are committed to promoting policies that encourage equal access to medical care.

Vote For Social

3.6 SUBMISSION OF RESOLUTIONS TO ANNUAL GENERAL MEETINGS

As a long-term investor, La Financière de l'Echiquier favours direct dialogue with companies when it wishes to convey a message to defend the interests of its clients as minority shareholders. The relationship of trust we have built up with companies over the years means that our requests are generally taken seriously and heard. However, should we fail to obtain a positive response from the company with which we have engaged in dialogue, and should we consider the issue to be legitimate and of paramount importance, we may opt to table one or more resolutions at the Annual General Meeting (see escalation procedure). Such cases are exceptional and only occur as a last resort. We co-tabled a resolution in 2023, as part of Climate Action 100+.

- TOTALENERGIES - CARBON EMISSION REDUCTION TARGETS

In 2023, LFDE continued its dialogue with **TOTALENERGIES**, and in particular took part in a resolution at the Group's Annual General Meeting. This resolution was submitted by a coalition of 17 investors. 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 judge that the results of our individual commitment are insufficient.

The resolution calls on the oil major to align its scope 3 carbon emissions reduction targets for 2030 with a scenario compatible with the Paris Climate Agreement.

However, the resolution was not adopted despite 30% of votes in favour from the Group's shareholders.

Vote **Environment**

3.7 DATA AVAILABILITY

Exhaustive inventories of votes exercised during the year, resolution by resolution, at the Annual General Meetings of issuers in the portfolios of SRI-labelled funds, over the past year are published and freely accessible on the La Financière de l'Echiquier website, in the "Responsible Investment" section, on the "To find out more" page, under the heading "LFDE Documents – Voting Rights and Engagement". Since the 2022 financial year, we have systematically included the rationale for each of our voting decisions at general meetings in our voting inventories.

These inventories are also available for each labelled fund, on its dedicated page, accessible from the "Funds" section of our website, under the heading "Vote Inventory".

4. ENGAGEMENT POLICY PRINCIPLES

La Financière de l'Echiquier's individual engagement extends throughout the life of our holdings, and in particular by defining, formalising and sharing areas for improvement with companies.

LFDE's individual engagement approach works as follows:

- **For SRI-labelled equity funds:** At the end of each ESG analysis, several **areas for improvement** are defined by the analyst or manager in charge of the stock. These areas for improvement concern the environmental (including climate change), social and governance aspects of the company in which LFDE would like to see it evolve. We want the objectives shared with the company to be **realistic, measurable and controllable**. These areas for improvement are **formalised in writing** and **sent to the company**.

At the follow-up meeting, which takes place on average every two years, we assess the progress made on the basis of previously formalised objectives (areas of improvement achieved, partially achieved or not achieved), and redefine new areas for improvement together. In addition to this formal review every two years, in particular for the securities included in our impact UCIs, we endeavour to monitor these areas of progress on a more regular basis, during our discussions with companies throughout the year.

- **For SRI-labelled fixed-income and diversified funds:** Sharing areas for improvement with companies is systematic in the following cases:
 - **Unlisted** companies.
 - Companies with an ESG rating **below 6.0/10**.
 - **Companies rated 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 exchange views with other company stakeholders. If certain common concerns emerge, it is important that **we, as shareholders, share our observations on material issues with the company**.
- **ESG integration UCIs:** We encourage the sharing of progress areas with companies, particularly in the following cases:
 - When LFDE has a **significant equity stake** and a close relationship with 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:** It is not uncommon for managers and analysts to talk to other stakeholders in the company. If certain common concerns emerge, it is important that we, as shareholders, share our observations on material issues with the company.
 - **Post-AGM commitment:** When a commitment has already been made at the Annual General Meeting, and when these issues have also been identified as “areas for improvement” following ESG analysis, it is not uncommon for them to be shared with the company in order to emphasise their importance.

- **Climate:** We will be stepping up our climate analysis and commitment to companies in sectors deemed to be key to the **environmental transition**, whose assets represent a significant proportion of LFDE's carbon footprint.

However, areas for improvement are formalised as part of each ESG analysis, and it is not uncommon for these to be shared during meetings with representatives of the companies concerned, outside the systematic dispatch procedure.

Through the continuous improvement of its responsible investment approach, La Financière de l'Echiquier seeks to improve the targeting of its engagement actions and the quality of its dialogue with companies, in particular for its SRI-labelled funds, in order to maximise its impact.

You will find our voting and commitment policy in full on our website in the “Responsible Investment” section, on the [“To find out more”](#) page, under the heading “LFDE documents – Voting Rights and Engagement”.

5. INDIVIDUAL ENGAGEMENT IN 2023

5.1 IN BRIEF

At the level of La Financière de l'Echiquier, **407** areas for improvement were sent to **128** companies in 2023, out of the 1,187 areas for improvement formulated for 297 companies across the entire LFDE management network. As part of our responsible investment approach, commitment is at the heart of our relationship of trust with companies. Our areas of progress are seen as solid recommendations by companies, reflecting our clear understanding of their own challenges as well as best practices in their sector and among their competitors. We are convinced that engagement is closely linked to our ESG analysis of companies, and that, in addition to improving corporate practices, it enables us to better understand and, ultimately, reduce the risk of our investments.

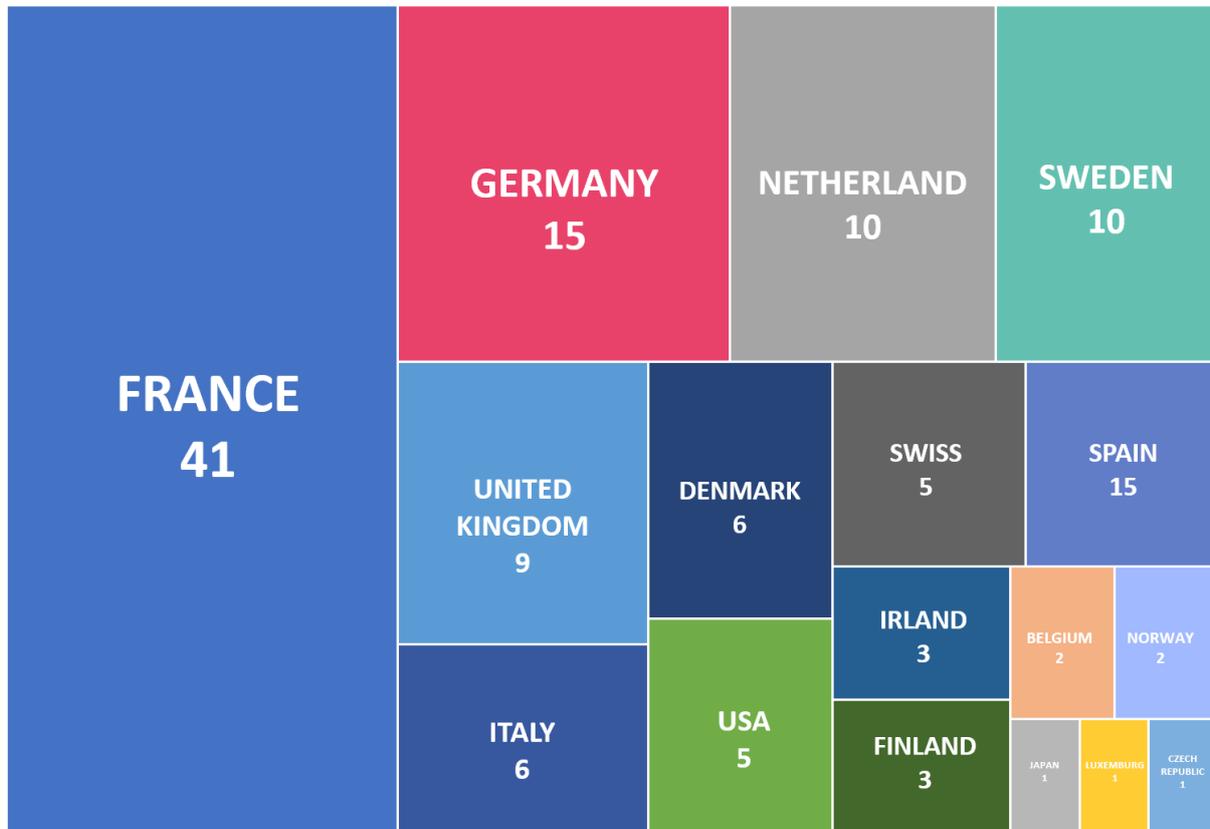
These areas for improvement are systematically formalised during each ESG analysis carried out by La Financière de l'Echiquier. They are systematically sent to companies included in SRI-labelled equity funds.

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

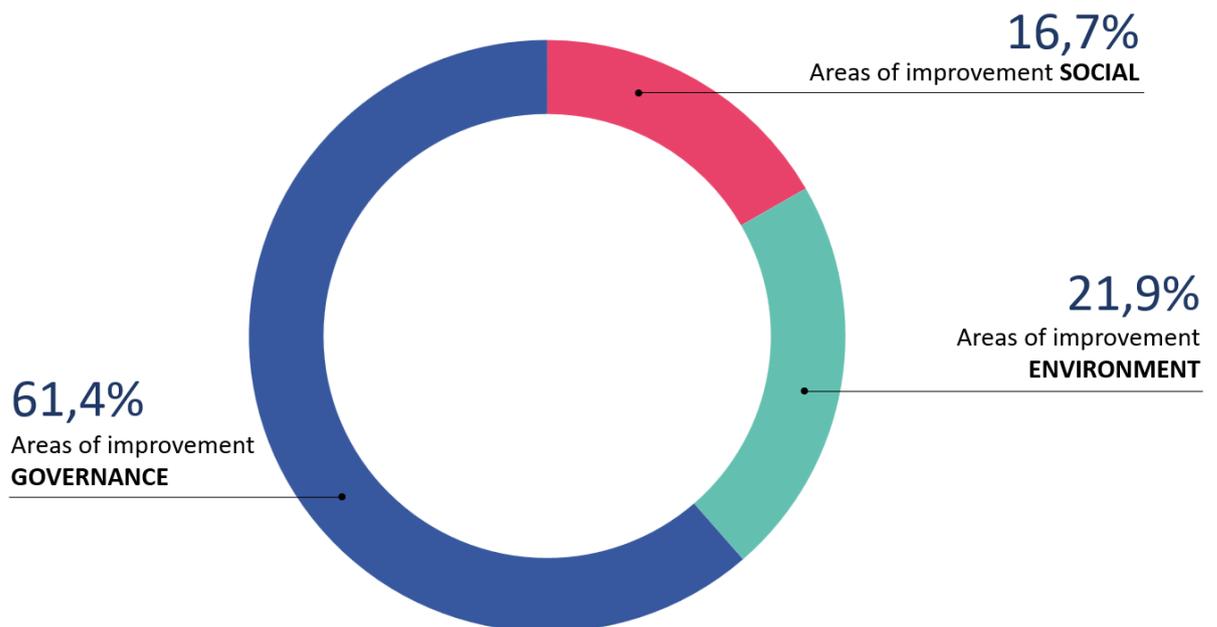
5.2 DATA ON INDIVIDUAL ENGAGEMENT ACTIVITIES IN 2023

Over the course of **2023**, we sent areas for improvement to **128 companies**.

Geographically, our commitment breaks down as follows (in number of companies):



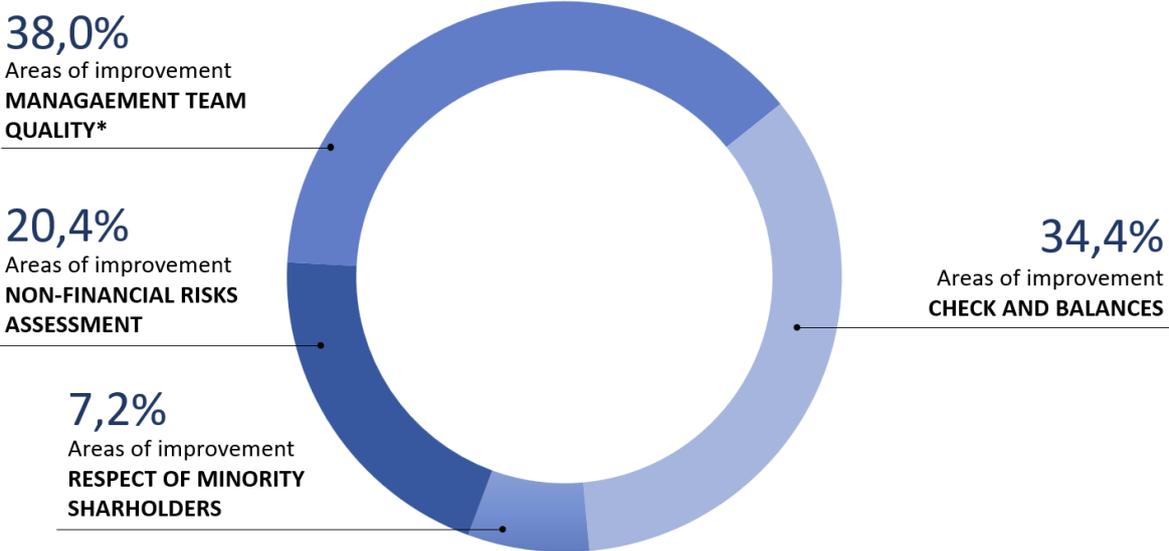
407 areas for improvement were submitted, addressing environmental, social and governance issues as follows:



Source : La Financière de l'Echiquier
Data at 31/12/2023

Within each pillar, different themes were addressed, as follows:

- **GOVERNANCE** themes:

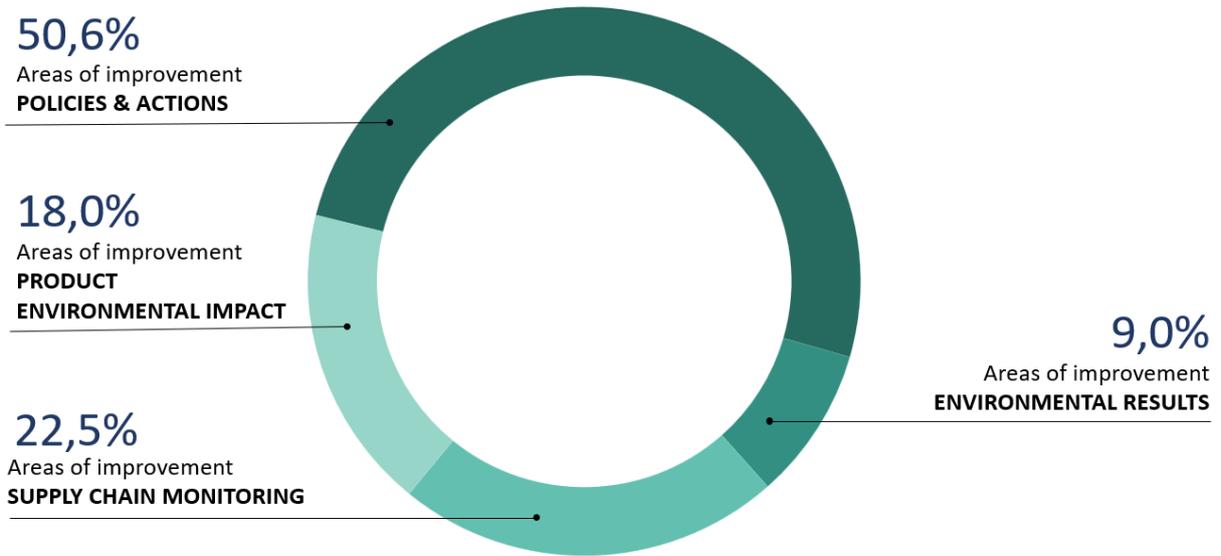


Source : La Financière de l'Echiquier
Data at 31/12/2023

* The “management skills” section includes, in particular, issues relating to executive compensation schemes, on which we regularly make recommendations to companies.

The governance theme that comes up most in our engagements with companies is **quality of management**. This seems entirely consistent with the importance we attach to the quality of governance in the companies in which we invest. This theme covers, for example, proposed engagements such as the existence of a succession plan, the diversity of profiles within the executive committee, or the existence of extra-financial criteria in manager compensation packages.

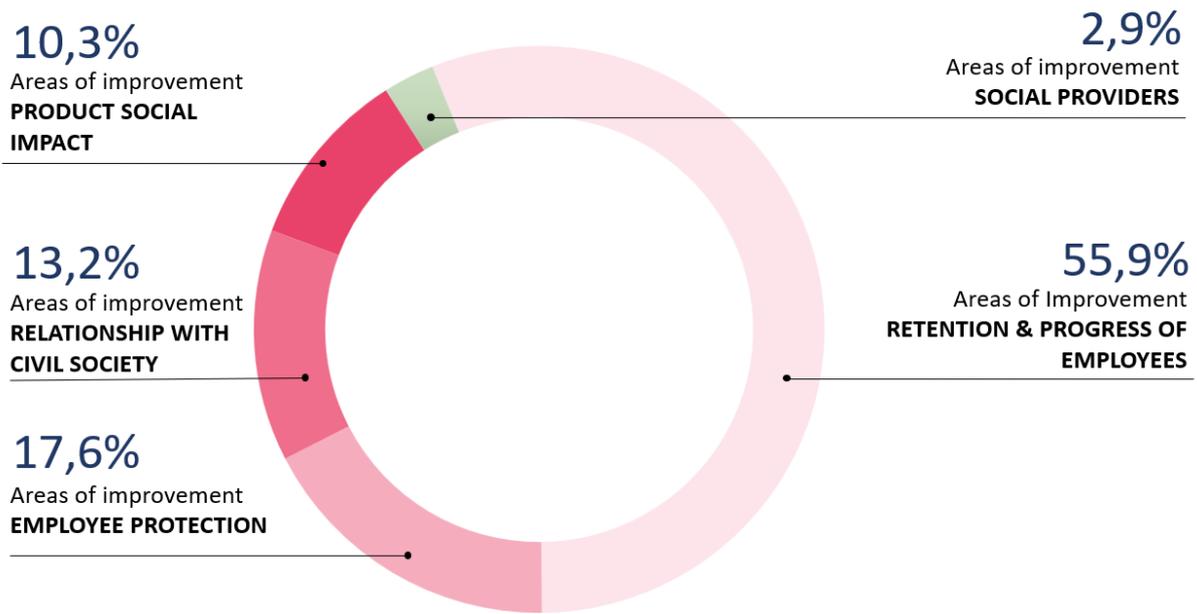
- **ENVIRONMENTAL** themes:



Source : La Financière de l'Echiquier
Data at 31/12/2023

The environmental theme most often addressed in our engagements with companies is **environmental policies and actions**. Although more and more companies are taking steps to reduce their impact on the environment (particularly on climate and biodiversity), sometimes these measures are not ambitious enough. Our role as a responsible investor and shareholder is to encourage these companies to adopt best practices by establishing roadmaps with time-based, quantified objectives, and by breaking these down into milestones.

- **SOCIAL** themes:



Source : La Financière de l'Echiquier
Data at 31/12/2023

The social theme most frequently addressed in our engagements with companies is **retention and progress of employees** within the company. We place particular emphasis on this theme because we are convinced that good human resources management is a key factor in a company's success. This theme covers, for example, commitment proposals such as: setting up an employee satisfaction measurement system and communicating the main findings, establishing a policy (with time-based and quantified objectives) to reduce turnover, or broadening access to training to all employees.

5.3 INDIVIDUAL ENGAGEMENT TREND

The table below provides a comparison of La Financière de l'Echiquier's individual engagement activity in 2021, 2022 and 2023 as well as the breakdown by theme:

	2021		2022		2023	
	Number	%	Number	%	Number	%
Number of companies with commitment	118	-	117	-	128	-
Number of areas for improvement	399	-	460	-	407	-

ESG TRANSPARENCY	121	30.3%	211	46.8%	176	43.2%
CLIMATE OR BIODIVERSITY	-	-	48	10.4%	75	18.4%
IMPACT	-	-	112	24.3%	48	11.8%

GOVERNANCE	268	67.2%	288	63.9%	250	61.4%
x Management team quality	110	41.0%	106	36.8%	95	38.0%
x Checks and balances	105	39.2%	89	30.9%	86	34.4%
x Respect for minority shareholders	7	2.6%	17	5.9%	18	7.2%
x Non-financial risk assessment	46	17.2%	76	26.4%	51	20.4%
ENVIRONMENT	80	20.0%	65	14.4%	89	21.9%
x Environmental policy & actions	42	53.2%	36	55.4%	45	50.6%
x Results	10	12.7%	8	12.3%	8	9.0%
x Suppliers	17	20.2%	12	18.5%	20	22.5%
x Environmental impact of products	11	13.9%	9	13.8%	16	18.0%
SOCIAL	51	12.8%	98	21.7%	68	16.7%
x Employee retention & development	31	60.7%	34	34.7%	38	55.9%
x Employee protection	8	15.7%	12	12.3%	12	17.6%
x Suppliers	1	2.0%	0	0.0%	2	2.9%
x Social impact of products	1	2.0%	26	26.5%	7	10.3%
x Relations with civil society	10	19.6%	26	26.5%	9	13.2%

N.B. Each area of improvement is assigned to a theme (governance, environment or social). It may also be assigned to the "ESG transparency" theme if the recommendation is aimed at improving the company's transparency on the issue in question, or to "Climate or biodiversity-related" if it relates to one of these two themes.

Source: La Financière de l'Echiquier

Key takeaways from these figures:

- **Engagement activity was slightly down** on last year. This is explained by the desire to focus our engagement efforts on a smaller base of companies, but to deepen our engagement with these companies.
- **The focus on governance** remains a constant (61.4% in 2023 versus 63.9% in 2022). This trend can be explained by the extension of our systematic engagement approach to two funds and one small and mid-cap mandate, where in-house ESG analysis of issuers focuses mainly on governance.
- We are seeing an **increase in social issues**. Between 2021 and 2023, the number of areas of improvement on these themes rose from 51 to 68. In relative terms, these themes now represent more than 16.7% of the areas for improvement shared with companies, compared with just under 12.8% in 2021. This change is mainly due to the launch of a thematic strategy with an impact on access to healthcare, with a strong commitment dynamic.

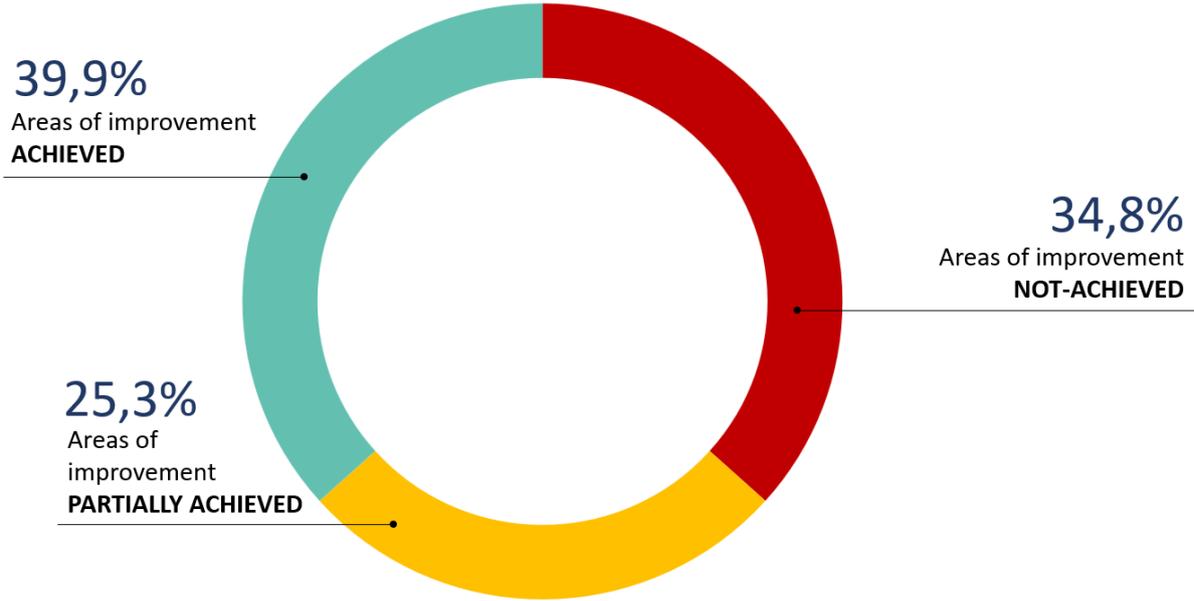
5.4 IMPACT OF OUR INDIVIDUAL ENGAGEMENT ACTIVITY

As part of our drive to continuously improve our engagement practices and measure their impact, we have decided to measure the success of our engagement activity based on whether the areas of improvement reported to companies have been achieved. We are fully aware that we are not solely responsible for the progress made by the companies in which we invest. However, we do our utmost to provide them with the support they need in their efforts. In this way, we hope that our commitment to quality will play as decisive a role as possible in the positive changes we are pleased to see.

This analysis concerns the companies present in the portfolios of La Financière de l'Echiquier's mutual funds in 2023 and to which progress targets have been sent. Our approach is to measure the extent to which the progress targets set for these companies in their previous analyses have been achieved. An area for progress could therefore be:

- Either **“achieved”**, if the company has implemented the recommendation,
- **“Partially achieved”**, if the company has begun to implement the recommendation, but has not yet fully implemented it,
- Or **“not achieved”**, if the company has not implemented the recommendation.

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



Source : La Financière de l'Echiquier
Data at 31/12/2023

La Financière de l'Echiquier is satisfied with the progress made to date: just over **65.2%** of the **474** areas for improvement communicated to **152** companies by 2022 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 engagement with companies, and the relevance of the recommendations made.

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

- ELIS -
AN ENVIRONMENTAL ENGAGEMENT THAT IS PAYING OFF

ELIS is present in several of the portfolios of our SRI-labelled funds. In September 2019 we shared with the company our desire to see the company detail the proportion of its sales with a positive, neutral or negative environmental/social impact through the Sustainable Development Goals (SDGs).

In 2023, when we updated the Group's ESG rating, we noted that the company had communicated in its 2022 annual report the proportion of sales based on the circular economy, the proportion of sales based on the economy of functionality and corresponding to SDG 12.

Engagement
Areas of improvement achieved
Environment
Transparency

- DSV -
A MULTI-THEMATIC ENGAGEMENT

Following our ESG analysis, four areas for improvement were passed on to **DSV**, a Danish transport group, in 2021. During our review in 2023, we noted that two areas for improvement had been achieved. These included the integration of ESG criteria into management compensation, and the implementation of an employee satisfaction survey to identify key areas for improvement in human resources policy.

During our ESG analysis in 2023, we wished to continue our engagement with the company, by submitting a proposal to increase the proportion of women on their management committee and also to define a materiality matrix.

Engagement Governance Social Transparency Areas of improvement achieved

- SAP -
IMPROVING CUSTOMER SATISFACTION

In 2019, we carried out an ESG analysis of the German software group **SAP**. At the end of the interview dedicated to extra-financial issues, we shared with the company an area for improvement. This involved implementing concrete measures to raise their NPS (Net Promoter Score), which is a tool used to measure customer satisfaction.

During our review in 2023, we noted an increase in this score, which is in line with the expectations we set in our progress plan sent out in 2019.

Engagement Social Transparency Areas for improvement achieved

5.5 OTHER EXAMPLES OF INDIVIDUAL ENGAGEMENT

In addition to our individual engagement process based on sharing areas of improvement, it is not unusual for La Financière de l'Echiquier to engage with portfolio companies or to some of its stakeholders (including suppliers of extra-financial data) in a more discretionary manner. This engagement can take various forms, such as: (1) in-depth discussions with companies on specific points that fall outside the scope of the areas for improvement, or with consultants at the request of companies, and (2) dialogue with companies that have been divested for extra-financial reasons.

Here are **2** examples from 2023 that illustrate this type of engagement:

- THERMADOR GROUPE -
A COMPLEMENTARY ENGAGEMENT TO PROGRESS

In 2023, we had several interactions with **THERMADOR GROUPE** teams as part of an engagement process that has been underway with the group for several years. Discussions focused mainly on the process used to measure the alignment of the Group's sales with the European Taxonomy, and on the progress of their work on eco-design. We also organised an ad-hoc call to share with them the areas for improvement concerning the Group's Non-Financial Performance Statement, so as to better highlight their actions.

The group is very open to dialogue and committed to continuous improvement.

Engagement Environment Transparency

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

The publication of the **impact reports** of our impact mutual funds was an opportunity for us to share them with **the 77 companies present in our impact funds**. This enabled us to remind them of the importance of the availability of the extra-financial data they disclose, and in particular the impact measurements. 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 enhancing the value of their commitments.

Stakeholder engagement

6. COLLECTIVE ENGAGEMENT IN 2023

Since 2019, in addition to its individual engagement approach with the companies in its portfolio, La Financière de l'Echiquier has also decided to step up its role in collective engagement initiatives alongside other investors. These collective engagement initiatives are crucial because they enable us to engage with issues that would be difficult to tackle individually, or to target all the players in a given sector at once. This method of engagement also enables us to make our voice heard with certain companies with whom individual engagement would not work, as part of our escalation procedure.

In 2023, La Financière de l'Echiquier took part in **5** collective engagement initiatives, including:

- FINANCE FOR BIODIVERSITY FOUNDATION - A COMMITMENT TO BIODIVERSITY

In 2020, we signed the “**Finance for Biodiversity Pledge**” and were a founding member of the “**Finance for Biodiversity Foundation**”. This foundation brings together financial market players seeking to reverse the loss of natural capital over the decade and facilitate collaboration and collective action on the signatories’ five commitments.

By 2025, La Financière de l'Echiquier is committed to integrating biodiversity criteria into its analyses, measuring the impact of its investments on biodiversity, and publishing this information transparently. As part of this initiative, we are part of the “**Impact Assessment**” working group, which aims to encourage investors to better measure and consider biodiversity impacts, using specific indicators.

Collective engagement | Biodiversity

- CDP- NON-DISCLOSURE CAMPAIGN: A COMMITMENT TO TRANSPARENCY ON ENVIRONMENTAL IMPACTS

Since 2020, LFDE has been taking part in the **CDP's Non-Disclosure Campaign**. This campaign encourages companies to respond to CDP questionnaires on the topics of climate change, forests and water. These questionnaires provide investors with standardised data to compare the environmental performance of companies, particularly in terms of their carbon footprint.

During the 2023 engagement campaign, we **engaged directly with 22 companies**. The results of our engagement were quite positive. More than a quarter of the companies we approached agreed to answer the CDP questionnaire.

Collective engagement | Environment | Biodiversity | Transparency

- ADVANCE-
A COMMITMENT TO HUMAN RIGHTS AND SOCIAL ISSUES

La Financière de l'Echiquier joined the “Advance” initiative launched by the UN PRI at its inception in 2022. The aim of this collaborative commitment is to engage companies on social issues and advance the consideration of human rights within various sectors, such as mining and renewable energies.

As a result, La Financière de l'Echiquier joined the working group on Acciona Energia, a company in the renewable energies sector, as a “collaborating investor”, in order to improve its practices and its consideration of human rights issues.

Collective engagement | Social

The two other collective commitments to which La Financière de l'Echiquier contributed during 2023 are [Climate Action 100+](#), within which we are participating in a working group on PHILIPS, and the CDP's [Science Based Targets](#) campaign, which encourages companies to set net-zero targets by following best-in-class standards.

7. HISTORY OF ENGAGEMENT

La Financière's engagement with companies takes many forms, including at Annual General Meetings, in sharing areas for improvement during the rating process, through collective engagement or on other occasions throughout the life of our holdings. These various commitments complement each other and are organised in a coordinated way to increase interaction with the company and, ultimately, enhance the quality of our commitment.

Our involvement with **EPIROC**, a Swedish company in which we are a shareholder, illustrates this point:

- EPIROC -

A HISTORY OF MULTI-FACETED ENGAGEMENT

Voting at the 2023 AGM: At **EPIROC**'s 2023 AGM, we voted against a resolution on the election of a director who we did not believe was independent in accordance with our voting policy.

Post-AGM engagement: We informed **EPIROC** of our reasons for opposing three of their resolutions. On this occasion, we explained our "against" position on the resolution on the election of the non-independent director.

Engagement to climate and biodiversity: In November 2023, we invited **EPIROC** to our Climate and Biodiversity Meetings. The company's climate manager was able to discuss climate governance with investors and experts.

Annual dialogue: We also engaged with the company on a number of issues, such as improving the transparency of ESG criteria incorporated into the CEO's variable compensation scheme. In addition, we proposed the introduction of quantitative social objectives in the "*EPIROC 2030 goals for People*" to support their need to innovate and attract and retain talent, particularly in the fields of automation, digitisation and electrification.

Multi-faceted engagement

8. INVOLVEMENT OF OTHER STAKEHOLDERS

8.1 ENGAGEMENT WITH OUR SERVICE PROVIDERS

As part of our activities, we use a number of service providers, including suppliers of extra-financial data. The data they make available to us is based on proprietary methodologies which may have certain limitations. They may also only be 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 feedback from the field.

In 2023, LFDE made several such engagements, including the following:

- DATA RECOVERY SERVICE PROVIDER - AN ENGAGEMENT TO DATA MANAGEMENT

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 two years, participating in the development of their data management solution so that it can best meet the needs of responsible investors.

Stakeholder engagement

8.2 ENGAGING WITH PUBLIC AUTHORITIES ON SUSTAINABLE ISSUES

This kind of commitment can take various forms, including responding to consultations ahead of the publication of new regulations, participating in working groups and lobbying on the subject.

In 2023, LFDE made several such engagements, **including** the following:

- AFG RESTRICTED RI COMMITTEE - CONSTANT ENGAGEMENT TO REGULATORY ISSUES

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

In 2023, due to major regulatory developments, we were called upon to deal with a number of subjects of structural importance for sustainable finance, including the consultation on the revision of the SFDR, the CSRD, the revision of the specifications for the French SRI label and the ESMA fund naming consultation. This permanent seat enables us to express our opinion on each of the subjects addressed.

Engagement with public authorities

- REPORTING STANDARD -
CONSULTATION WITH THE EUROPEAN COMMISSION

In 2023, 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 enabled us to make our views heard on what we consider to be the reporting standards for companies, including those in which we are invested. In this way, we hope to have contributed to the improvement of corporate transparency standards on social issues.

Engagement with public authorities | Social

8.3 SPECIFIC ENGAGEMENT ON IMPACT INVESTING

Finance for Tomorrow, now **the Institut de la Finance durable**, launched a working group dedicated to impact finance 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, Solidarity and Responsible Economy, to which we actively contributed through several workshops.

- 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 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 worked within the three working groups on the three pillars of Impact Finance: intentionality, additionality and measurability.

In 2021, the French Ministry of Finance and the Economy mandated the Institut de la Finance durable to continue work on the definition of impact. LFDE once again took part in a working group and debates 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 has published its own innovative and evolving impact doctrine for 2021, reflecting our demanding positioning.

In 2023, LFDE contributed to the debates within several sub-groups, in particular those concerning the measurement of impact at investor and company level, and the adaptation of the grid for measuring impact potential for listed shares.

Stakeholder engagement

8.4 SPECIFIC ENGAGEMENT ON CLIMATE AND BIODIVERSITY

LFDE strengthened its engagement to climate and biodiversity by publishing its **Climate and Biodiversity Strategy** in early 2021, including a policy designed to frame the financing of thermal coal and unconventional and controversial energies. As part of this strategy, engagement with businesses plays a key role.

A specific engagement procedure has been defined for companies involved in the thermal coal sector, to support them in their total withdrawal from these activities by 2030. In addition, companies deemed to be material to the environmental transition are also subject to enhanced engagement. In both cases, our engagement work will be based on a detailed analysis using our 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 climate and biodiversity.

- CLIMATE AND BIODIVERSITY MEETINGS 2023 -

The third edition of the Climate and Biodiversity Meetings brought together experts, companies and LFDE customers at the end of November 2023, to mobilise our entire ecosystem, encourage the exchange of best practices and identify concrete ways of working to combat climate change and preserve biodiversity.

The event took place in two parts: an evening at the Cercle d'Aumale in Paris and workshops bringing together experts, companies and customers. Three workshops were organised on the themes of climate governance, *Say on Climate* and plastic pollution in the ocean. They brought together eight European companies and 12 customers, 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 - ADEME, La Fondation de La Mer and Earth on Board - yielded valuable initial lessons and identified avenues for engagement, which will be monitored over time.

Environment Biodiversity

9. APPENDICES

9.1 VOTING RECORD – FUND LEVEL

The main figures reflecting LFDE's voting record by fund in 2023 (compared with 2021 and 2022) are shown below:

	2021		2022		2023		Number of votes against (or abstention)
	% of votes at AGM* votes	% of votes against (or abstention)	% of votes at AGMs* (in %)	% of votes against (or abstention)	% of votes at AGMs* (in %)	% of votes against (or abstention)	
IMPACT INVESTMENTS							
x Echiquier Climate Impact Europe	100%	16.0%	100%	11.19% ↓	100%	15.51% ↑	114
x Health Impact for All	100%	21.9%	100%	14.59% ↓	100%	21.50% ↑	106
x Echiquier Impact et Solidaire	_**	_**	100%	14.37%	100%	14.61% ↑	102
x Echiquier Positive Impact Europe	100%	16.65% ↓	100%	14.50% ↓	100%	14.61% ↑	102
SRI							
x Echiquier Agenor Euro SRI Mid Cap	100%	18.49% ↓	100%	14.00% ↓	100%	19.43% ↑	95
x Echiquier Agenor SRI Mid Cap Europe (1)	100%	14.96% ↓	100%	14.04% ↓	100%	14.84% ↑	103
x Echiquier Alpha Major SRI	100%	19.70% ↓	100%	14.47% ↓	100%	19.64% ↑	132
x Echiquier Major SRI Growth Europe (1)	100%	19.70% ↓	100%	14.47% ↓	100%	19.64% ↑	132
x Echiquier Arty SRI	100%	19.05% ↓	100%	15.28% ↓	100%	16.88% ↑	118
x Echiquier High Yield SRI Europe	100%	0.00%		0,00%		0.00%	0
x Echiquier Convexité SRI Europe	100%	14.30%		0,00%		0.00%	0
x Echiquier Credit Europe SRI	100%	7.70%		0,00%		0.00%	0
x Echiquier Short Term Credit SRI	_**	_**	_**	_**	_**	_**	_**
ESG INTEGRATION							
x Echiquier Agressor and Agressor PEA	100%	16.79% ↓	100%	13.65% ↓	100%	19.02% ↑	152
x Echiquier Artificial Intelligence	100%	27.05% ↑	100%	15.24% ↓	100%	20.47% ↑	79
x Echiquier Entrepreneurs	100%	12.79% ↓	100%	12.76% ↓	100%	13.68% ↑	104
x Echiquier Excelsior	100%	14.6% ↓	100%	12.94% ↓	100%	18.16% ↑	95
x Echiquier Patrimoine	100%	19.97% ↓	100%	15.51% ↓	100%	20.52% ↑	110
x Echiquier Luxury	100%	26.13% ↑	100%	23.17% ↓	100%	29.55% ↑	130

x Echiquier Robotics	100%	19.39% ↗	100%	16.55% ↘	100%	20.82% ↗	81
x Echiquier Space	100%	31.5%	100%	23.56% ↘	100%	28.74% ↗	25
x Echiquier USA	100%	26.87% ↗	100%	27.54% ↗	100%	22.94% ↘	100
x Echiquier Value Euro	100%	23.44% ↗	100%	19.74% ↘	100%	19.79% ↗	168
x Echiquier World Equity Growth	100%	26.51% ↗	100%	21.43% ↘	100%	23.21% ↗	97
x Echiquier World Next Leaders (1)	100%	27.05% ↘	100%	35.62% ↗	100%	13.76% ↘	45

Source: La Financière de l'Echiquier
Data at 31/12/2021, 31/12/2022 and 31/12/2023

*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) 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 13 SRI-labelled UCIs in 2023:

	Number of AGMs voted	Number of resolutions passed	% of votes at AGMs* (in %)	Number of votes against
IMPACT INVESTMENTS				
x Exchequer Climate & Biodiversity Impact Europe	35	735	100%	114
x Health Impact for All	27	493	100%	106
x Echiquier Impact et Solidaire	39	698	100%	102
x Echiquier Positive Impact Europe	39	698	100%	102
SRI				
x Echiquier Agenor Euro SRI Mid Cap	33	489	100%	95
x Echiquier Agenor SRI Mid Cap Europe	41	694	100%	103
x Echiquier Alpha Major SRI	34	672	100%	132
x Echiquier Major SRI Growth Europe	34	672	100%	132
x Echiquier Arty SRI	35	699	100%	118
x Echiquier Convexité SRI Europe	0	7	0%	0
x Echiquier High Yield Europe SRI	0	0	0%	0
x Echiquier Credit Europe SRI	4	13	100%	0
x Echiquier Short Term Credit SRI	0	0	0%	0

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

The Echiquier Credit Europe SRI, Echiquier High Yield SRI Europe, Echiquier Convexité SRI Europe and Echiquier Short Term Credit SRI funds are included in the two tables above, as they are SRI-labelled bond funds for which we also vote at 100% of AGMs. This number of AGMs is very limited given the asset class: 0 in 2018, 4 in 2019, 0 in 2020, 6 in 2021, 0 in 2022 and 6 in 2023. This approach also applies to the bond compartments of our diversified funds, including Echiquier ARTY SRI.

9.2 ENGAGEMENT POLICY RECORD – FUND LEVEL

These figures only relate to the **areas for improvement sent** to our portfolio companies. In 2023, we formalised **1,187** areas for improvement involving **297** companies, of which **407** were sent to **128** companies. You will find below the figures relating to the areas of progress sent as part of the engagement policy of our SRI-labelled funds.

At 31 December 2023, **La Financière de l'Echiquier** had **13 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
- Echiquier Health Impact For All
- Echiquier Short Term Credit SRI

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

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

	Echiquier Positive Impact Europe		Echiquier Climate & Biodiversity Impact Europe		Echiquier Health Impact For All	
	2023	%	2023	%	2023	%
Number of companies with engagement	18	-	40	-	17	-
Number of areas for improvement	57	-	122	-	44	-
Companies involved in an engagement* process	-	100%	-	100%	-	100%

ESG TRANSPARENCY	26	-	92	-	33	-
CLIMATE AND BIODIVERSITY	20	-	49	-	10	-
IMPACT	21	-	32	-	8	-

GOVERNANCE	17	29.8%	56	45.9%	28	63.6%
x Management team quality	2	11.8%	23	41.1%	11	28.2%
x Checks and balanced	7	41.2%	22	39.3%	9	23.1%
x Respect for minority shareholders	2	11.8%	2	3.6%	0	0.0%
x Non-financial risk assessment	6	35.3%	9	16.1%	19	48.7%
ENVIRONMENT	25	43.9%	36	29.5%	7	15.9%
x Environmental policy & actions	14	56.0%	17	47.2%	5	71.4%
x Results	2	8.0%	3	8.3%	0	0.0%
x Suppliers	4	16.0%	5	13.9%	2	28.6%
x Environmental impact of products	5	20.0%	11	30.6%	0	11.1%
SOCIAL	15	26.3%	30	24.6%	9	20.5%
x Retention & development	7	46.7%	15	50.0%	4	44.4%
x Employee protection	2	13.3%	8	26.7%	2	22.2%
x Suppliers	0	0.0%	0	0.0%	1	11.1%
x Social impact of products	4	26.7%	2	6.7%	0	0.0%
x Relations with civil society	2	13.3%	5	16.7%	2	22.2%

	Before 2022	%	Before 2022	%	Before 2022	%
ENGAGEMENT RESULTS	87	100%	73	100%	32	100%
Areas for improvement achieved	38	43.7%	31	42.5%	16	50.0%
Areas for improvement partially achieved	22	25.3%	20	27.4%	6	18.8%
Areas for improvement not achieved	27	31.0%	22	30.1%	10	31.3%

*2-year commitment cycles

	Echiquier Positive Impact Europe	Echiquier Climate & Biodiversity Impact Europe	Echiquier Health Impact For All
	2023	2023	2023
OTHER ENGAGEMENT 2023			
Collective engagement ¹	7	12	5
Pre-AGM engagement	3	0	1
Post-AGM engagement	17	17	5
2023 Climate and Biodiversity Meetings	3	4	0
Other	42	52	36

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

- Review of the Echiquier Agenor SRI Mid Cap Europe, Echiquier Agenor Euro SRI Mid Cap and Echiquier Major SRI Growth Europe engagement:

	Echiquier Major SRI Growth Europe		Echiquier Agenor SRI Mid Cap Europe		Echiquier Agenor Euro SRI Mid Cap	
	2023	%	2023	%	2023	%
Number of companies with engagement	29	-	32	-	28	-
Number of areas for improvement	74	-	60	-	50	-
Companies involved in a engagement* process	-	91%	-	61%	-	59%

ESG TRANSPARENCY	62	-	56	-	51	-
CLIMATE AND BIODIVERSITY	21	-	8	-	8	-

GOVERNANCE	49	66.2%	47	78.3%	34	68.0%
x Management team quality	25	51.0%	19	40.4%	13	38.2%
x Checks and balances	13	26.5%	18	38.3%	12	35.3%
x Respect for minority shareholders	2	4.1%	4	8.5%	4	11.8%
x Non-financial risk assessment	9	18.4%	6	12.8%	5	14.7%
ENVIRONMENT	9	12.2%	6	10.0%	6	12.0%
x Environmental policy & actions	5	55.6%	2	33.3%	3	50.0%
x Results	0	0.0%	2	33.3%	0	0.0%
x Suppliers	3	33.3%	2	33.3%	2	33.3%
x Environmental impact of products	1	11.1%	0	0.0%	1	16.7%
SOCIAL	16	21.6%	7	11.7%	10	20.0%
x Retention & development	9	56.3%	5	71.4%	9	90.0%
x Employee protection	4	25.0%	1	14.3%	0	0.0%
x Suppliers	1	6.3%	0	0.0%	0	0.0%
x Social impact of products	1	6.3%	0	0.0%	0	0.0%
x Relations with civil society	1	6.3%	1	14.3%	1	10.0%

	Before 2022	%	Before 2022	%	Before 2022	%
ENGAGEMENT RESULTS	63	-	56	-	43	-
Areas for improvement achieved	27	42.9%	10	17.9%	10	23.3%
Areas for improvement partially achieved	15	23.8%	22	39.3%	13	30.2%
Areas for improvement not achieved	21	33.3%	24	42.9%	20	46.5%

*2-year commitment cycles

	Echiquier Major SRI Growth Europe	Echiquier Agenor SRI Mid Cap Europe	Echiquier Agenor Euro SRI Mid Cap
	2023	2023	2023
OTHER ENGAGEMENT 2023			
Collective engagement ¹	7	2	3
Pre-AGM engagement	0	6	6
Post-AGM engagement	14	5	7
2023 Climate and Biodiversity Meetings	2	1	1
Other	25	19	18

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

- Review of the Echiquier Arty SRI, Echiquier Credit SRI Europe and Echiquier Convexit  SRI Europe engagement:

	Echiquier Arty SRI		Echiquier Credit SRI Europe		Echiquier Convexit� SRI Europe	
	2023	%	2023	%	2023	%
Number of companies with engagement		-		-		-
Number of areas for improvement	161	-	117	-	56	-
Companies involved in an engagement* process	-	81%	-	78%	-	85%

ESG TRANSPARENCY		-		-		
CLIMATE AND BIODIVERSITY	48	-	33	-	13	

GOVERNANCE	104	64.6%	79	67.5%	34	60.7%
x Management team quality	43	41.3%	41	51.9%	18	52.9%
x Checks and balances	38	36.5%	20	25.3%	8	23.5%
x Respect for minority shareholders	4	3.8%	1	1.3%	0	0.0%
x Non-financial risk assessment	19	18.3%	17	21.5%	8	23.5%
ENVIRONMENT	28	17.4%	15	12.8%	10	17.9%
x Environmental policy & actions	12	42.86%	4	26.7%	3	30.0%
x Results	2	7.1%	0	0.0%	0	0.0%
x Suppliers	6	21.4%	6	40.0%	4	40.0%
x Environmental impact of products	8	28.6%	5	33.3%	3	30.0%
SOCIAL	29	18%	23	19.7%	12	21.4%
x Retention & development	14	48.3%	12	52.2%	5	41.7%
x Employee protection	8	27.6%	5	21.7%	4	33.3%
x Suppliers	1	3.4%	1	4.3%	1	8.3%
x Social impact of products	2	6.9%	2	8.7%	1	8.3%
x Relations with civil society	4	13.8%	3	13.0%	1	8.3%

	Before 2022	%	Before 2022	%	Before 2022	%
ENGAGEMENT RESULTS	121	-	92	-	54	-
Areas for improvement achieved	47	38.8%	40	43.5%	20	37.0%
Areas for improvement partially achieved	32	26.4%	20	21.7%	17	31.5%
Areas for improvement not achieved	42	34.7%	32	34.8%	17	31.5%

*2-year commitment cycles

	Echiquier Arty SRI	Echiquier Credit SRI Europe	Echiquier Convexité SRI Europe
	2023	2023	2022
OTHER ENGAGEMENTS 2023			
Collective engagement ¹	24	22	5
Pre-AGM engagement	4	4	4
Post-AGM engagement	26	26	13
2023 Climate and Biodiversity Meetings	5	4	5
Other	54	40	17

¹Number of companies in each UCI involved in the collective engagement campaigns in which LFDE participated.

	Echiquier Short Term Credit SRI	
	2023	%
Number of companies with engagement	12	-
Number of areas for improvement	56	-
Companies involved in an engagement* process	-	100%

ESG TRANSPARENCY	52	-
CLIMATE AND BIODIVERSITY	13	-

GOVERNANCE	34	60.7%
x Management team quality	18	52.9%
x Checks and balances	8	23.5%
x Respect for minority shareholders	0	0.0%
x Non-financial risk assessment	8	23.5%
ENVIRONMENT	10	17.9%
x Environmental policy & actions	3	30.0%
x Results	0	0.0%
x Suppliers	4	40.0%
x Environmental impact of products	3	30.0%
SOCIAL	12	21.4%
x Retention & development	5	41.7%
x Employee protection	4	33.3%
x Suppliers	1	8.3%
x Social impact of products	1	8.3%
x Relations with civil society	1	8.3%

	Before 2022	%
ENGAGEMENT RESULTS	81	-
Areas for improvement achieved	37	45.7%
Areas for improvement partially achieved	16	19.8%
Areas for improvement not achieved	28	34.6%

*2-year commitment cycles

	Echiquier Short Term Credit SRI
	2023
OTHER ENGAGEMENTS 2023	
Collective engagement ¹	22
Pre-AGM engagement	4
Post-AGM engagement	24
2023 Climate and Biodiversity Meetings	4
Other	34

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



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