



LA FINANCIÈRE  
DE L'ÉCHIQUIER

## Report on Voting and Engagement

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As of 31 December 2020



# SUMMARY

- 1. IN BRIEF**
- 2. PRINCIPLES OF THE VOTING POLICY**
- 3. EXERCISE OF VOTING RIGHTS IN 2020**
- 4. PRINCIPLES OF THE ENGAGEMENT POLICY**
- 5. INDIVIDUAL ENGAGEMENT IN 2020**
- 6. COLLECTIVE ENGAGEMENT IN 2020**
- 7. EXAMPLE OF A MULTIDIMENSIONAL ENGAGEMENT**
- 8. ENGAGING WITH OTHER STAKEHOLDERS**
- 9. ANNEXES**

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 2020.

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 2020

**Update by :** Corentin HERVE and Antoine FABRE - La Financière de L'Echiquier

## 1. IN BRIEF

La Financière de l'Echiquier has been a **recognised player in responsible investment** for over 13 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 2020, **there were 9 UCITS in LFDE'S SRI labelled fund 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 Credit Europe SRI
- Echiquier Arty SRI
- Echiquier Convexité Europe SRI
- Echiquier Climate Impact Europe

Please keep in mind that in the rest of this report, voting and engagement results of the Major SRI Growth Europe and Echiquier Alpha Major SRI funds will be presented jointly, as the portfolios are identical.

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, published in 2019 and available on our website in the "[Responsible Investment](#)" section of the page "[To find out more](#)", under the heading "LFDE Documents – General approach."

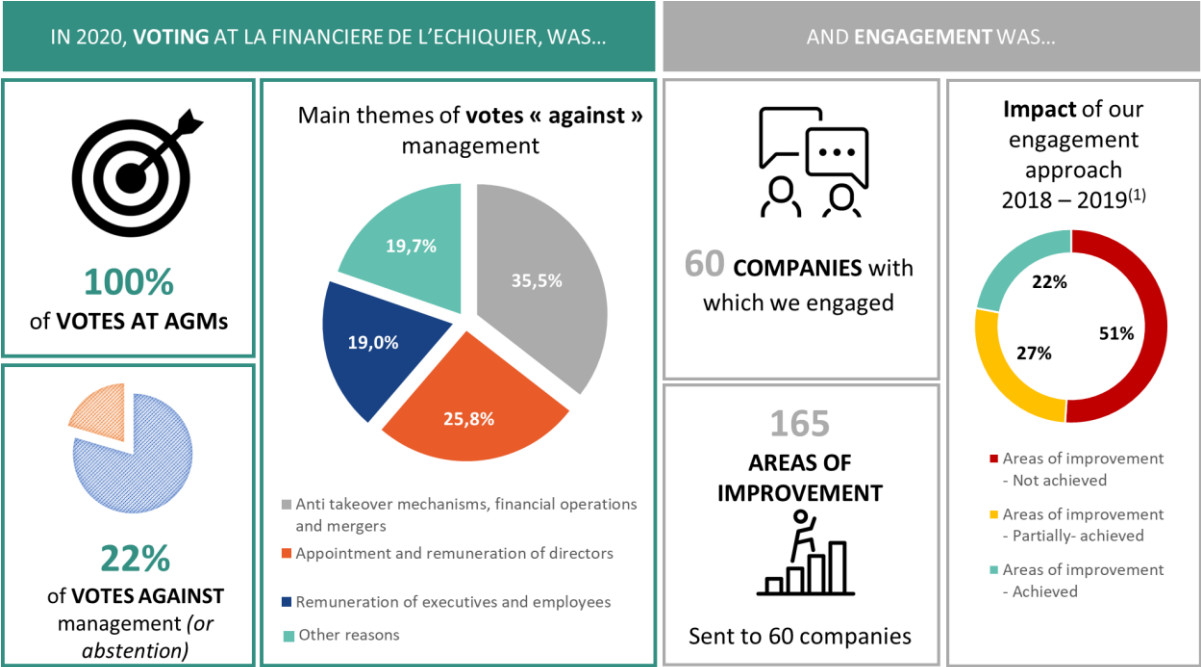
This conviction is reflected in the **systematic exercise of voting rights** at AGMs and a **shareholder engagement policy** with companies in which La Financière de l'Echiquier invests. Voting and engagement are in our view an integral part of the responsibility of an investor, especially a responsible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

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 a percentage of areas of improvement reported.

The figures below summarise our voting and engagement approach in 2020:



(1) The results above concern the reach of 190 areas of progress sent in 2018 and 2019 to 57 companies, and whose achievement was evaluated at the end of 2020

## 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:



Source: La Financière de l'Echiquier

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 in which he or she has a direct involvement. 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.

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 **92%** of La Financière de l'Echiquier's assets under management as of 31 December 2020. UCITS managed under quantitative and macro-economic strategies, the Africa theme, and funds of funds are not covered by our voting policy.

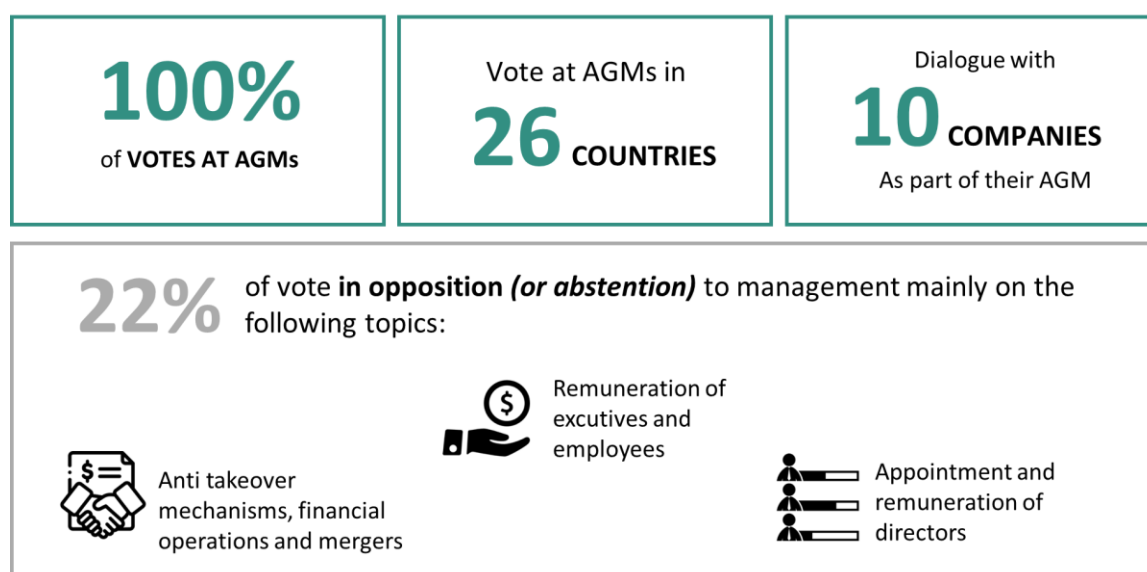
You can find our voting and engagement policy on our website in the "[Responsible Investment](#)" section of the page [To find our more](#)" under the heading "LFDE Documents – Shareholder dialogue".



### 3. EXERCISE OF VOTING RIGHTS IN 2020

#### 3.1 IN BRIEF

In 2020, La Financière de l'Echiquier's voting record was as follow:



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

#### 3.2 VOTING RECORD 2020 - LA FINANCIERE DE L'ECHIQUEUR SCOPE

In 2020, we voted on a total of **6,067** resolutions at **385** general meetings, hence **100%** of the companies in our voting perimeter. According to the French Asset Management Association (AFG), in 2020, French portfolio management companies exercised their voting rights at 77% of the listed companies in their portfolios. This was close to the 2019 figure but higher than in recent years.

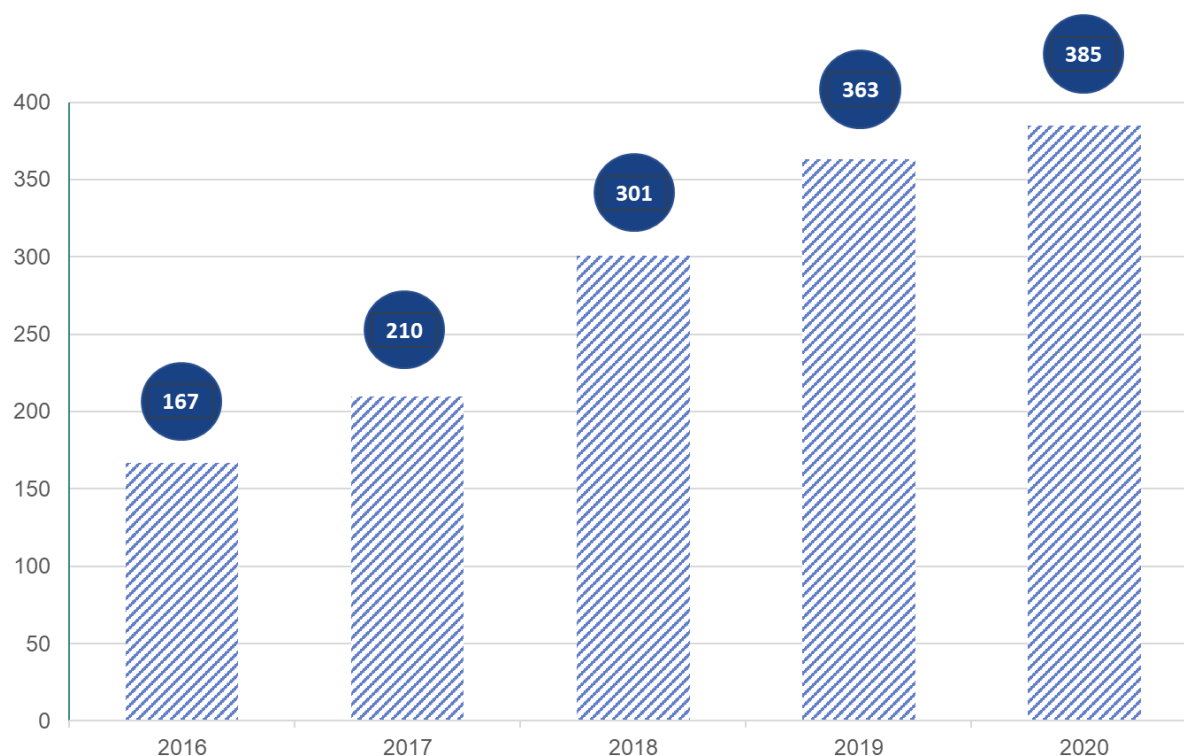
The main figures reflecting La Financière de l'Echiquier's voting activity in 2020 (comparison with 2018 and 2019) are as follows:

	2018	2019	2020
<b>Number of AGMs voted</b>	<b>301</b>	<b>363</b>	<b>385</b>
o/w France	114	128	116
o/w International	187	235	269
<b>Number of resolutions voted</b>	<b>4 555</b>	<b>5 315</b>	<b>6 067</b>
including votes against management (or abstention)	20,7%	22,1%	22,0%

Source: La Financière de l'Echiquier  
Data from 01/01/2018 to 31/12/2020

The number of general meetings at which votes were cast rose by 6.1% between 2019 and 2020. This increase is due to new investment strategies, such as UCITS, mandates and dedicated funds.

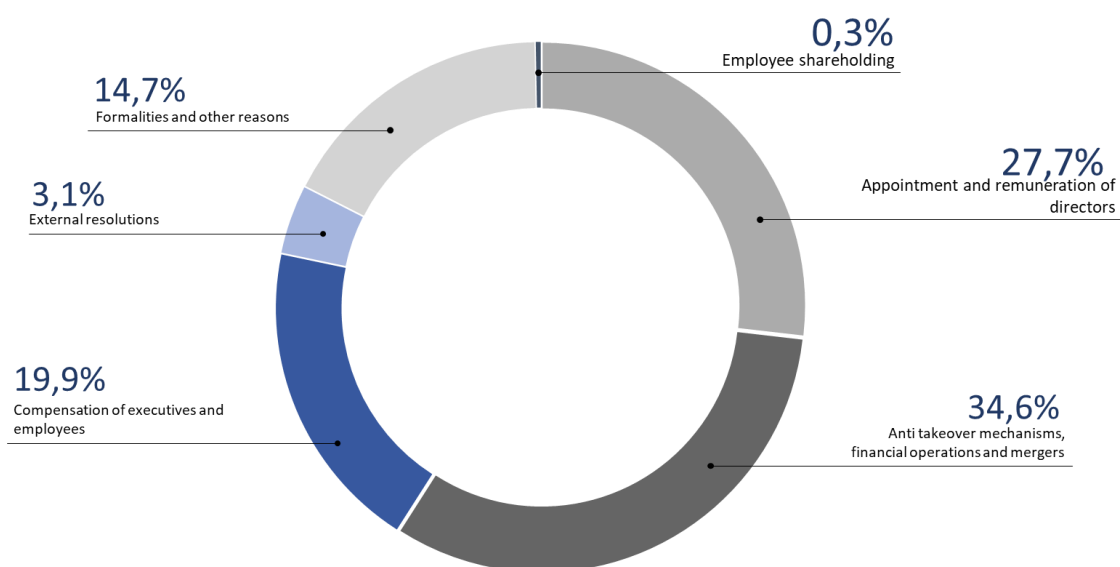
Number of AGMs at which La Financière de l'Echiquier voted in the past six years:



Source: La Financière de l'Echiquier

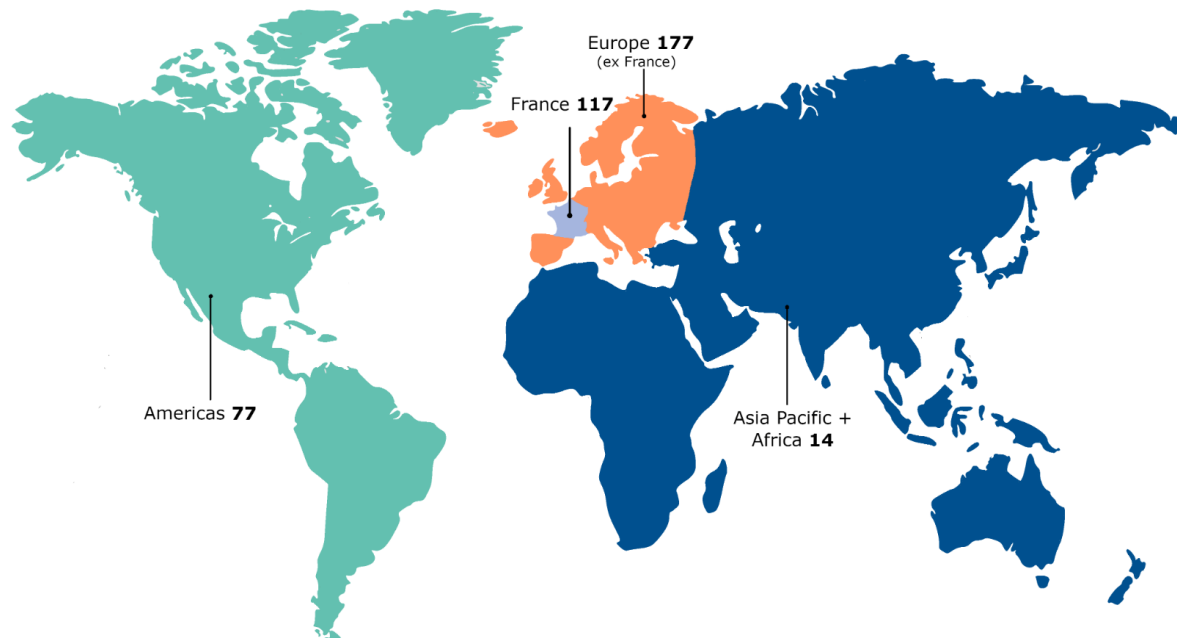
In 2020, La Financière de l'Echiquier voted “against” (or abstained from) **22%** of resolutions for which it expressed an opinion, or **1,334** resolutions opposed out of a total of 6,072. Abstentions are very rare, amounting to just 1% of votes in 2020. In comparison, in 2020, French portfolio managers voted against 19% 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 Financière de l'Echiquier  
Data from 01/01/2020 to 31/12/2020

### Geographical breakdown of votes during the year:



Source: La Financière de l'Echiquier  
Data from 01/01/2020 to 31/12/2020

As a responsible investor, we conduct an in-depth review of any resolution dealing with environmental and social issues. We supported **68%** of resolutions covering social or environmental issues, i.e., 13 out of 19 resolutions.

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 2020, this occurred in **1.6%** of resolutions for La Financière de l'Echiquier as a whole (vs 2.4% in 2019).

Given the large number of general meetings at which we are eligible to vote, as well as the pandemic-related context of the 2020 AGM season, **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 2020.



### 3.1 VOTING RECORD 2020 – 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.

These main figures reflect, on a fund-by-fund basis, **La Financière de l'Echiquier's voting activity** in 2020 (compared to 2018 and 2019), within **the perimeter of our equity and diversified funds and all of our SRI-certified funds**:

	2018		2019		2020		
	% of votes at AGMs	% of votes « against » (or abstention)	% of votes at AGMs	% of votes « against » (or abstention)	% of votes at AGMs	% of votes « against » (or abstention)	Number of votes « against » (or abstention)
<b>IMPACT INVESTING</b>							
x Echiquier Climate Impact Europe	-*	-*	-*	-*	-*	-*	
x Echiquier Positive Impact Europe	100%	14,8%	100%	14,0%	100%	18,7%	149
<b>SRI</b>							
x Echiquier Agenor Euro SRI Mid Cap	-*	-*	100%	20,0%	100%	26,4%	152
x Echiquier Agenor SRI Mid Cap Europe (1)	100%	18,2%	100%	17,4%	100%	15,6%	122
x Echiquier Alpha Major SRI	-*	-*	100%	13,5%	100%	20,5%	126
x Echiquier Major SRI Growth Europe (1)	100%	18,8%	100%	17,7%	100%	20,5%	126
x Echiquier ARTY SRI (1)	100%	23,2%	100%	21,5%	100%	19,2%	155
x Echiquier Convexité SRI Europe	-	0,0%	-*	0,0%	-	0,0%	
x Echiquier Credit Europe SRI	-	0,0%	-	0,0%	-	0,0%	
<b>ESG INTEGRATION</b>							
x Echiquier Agressor and Agressor PEA	100%	19,1%	100%	23,1%	100%	19,1%	142
x Echiquier Artificial Intelligence	100%	7,8%	100%	17,6%	100%	24,6%	84
x Echiquier Entrepreneurs	100%	19,6%	100%	14,7%	100%	17,0%	131
x Echiquier Excelsior	100%	21,0%	100%	16,1%	100%	16,3%	148
x Echiquier Luxury	-*	-*	100%	27,9%	100%	25,9%	90
x Echiquier Patrimoine	100%	24,1%	100%	26,2%	100%	29,6%	214
x Echiquier Robotics	-*	-*	100%	21,8%	100%	17,3%	58
x Echiquier USA	-*	-*	100%	23,4%	100%	24,2%	78
x Echiquier Value Euro	100%	24,1%	100%	28,6%	100%	20,7%	199
x Echiquier World Equity Growth	100%	11,6%	100%	26,1%	100%	18,2%	59
x Echiquier World Next Leaders (1)	-*	-*	100%	17,8%	100%	28,6%	70

Source: La Financière de l'Echiquier  
Data from 01/01/2018 to 31/12/2020

\* The absence of data for certain funds is due to their recent creation

(1) The voting figures for the two subfunds of the Luxembourg SICAV - Echiquier Agenor SRI Mid Cap Europe Fund and Echiquier Major SRI Growth Europe Fund - are identical to the figures in the table.

Also, as regards to our nine SRI UCITS in 2020:

	Number of AGMs voted	Number of resolutions voted	% of votes at AGMs	Number of votes “against”
<b>IMPACT INVESTING</b>				
x Echiquier Positive Impact Europe	41	799	100%	149
x Echiquier Climate Impact Europe	-*	-*	-*	-*
<b>SRI</b>				
x Echiquier Agenor Euro SRI Mid Cap	35	576	100%	152
x Echiquier Agenor SRI Mid Cap Europe	46	781	100%	122
x Echiquier Alpha Major SRI	35	614	100%	126
x Echiquier Major SRI Growth Europe	35	614	100%	126
x Echiquier ARTY SRI	45	807	100%	155
x Echiquier Convexité SRI Europe	0			
x Echiquier Credit SRI Europe	0			

Echiquier Credit Europe SRI and Echiquier Convexite SRI Europe are included in both the above tables as they are SRI labelled fixed-income UCITS for which we voted at 100% of AGMs where we were entitled. The absolute number of AGMs involved, however, is very small because of the asset class: 0 in 2018, 4 in 2019 and 0 in 2020. This approach also applies to the fixed-income compartments of our diversified funds, including Echiquier Arty SRI.

Trends of our voting policy (systematic voting regardless of the percentage of capital held) are reflected in the voting data for all UCITS. **The objective of voting at all AGMs has been reached for each UCITS.** However, this trend has not undermined the attention paid to each resolution, as evidenced by the increase in cases in which we voted against the management (or abstained). Among our SRI UCITS, note that the percentage of votes “against” is below the average for our other UCITS. This is because one of the key criteria for selecting companies for these UCITS is the quality of their governance. This in turn reduces the risk of opposition to management at annual general meetings, as reflected in these figures. Where we did vote against, it is very common that a dialogue on the reasons took place with the company at the AGM or during a company meeting dealing with non-financial issues.

### 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. 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 2020, we held **4** pre-AGM meeting with one of the companies invested in by one or more of the UCITS managed by La Financière de l'Echiquier.

**- VIRBAC -**

A PRE-AGM DIALOGUE ON THE ISSUES OF GOVERNANCE AND COMPENSATION

We have been shareholders for several years in **VIRBAC**, a French animal health company. Prior to the 2020 general meeting, we discussed several resolutions put up to a shareholder vote with the head of investor relations. We brought up several good governance issues while voicing our reservations on the low number of **independent directors** on the board, as well as on the audit and compensation committees. We also voiced our doubts on the **availability** of a director who attended just 75% of the board meetings and on whether it was appropriate to have a **non-voting member** on the board.

As for **compensation**, we made sure that the areas of improvement reported in 2019 were reflected in the new manager compensation policy.

Pre-AGM dialogue	Remuneration of executives and employees	Formalities and other reasons
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- **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 2020, shareholder dialogue of this type concerned **6** companies, including...

**- THERMADOR GROUPE -**  
SHARING GOOD PRACTICES IN GOVERNANCE, COMPENSATION AND FREE SHARE AWARDS

In 2020, following our vote, we had a dialogue with **THERMADOR GROUPE**, a distributor of fluid-circulation equipment in buildings and industrial facilities. We had an opportunity to speak with the CEO on the reasons we voted against management on several resolutions. We voted against the **nomination of two non-independent directors** as we felt the board was not sufficiently independent and that having four executive committee members on the board did not promote proper checks and balances within the company.

Regarding **manager compensation**, although we did not vote against the resolution on this issue at the 2020 general meeting, we did discuss some good practices with the company. Our main concerns dealt with the transparency of executive committee compensation. We recommended that the company clarify the upper thresholds on variable compensation, that it discloses the relevant qualitative criteria, and that it defines longer-term objectives, three years out, for example.

We also alerted our contacts at Thermador to our expectations regarding **recapitalisations**. One of these is that we will only support a capital increase if there is a clause barring this practice during a public takeover bid. Thermador confirmed that such a clause would be added upon a new vote on this resolution within two years.

Post-AGM dialogue

Remuneration of executives and employees

Financial transactions and mergers

### 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, 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 2020 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.

**- NEOEN -**

**A RECAPITALISATION THAT HARMS THE INTERESTS OF MINORITY SHAREHOLDERS**

La Financière de l'Echiquier defends the rights of minority shareholders. As one of those minority shareholders, we do not wish to see our equity holdings diluted. In our voting policy, we routinely **oppose capital increases without pre-emptive rights for existing shareholders** as these would expose them to the risk of dilution. We are aware that such operations make it possible to raise funds more rapidly than a recapitalisation with pre-emptive rights, we therefore encourage companies to include a priority subscription period for existing shareholders. This is why we voted against a resolution submitted by **NEOEN** at its May 2020 general meeting that would have issued new shares with neither pre-emptive rights nor a priority subscription period.

Vote Against Financial transactions and mergers

**- MUNTERS -**

**QUESTIONS REGARDING THE BOARD NOMINATIONS**

**Director availability and legitimacy** is an important criterion for us in deciding whether to support the nomination of a director. At **MUNTERS'** 2020 general meeting we voted against the re-election of Juan Vargues and Per Hallius. Vargues had attended fewer than 75% of board meetings in 2019, and we felt that Hallius' status as a representative of Nordic Capital no longer made sense after Nordic divested its shares in the company.

Vote Against Appointment and remuneration of members of board of directors

**- SANOFI -**

**QUESTIONS REGARDING CHAIRMAN/CEO COMPENSATION**

We **voted against the resolution covering the 2019 compensation package of Olivier Brandicourt, chairman/CEO** of the French pharmaceutical group **SANOFI**.

Our reason was that we felt that awarding a supplemental retirement package was not in accordance with his seniority within the company or with current market practices. Moreover, Sanofi was not sufficiently transparent on the reasons for variable compensation. For example, it does not disclose to what extent performance-based criteria have been met.

Vote Against Remuneration of executives and employees

## . STORIES OF VOTES TO SUPPORT CSR INITIATIVES

Climate challenges were already prominent in discussions with companies, and this was increasingly the case at general meetings. In 2020, for example, there were many shareholder resolutions covering this issue, encouraged in some cases by NGOs.

### - JPMORGAN CHASE & CO -

#### ENCOURAGING TRANSPARENCY ON CLIMATE CHALLENGES

Prior to the 2020 general meeting of **JPMORGAN CHASE & CO.**, a group of shareholders submitted two resolutions to force JPMorgan to enhance its transparency its activities' impact on climate change. The first resolution called for a report on climate change, and the second for a scientific report on the risks incurred by the bank's exposure to non-conventional fossil fuel extraction in Canada.

We supported these resolutions, which aim to encourage financial companies to show greater transparency on climate issues.

Vote Approval Environment

## 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 we build with companies over the years means that our requests are heeded and taken seriously. However, where we do not receive a positive response from the company with which we have engaged in dialogue and where we consider the issue to be both legitimate and essential, we may opt to file one or several resolutions at the annual general meeting (see escalation strategy). We seldom do this and only as a last resort. The last time we did so was in 2018, when we submitted two resolutions.

### - TOTAL SA -

#### ENCOURAGING TRANSPARENCY ON CLIMATE CHALLENGES

In preparation for Total's 2020 general meeting, we took part in a working group alongside an NGO and other investors to draw up an environmental resolution that would force the company to disclose its strategy for complying with the Paris climate agreements. The resolution dealt mainly with scheduling the group's greenhouse gas reduction goals.

We took part in the working group but did not co-submit the resolution on the grounds of our financial convictions on the stock – we were unable to commit to being a shareholder at the time of the general meeting. As we ultimately did not sell off all our shares, we were able to vote in favour of this resolution.

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".

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-certified 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-certified bond and diversified funds and those subject to ESG integration:** Unlike SRI-certified equity funds, engagement with companies is **highly recommended but not systematic**. After each ESG review, several areas of improvement are systematically determined by the analyst or manager in charge of the holding. These areas of improvement are also formalised in writing but are not routinely sent to the company. However, they are routinely brought up during **regular meetings with managers**, as ESG issues are increasingly prominent in our regular contacts with the companies.

We increasingly encourage sharing of areas of improvement with companies, particularly in the following cases:

- When LFDE **holds a substantial percentage of total shares** and is close to the company.
- **The materiality of the ESG challenges identified:** If the ESG review finds some areas of improvement covering ESG challenges that are particularly material for the company, those areas of improvement are shared with the company concerned.
- **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 a shareholder to share our remarks with the company on material issues.
- **Post-AGM engagement:** When an engagement has already been conducted at the general meeting and when it deals with issues also identified as "areas of improvement" on the basis of the ESG review, we do sometimes share them with the company in order to stress their importance.

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

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 2020

### 5.1 IN BRIEF

A part of our established SRI UCITS funds engagement policy, la Financière de l'Echiquier identified **165** areas of improvement for **60** companies in 2020, out of the **477** areas of progress identified regarding **162** companies. In our SRI 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 routinely sent to companies that are in the following funds:

- Echiquier Agenor Euro SRI Mid Cap
- Echiquier Agenor SRI Mid Cap Europe
- Echiquier Climate Impact Europe.
- Echiquier Major SRI Growth Europe
- Echiquier Positive Impact Europe

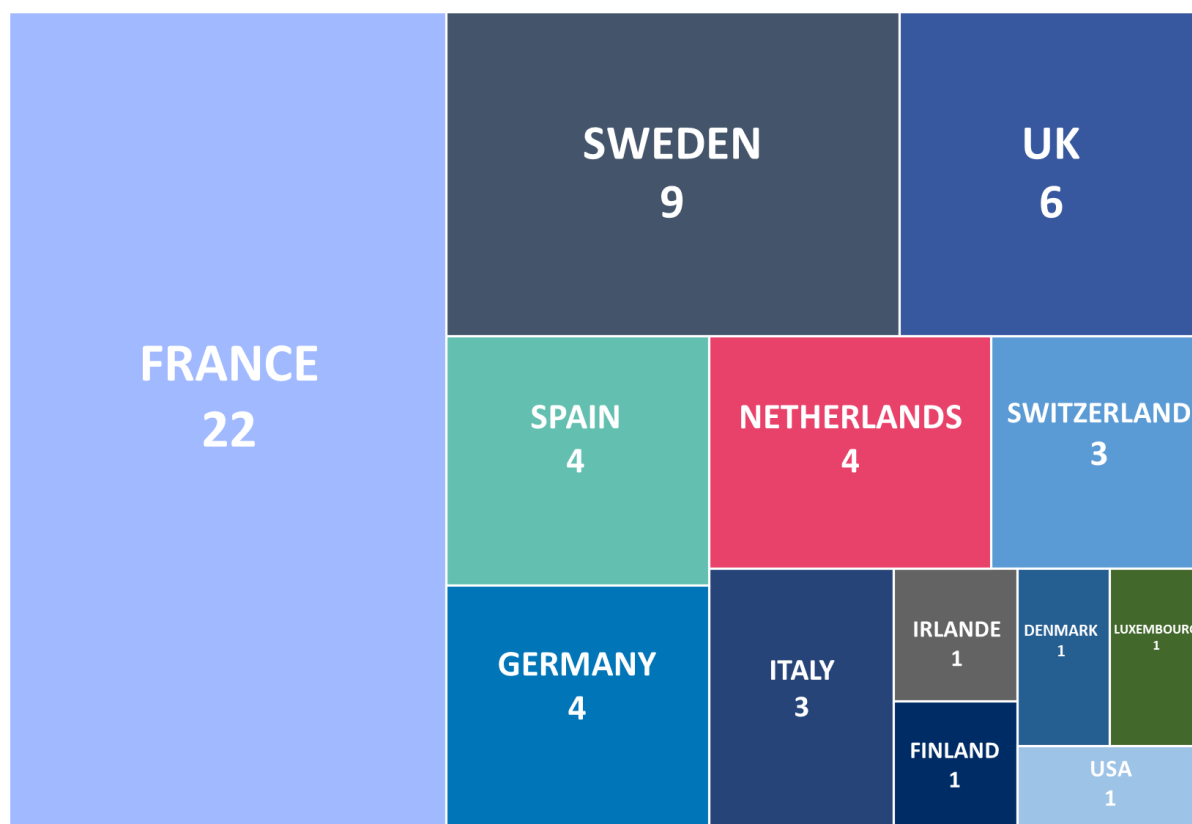
Regarding our other funds, the managers and analysts in charge of ESG reviews of companies are strongly encouraged to send these areas of improvement to the companies concerned.

As the Echiquier Climate Impact Europe fund was launched in late December 2020, no engagement was undertaken with portfolio companies in 2020.

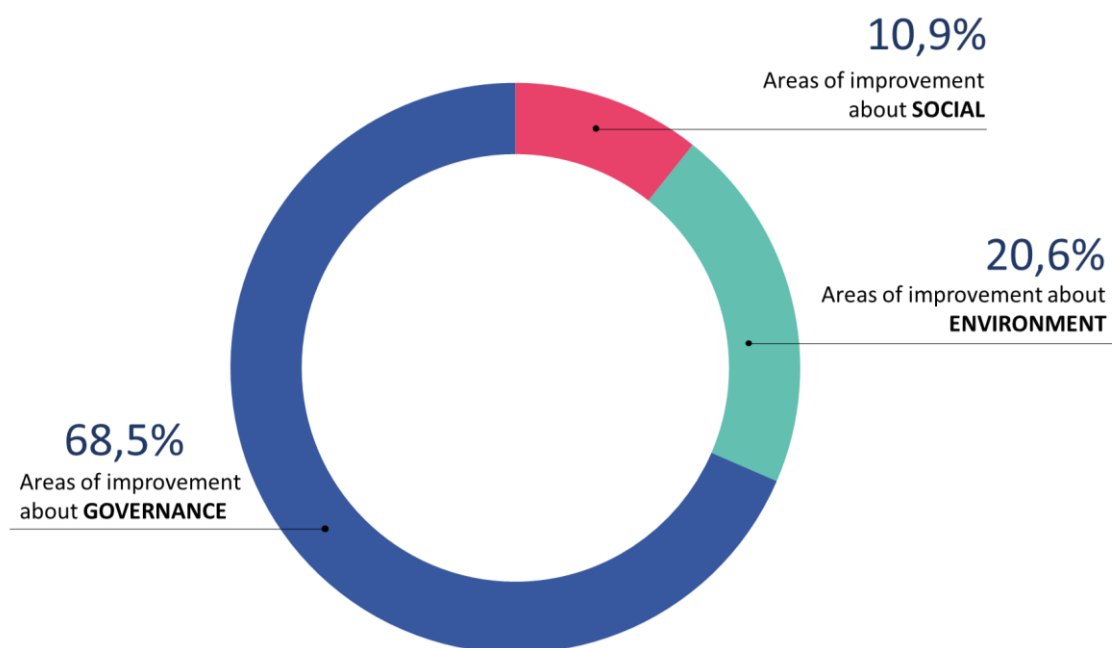
## 5.2 RESULTS OF INDIVIDUAL ENGAGEMENT ACTIVITIES IN 2019 FOR THE SRI UCITS

In **2020**, we reported areas of improvement to **60 companies**.

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



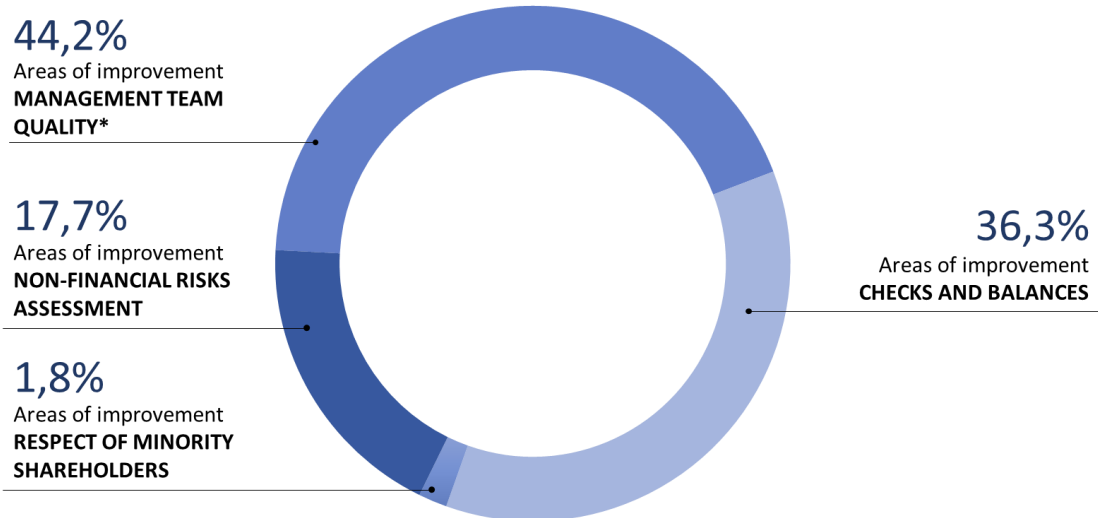
**165 areas of improvement** were passed on to companies, addressing environmental, social and governance issues, breaking down as follows:



Source: La Financiere de l'Echiquier  
Data as of 31/12/2020

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

- **GOVERNANCE** themes:



Source: La Financiere de l'Echiquier

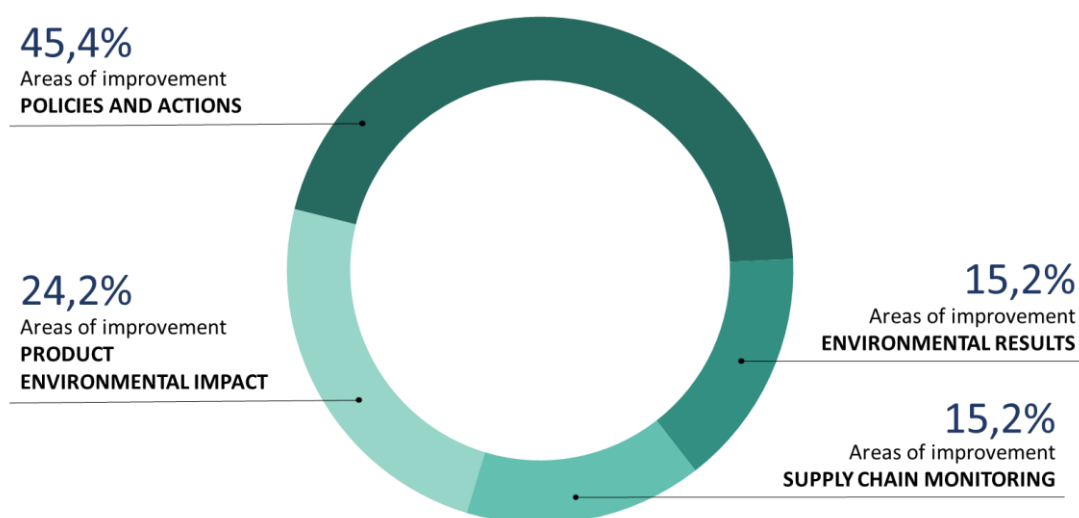
Data as of 31/12/2020

\* 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:

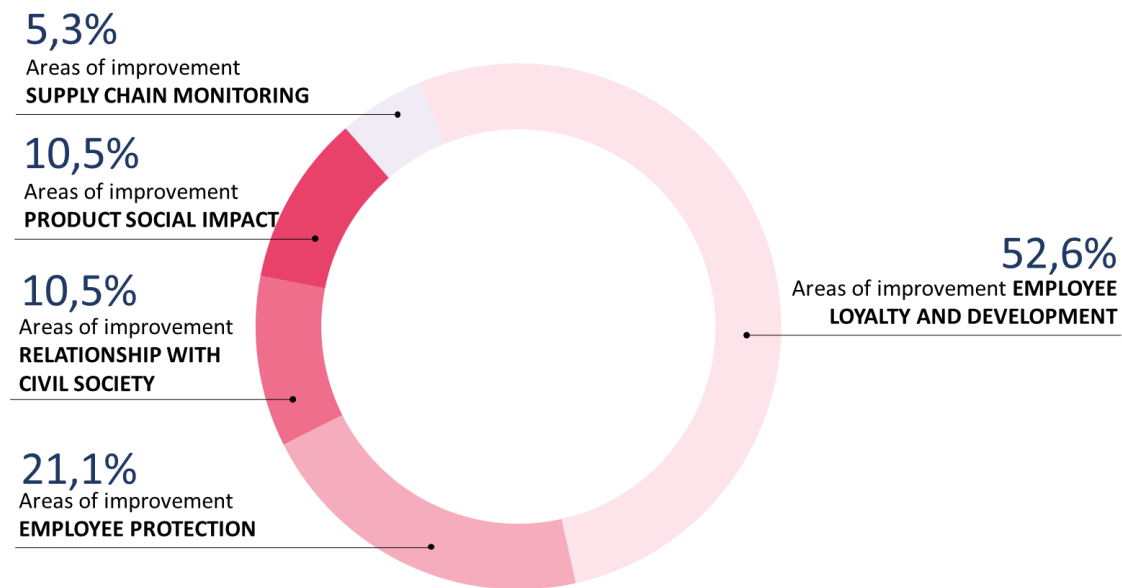


Source: La Financiere de l'Echiquier  
Data as of 31/12/2020

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.

In 2020, **13** areas of improvement regarding climate challenges were sent to **11** companies in which we have invested. This engagement theme is increasingly common and will be a key component in our contacts with companies that are in the Echiquier Climate Impact Europe portfolio.

- **SOCIAL** themes:



Source: La Financiere de l'Echiquier  
Data as of 31/12/2020

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 2018, 2019 and 2020

The table below compares SRI UCITS engagement activity between 2018, 2019 and 2020 and its breakdown by theme:

	2018		2019		2020	
	Number	In %	Number	In %	Number	In %
Number of companies we engaged with	30	-	19	-	60	-
Number of areas of improvement	81	-	53	-	165	-

<b>ESG TRANSPARENCY</b>	<b>35</b>	<b>43,2%</b>	<b>20</b>	<b>37,7%</b>	<b>80</b>	<b>48,5%</b>
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<b>GOVERNANCE</b>	<b>36</b>	<b>44,4%</b>	<b>24</b>	<b>45,3%</b>	<b>113</b>	<b>68,5%</b>
x Management team quality	9	25,0%	9	37,5%	50	44,2%
x Check and balances	23	63,9%	11	45,8%	41	36,3%
x Respect of minority shareholders	0	0,0%	0	0,0%	2	1,8%
x Non-financial risks assessment	4	11,1%	4	16,7%	20	17,7%
<b>ENVIRONMENT</b>	<b>22</b>	<b>27,2%</b>	<b>12</b>	<b>22,6%</b>	<b>33</b>	<b>20,0%</b>
x Policies and actions	8	36,4%	5	41,7%	15	45,4%
x Results	2	9,1%	3	25,0%	5	15,2%
x Supply chain monitoring	3	13,6%	2	16,7%	5	15,2%
x Product environmental impact	9	40,9%	2	16,6%	8	24,2%
<b>SOCIAL</b>	<b>23</b>	<b>28,4%</b>	<b>17</b>	<b>32,1%</b>	<b>19</b>	<b>11,5%</b>
x Employee loyalty and development	15	65,2%	9	52,9%	10	52,6%
x Employee protection	2	8,7%	5	29,4%	4	21,1%
x Supply chain monitoring	3	13,0%	0	0,0%	1	5,3%
x Product social impact	3	13,0%	1	5,9%	2	10,5%
x Relationship with civil society	0	0,0%	2	11,8%	2	10,5%

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

What to remember from these figures?

- **The significant increase in the number of engagements between 2019 and 2020** is due to the widening of our fund perimeter that systematically implements areas of improvement. Until 2020 the perimeter covered only the Echiquier Major SRI Growth Europe and Echiquier Positive Impact Europe funds. It was then extended to the Echiquier Agenor SRI Mid Cap Europe and Echiquier Agenor Euro SRI Mid Cap funds. Managers of other La Financière de l'Echiquier funds are strongly encouraged to share their areas of improvement with the managers of the companies concerned.

- **Areas of improvement are increasingly focused on the issue of governance** (68.5% in 2020 vs 45.3% in 2019). This trend is due to the widening of our systematic engagement policy to two small/midcap funds in which in-house ESG reviews of issuers focuses mainly on governance.

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

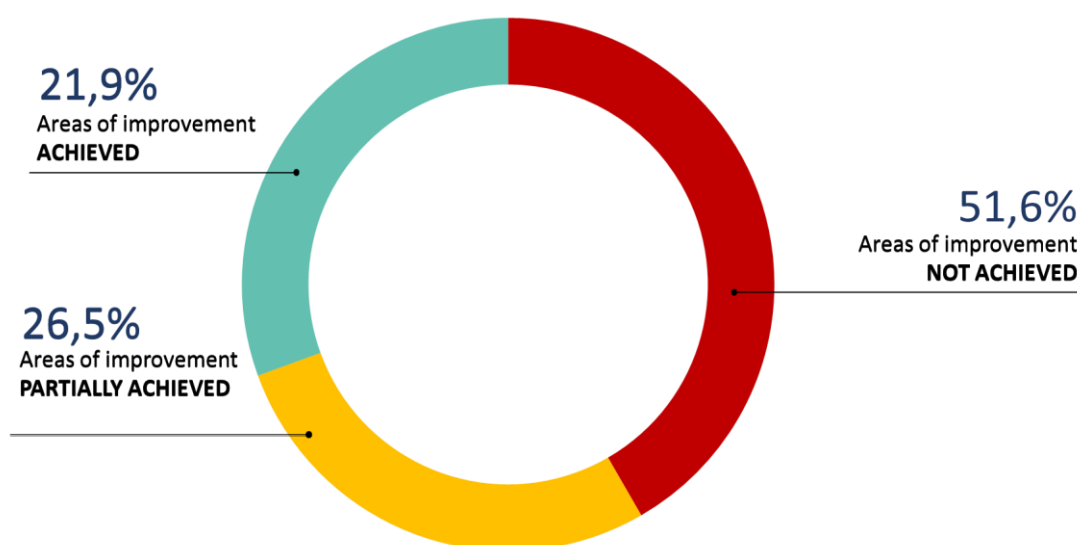
#### 5.4 IMPACT OF OUR INDIVIDUAL ENGAGEMENT ACTIVITY

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 2020 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:



Source: La Financiere de l'Echiquier  
Data as of 31/12/2020

La Financière de l’Echiquier is satisfied with the progress made: approximately **50%** of the **155** areas of improvement issued to **57** companies in 2018 and 2019 have been achieved or are in the process of being achieved. This testifies to the sincerity and quality of the engagement made by La Financière de l’Echiquier with companies and the pertinence 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:

- SPIE -

EFFORTS TO IMPLEMENT A MATERIALITY MATRIX

**SPIE** is present in the portfolios of several of our SRI-certified funds. In October 2020, we shared with the company three areas of improvement, one of which dealt with our wish to see **a materiality matrix** of extra-financial risks. We felt this is worth doing, as a materiality matrix is an opportunity to ask strategic questions and to pay due attention to the concerns of each of the company’s stakeholders. Spie proved to be very pro-active on this issue, launching shortly thereafter a consultation with its stakeholders to determine the importance they attribute to several issues, environmental and social ones in particular. We responded to this consultation and discussed our responses with the company to explain the rationale behind them.

Engagement

Areas of improvement achieved

Governance

- AIR LIQUIDE -

NOTABLE PROGRESS IN ESG CHALLENGES

Following our ESG analysis, three areas of improvement were sent in late 2017 to **AIR LIQUIDE**, a French industrial gases group. During our 2020 review, we found that ESG challenges in involving the transparency of variable compensation criteria and the implementation of quantitative environmental and social goals had been achieved. However, the third area for improvement, regarding **implementing a succession plan** for Benoît Potier, had not been achieved.

As Air Liquide is open to our recommendations, during our 2020 ESG review, we reiterated our proposal that a succession plan be set up for Benoît Potier. We also encouraged the company to **measure its Scope 3 CO2 emissions** and to aim higher in its environmental goals.

Engagement

Governance

Environment

Transparency

Areas of improvement not achieved

Areas of improvement achieved

#### - CELLNEX -

##### AN ENGAGEMENT IN FAVOUR OF TRANSPARENCY AND GOOD ESG PRACTICES

We conducted an initial ESG review of Cellnex in 2018. This was an opportunity for us to familiarise ourselves with its CSR approach. After interviewing the company, we shared with it three areas of improvement. Upon our 2020 review, the company had achieved one of these in part. It **now discloses more quantified data on accidentology**, but we are awaiting greater progress on including subcontractors in statistics on this subject.

After updating our ESG review in 2020, we reiterated our engagement on the two areas of improvement that had not been achieved. The first of these was **the CEO compensation package** (as there was an adjustment factor on the annual bonus based in part on subjective criteria that lacked transparency). The second was **environmental reporting** (as environmental data was reported in relative terms and not solely in the absolute terms that are more comparable to peers). We also laid out a third area for improvement in the company's **environmental objectives**, which we would like to be more ambitious.

Engagement Governance Social Environment Transparency

Areas of improvement partly achieved

#### - VISA -

##### TRANSPARENCY AND GOOD GOVERNANCE PRACTICES

In 2018, we conducted our first ESG review of **VISA**, a US payment solutions company. After our review, we sent Visa three areas of improvement and then followed up on them in 2020. One of them, regarding **diversity on the board of directors**, had been achieved, with an increase in the number of women board members. **Transparency on the supplier ESG monitoring policy** had been improved considerably, but there was still some room for improvement. We had also encouraged the company to **disclose its staff turnover rate** globally and by geographical region, something that had not been done as of our 2020 review.

We took advantage of our updated review in 2020 to reiterate our engagement in favour of **transparency** on staff turnover and encouraged the company to sign the **United Nations Global Pact**. Meanwhile, we shared our wish that the minimum threshold holding to be entitled to pre-emptive share subscription rights be lowered.

Engagement Governance Evaluation of extra-financial risks Transparency Social

## 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, (2) post-divestment engagement on ESG issues, (3) sharing documentation produced by La Financière de l'Echiquier in its role as an investor using data provided by the company



Here are **2** examples from 2020 that illustrate this type of engagement:

**- KINGSPAN -**

**A POST-DIVESTMENT AND POST-CONTROVERSY ENGAGEMENT**

Several of our funds were invested in 2020 in **KINGSPAN**, an Irish construction materials and insulation company. By November of the same year, when an investigation revealed that Kingspan's K15 insulation panels had abnormalities that accelerated the Grenfell tower fire in the UK in 2017, we had sold off our entire stake.

Although we had divested our shares, to better understand the situation and assist Kingspan in taking measures to prevent anything like this from happening again, we chose to continue our dialogue with it. We held several meetings with the company, which provided us with greater insight into the controversy and the corrective measures planned. It was also an opportunity for us to share our point of view on the best governance practices for preventing future controversies.

Engagement

Post-divestment

Controversies

**- EXPERIAN -**

**MEASURING THE POSITIVE IMPACT OF LENDING ACTIVITIES**

**EXPERIAN** is a UK credit bureau that does business worldwide. It has diversified into decision-making, database-management and marketing technologies.

We engaged the company for several months in 2020 in order to obtain more granularity on its business's presumed positive impact. As an investor, we believe that transparency is essential. EXPERIAN listened closely to our recommendations and now discloses the percentage of its revenues deriving from activities having a positive social impact. The company went even further in disclosing the actual impact of its credit bureau business, including a cut in the cost of loans in Brazil. We are very satisfied with this engagement, which shows the company's growing maturity on impact-related issues. This very fruitful engagement proved that the company is having a real impact, and we bought shares for the Echiquier Positive Impact Europe fund.

Engagement

Impact

**- ECHIQUIER POSITIVE IMPACT EUROPE HOLDINGS -**

**SHARING OF THE FIRST IMPACT REPORT ON ECHIQUIER POSITIVE IMPACT EUROPE**

The release of the first impact report by the Echiquier Positive Impact Europe fund was an opportunity for us to share it with all companies in the portfolio. This allowed us to reiterate the importance of data accessibility, extra-financial data in particular. We are confident that this sharing initiative is a good way to show companies the essential role of the data they disclose and the virtuous use of that data by responsible investors.

Engagement

Stakeholders

## 6. COLLECTIVE ENGAGEMENT 2020

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 2020, 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](#)

### - CARBON DISCLOSURE PROJECT- NON-DISCLOSURE CAMPAIGN: AN ENGAGEMENT IN FAVOUR OF TRANSPARENCY ON ENVIRONMENTAL IMPACTS

In 2020, we took part for the first time in the [Non-Disclosure Campaign](#) of the [Carbon Disclosure Project \(CDP\)](#). This campaign encourages companies to reply to the CDP questionnaires on their practices having an impact on climate change, forests and/or water resources. Their replies matter as they give investors access to an even playing field for comparing companies' environmental performance, in particular in terms of their carbon footprints. For this engagement campaign we were the lead investor with six companies (FAURECIA, MICHELIN, SCA, SPIE, TELEPERFORMANCE and VICAT) and co-lead investor with 70 other companies.

Collaborative Engagement [Environment](#) [Biodiversity](#) [Transparency](#)

The two other collective engagements that La Financière de l'Echiquier joined in 2020 are the [Climate Action 100+](#), initiative, for which we take part in a working group on [PHILIPS](#) and the CDP on the [Science Based Target](#) encouraging companies to set CO2-neutrality goals based on the best local market standards.

## 7. EXAMPLE OF A MULTIDIMENSIONAL ENGAGEMENT

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.

This is seen in our engagement with **SPIE** in 2020:

### - SPIE -

#### THE STORY OF A MULTIFACETED ENGAGEMENT

**Pre-AGM engagement:** prior to Spie's 2020 general meeting, we discussed its resolutions with it, in particular the one on shareholder dividends. We paid especially close attention to such resolutions during the 2020 AGM season, which unfolded against the backdrop of the Covid-19 crisis, particularly in the case of companies that were heavily leveraged and/or had received government assistance.

**Voting at the 2020 general meeting:** At Spie's 2020 general meeting we voted against a resolution on a capital increase without pre-emptive rights and against the nomination of a new director whose profile did not seem suited to the group's needs.

**Post-AGM engagement:** We informed Spie of the reasons for opposing these two resolutions. We explained that we were not in favour of capital increases if they did not come with pre-emptive rights or, failing that, a priority subscription period for existing shareholders.

**Engagement in the 2020 rating:** We met with Spie's managers in 2020 for the update of our ESG review and used that opportunity to review the progress that had been made on the recommendations we shared with the company in 2018. Of the three areas of improvement, the governance one had been achieved: no non-voting member sits on the board. Spie still does not quantify its avoided emissions (non-achieved area of improvement) but did make progress in setting its environmental goals. After a new contact, we laid out three new areas of improvement – replying to the Carbon Disclosure Project's annual questionnaire, producing a materiality matrix based on consultations with all its stakeholders, and setting quantitative social goals in accidentology, gender equality, etc.

**Collective engagement:** In 2020, we were the lead investor for Spie during the CDP's Non-Disclosure Campaign, representing requests from more than 30 investors, in order to encourage the group to reply to the CDP's annual questionnaire on climate change. This is an essential exercise in transparency for measuring our funds' carbon footprints.

**Impact engagement:** Following one of our recommendations on measuring Spie's contribution to environmental and climate challenges, we put it in contact with I-Care & Consult, an independent consulting firm specialising in the environmental transition. As a result, one year in advance Spie is now reporting how its businesses align with European taxonomy.

**Ad-hoc engagement:** After sharing our area of improvement on setting up a materiality matrix, we replied to the actions the company took as a responsible shareholder.

Multidimensional Engagement

## 8. ENGAGING WITH OTHER STAKEHOLDERS

### 8.1 HOW WE ENGAGE WITH OUR SERVICE PROVIDERS

As part of our activities, we use several external service providers, including suppliers of non-financial data. The data they provide are based on proprietary methodologies that can run up against some limits. In addition, they may not always be available on a small number of companies. We therefore contact our partners regularly to better understand such data and to help them adjust their methodologies in response to the feedback we get from the field.

In 2020, La Financière de l'Echiquier conducted several engagements of this nature. Here is one example:

#### - CLIMATE DATA PROVIDER -

##### AN ENGAGEMENT ON TRANSPARENCY AND METHODOLOGIES

In 2020, as part of the Climate Strategy launch, we selected a provider of climate and biodiversity data. Such data are a cornerstone of implementing our strategy and they must be of good quality and be based on robust methodologies.

With this in mind, we consulted several service providers specialising in this area. Throughout the selection processes, we routinely shared areas of improvement with them, based on their methodologies and their proposed solutions. Doing so is essential, as access to reliable data allow us to assess our portfolio's climate impact and to inform our clients accordingly.

Engagement with stakeholders Climate

## 8.2 ENGAGEMENT WITH PUBLIC AUTHORITIES ON SUSTAINABLE ISSUES

This form of engagement comes in various forms, including responding to public reviews prior to the release of new regulations, taking part in working groups, and engaging in advocacy on the subject at hand.

In 2020, La Financière de l'Echiquier conducted several engagements of this nature. Here is one example:

- EUROPEAN TAXONOMY -

ACTIVE PARTICIPATION IN SEVERAL WORKING GROUPS

The European taxonomy is a classification of activities based on their sustainability. The first texts of this regulation were released in 2020, and the impacts are expected to be considerable in the short term for companies and investors. To cite one example, companies will have to conduct an ambitious review of the contribution of their products and services to a low-carbon economy. Meanwhile, asset managers will have to show transparency in disclosing the percentage in which their portfolios align with the taxonomy.

We are confident that this new regulation will help achieve the European Union’s climate objectives by steering capital into the most virtuous companies from this point of view.

We therefore took part in several working groups on the issue, one with the United Nations’ Principles for Responsible Investment (UN PRI), and one with the French Asset Management Association (AFG). These working groups’ goal was to work on the operational implementation of the taxonomy and to provide feedback from the field to the public authorities. We also contributed to the UN PRI publication “Testing the EU Taxonomy”, while experimenting on the taxonomy measurement alignment of our Echiquier Positive Impact Europe fund.

Public authorities’ engagement

Climate

## 9. ANNEXES

You will find below an assessment of the engagement of our six SRI-certified funds.

These figures cover only those **areas of improvement reported** to companies that are in the portfolio. In 2020, for these six SRI-certified funds, we formalised **165** areas of improvement at **60** companies.

- Engagement report of **Echiquier Positive Impact Europe** and **Echiquier Major SRI Growth Europe**:

	Echiquier Positive Impact Europe		Echiquier Major SRI Growth Europe *	
	2020	In %	2020	In %
Number of companies engaged	20	45.5%	16	42.1%
Number of areas of improvement	57	-	46	-

<b>ESG TRANSPARENCY</b>	<b>27</b>	<b>-</b>	<b>22</b>	<b>-</b>
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<b>GOVERNANCE</b>	<b>23</b>	<b>40.4%</b>	<b>17</b>	<b>37.0%</b>
x Management team quality	11	47.8%	7	41.2%
<b>x Checks and balances</b>	<b>7</b>	<b>30.4%</b>	<b>6</b>	<b>35.3%</b>
x Respect of minority shareholders	0	0.0%	0	0.0%
x Non-financial risk assessment	5	21.7%	4	23.5%
<b>ENVIRONMENT</b>	<b>21</b>	<b>36.8%</b>	<b>18</b>	<b>41.3%</b>
<b>x Policies and actions</b>	<b>12</b>	<b>57.1%</b>	<b>8</b>	<b>44.4%</b>
<b>x Results</b>	<b>1</b>	<b>4.8%</b>	<b>2</b>	<b>11.1%</b>
x Supply chain monitoring	3	14.3%	2	11.1%
x Products' environmental impact	5	23.8%	6	33.3%
<b>SOCIAL</b>	<b>13</b>	<b>22.8%</b>	<b>11</b>	<b>21.7%</b>
<b>x Employee loyalty and development</b>	<b>7</b>	<b>53.8%</b>	<b>4</b>	<b>36.4%</b>
<b>x Employee protection</b>	<b>3</b>	<b>23.1%</b>	<b>3</b>	<b>27.3%</b>
x Supply chain monitoring	0	0.0%	1	9.1%
x Products' social impact	2	15.4%	2	18.2%
x Relationship with civil society	1	7.7%	1	9.1%

	Echiquier Positive Impact Europe		Echiquier Major SRI Growth Europe	
	2018-2019	In %	2018-2019	In %
<b>ENGAGEMENT RESULTS</b>	<b>107</b>	<b>100.0%</b>	<b>83</b>	<b>100.0%</b>
Areas of improvement <b>achieved</b>	25	23.4%	22	26.5%
Areas of improvement <b>partially achieved</b>	28	26.2%	16	19.3%
Areas of improvement <b>not achieved</b>	54	50.5%	45	54.2%



	Echiquier Positive Impact Europe	Echiquier Major SRI Growth Europe
	2020	2020
<b>OTHER ENGAGEMENTS IN 2020</b>	<b>27</b>	<b>16</b>
Collective engagement	8	8
Pre-AGM engagement	3	0
Post-AGM engagement	5	1
Others	11	7

\* The results of the engagement by Echiquier Major SRI Growth Europe presented above also cover Echiquier Alpha Major SRI, as their equity portfolios are identical.

- Engagement report of Echiquier Agenor SRI Mid Cap Europe, Echiquier Agenor Euro SRI Mid Cap and Echiquier Credit SRI Europe:

	Echiquier Agenor SRI Mid Cap Europe		Echiquier Agenor Euro SRI Mid Cap		Echiquier Credit SRI Europe	
	2020	In %	2020	In %	2020	In %
Number of companies engaged	24	44.4%	18	39.1%	10	10.4%
Number of areas of improvement reported	63	-	49	-	28	-

<b>TRANSPARENCY ESG</b>	<b>31</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>23</b>	<b>-</b>
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<b>GOVERNANCE</b>	<b>54</b>	<b>85.7%</b>	<b>34</b>	<b>69.4%</b>	<b>11</b>	<b>39.3%</b>
x Management team quality	26	48.1%	15	44.1%	6	54.5%
<b>x Checks and balances</b>	<b>23</b>	<b>42.6%</b>	<b>16</b>	<b>47.1%</b>	<b>3</b>	<b>27.3%</b>
x Respect of minority shareholders	0	0.0%	0	0.0%	0	0.0%
x Non-financial risk assessment	5	9.3%	3	8.8%	2	18.2%
<b>ENVIRONMENT</b>	<b>7</b>	<b>11.1%</b>	<b>10</b>	<b>20.4%</b>	<b>9</b>	<b>32.1%</b>
<b>x Policies and actions</b>	<b>5</b>	<b>71.4%</b>	<b>6</b>	<b>60.0%</b>	<b>4</b>	<b>44.4%</b>
<b>x Results</b>	<b>0</b>	<b>0.0%</b>	<b>2</b>	<b>20.0%</b>	<b>1</b>	<b>11.1%</b>
x Supply chain monitoring	2	28.6%	1	10.0%	2	22.2%
x Products' environmental impact	0	0.0%	1	10.0%	2	22.2%
<b>SOCIAL</b>	<b>2</b>	<b>3.2%</b>	<b>5</b>	<b>10.2%</b>	<b>8</b>	<b>28.6%</b>
<b>x Employee loyalty and development</b>	<b>2</b>	<b>100.0%</b>	<b>5</b>	<b>100.0%</b>	<b>2</b>	<b>25.0%</b>
<b>x Employee protection</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>	<b>3</b>	<b>37.5%</b>
x Supply chain monitoring	0	0.0%	0	0.0%	1	12.5%
x Products' social impact	0	0.0%	0	0.0%	1	12.5%
x Relationship with civil society	0	0.0%	0	0.0%	1	12.5%

	Echiquier Agenor SRI Mid Cap Europe		Echiquier Agenor Euro SRI Mid Cap		Echiquier Credit SRI Europe	
	2018-2019	In %	2018-2019	In %	2018-2019	In %
<b>ENGAGEMENT RESULTS</b>	<b>88</b>	<b>-</b>	<b>69</b>	<b>-</b>	<b>147</b>	<b>-</b>
Of which: areas of improvement sent	33	-	25	-	44	-
Areas of improvement <b>achieved</b>	15	17.0%	12	17.4%	29	19.7%
Areas of improvement <b>partially achieved</b>	25	28.4%	16	23.2%	27	18.4%
Areas of improvement <b>not achieved</b>	48	54.5%	41	59.4%	79	53.7%

These statistics have been calculated on the basis of areas of improvement reported and not reported.

	Echiquier Agenor SRI Mid Cap Europe	Echiquier Agenor Euro SRI Mid Cap	Echiquier Credit SRI Europe
	2020	2020	2020
<b>OTHER ENGAGEMENTS 2020</b>	<b>16</b>	<b>16</b>	<b>23</b>
Collective engagement	8	7	16
Pre-AGM engagement	1	2	2
Post-AGM engagement	2	2	2
Others	5	5	3



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