



ODDO BHF
ASSET MANAGEMENT

ENGAGEMENT AND
VOTING POLICY
Policy

UPDATED: JANUARY 2026

CONTENTS

INTRODUCTION	4
DEFINITIONS	5
DIALOGUES & ENGAGEMENTS.....	6
01 SCOPE	6
02 PRIORITY	6
03 OBJECTIVES	7
04 INTEGRATION ACROSS INVESTMENT PRACTICES	8
05 COMPANY MONITORING PROCESS.....	9
5.1 ESG Ratings	9
5.2 Controversies.....	10
5.2.1. Identification of controversies	11
5.2.2. Controversy assessment and classification	11
5.2.3. Escalation process and types of action	11
5.2.4. Conditions for lifting measures.....	12
5.2.5. Governance and monitoring.....	12
5.2.6. Documentation and traceability.....	13
5.2.7. Conflict of interest	13
5.3 Principal Adverse Impacts (PAIs).....	13
06 DIALOGUE & ENGAGEMENT PROCESS	14
6.1 Dialogues, engagements (individual & collaborative), advocacy actions	14
6.2 Engagement themes	16
6.2.1. Climate	16
6.2.2. Biodiversity	17

6.2.3. Human Capital & Human Rights.....17

6.3 Governance around dialogue & engagement.....18

6.4 Escalation process19

THE EXERCISE OF VOTING RIGHTS.....22

01 SCOPE22

02 OBJECTIVES23

03 INTEGRATION ACROSS INVESTMENT PRACTICES23

04 VOTING PROCESS.....24

4.1 Governance around the exercise of voting rights24

4.2 Voting Principles25

4.2.1. Approval of accounts and management25

4.2.2. Board of directors and operation.....27

4.2.3. Executive compensation29

4.2.4. Capital-related resolutions.....30

4.2.5. Shareholder proposals.....31

4.2.6. Environmental / Social aspects.....31

4.2.7. Others.....32

05 SECURITIES LENDING POLICY.....32

CONFLICTS OF INTEREST33

TRANSPARENCY.....33

INTRODUCTION

The following Engagement and Voting Policy applies to all investment funds managed by ODDO BHF Asset Management SAS that have direct investments in companies, meaning equity or credit investments, and/or selected sovereign or quasi sovereign holdings where applicable, and/or investments in funds of funds where applicable. In addition, the other legal entities operating under the single brand “ODDO BHF Asset Management”: ODDO BHF Asset Management GmbH and ODDO BHF Asset Management Lux also apply an identical Policy. Nevertheless, the above-mentioned asset management companies remain totally independent and autonomous in their management decisions in accordance with the regulations in force.

As of end of June 2025, ODDO BHF Asset Management has €64 bn assets under management (55% institutional clients / 45% retail clients) invested across multiple asset classes: 32% fixed income, 21% KVG services (German administrative management platform for institutional clients), 20% multi-assets, 11% fundamental equities (incl. thematic), and 8% private assets and alternative strategies. Regarding mutual funds, 81% of the assets integrate ESG criteria.

This Policy sets out the principles and practices through which we exercise our responsibilities to protect and enhance the long-term value of the assets entrusted to us. In fulfilling our fiduciary duty to act in the best interests of our clients, we actively engage with companies on material risks, impacts, and opportunities to promote, among other things, sound governance practices, business ethics, and sustainable growth. This Policy also sets out the principles and approach guiding the exercise of our voting rights on behalf of our clients. Voting is a key lever of stewardship through which we hold boards and management accountable, promote high standards of corporate governance, and encourage sustainable business practices. By exercising our votes thoughtfully and consistently, we seek to protect and enhance the long-term value of the assets entrusted to us, manage material risks and impacts, and support the creation of enduring value. This Policy aims to mitigate material risks and impacts, support the creation of enduring value, and contribute to positive outcomes, thereby aligning our investment approach with both the objectives of our clients and the broader interests of society.

The framework used for our Engagement and Voting Policy is the EFAMA Stewardship Code, which describes best practices to adopt in the engagement process. We follow the principles of this code by explaining the exercise of our stewardship responsibilities, the way we monitor investee companies, our escalation approach, and the way we collaborate with other investors. In addition, we also orient this policy towards the UK Stewardship Code 2026 as it represents, to us, one of the most advanced stewardship code. In terms of voting, we follow the “Recommendations on Corporate Governance” drawn up by the AFG (French investment management association), of which ODDO BHF Asset Management SAS is a member, and the corporate governance code drawn up jointly by the Association Française des Entreprises Privées (AFEP) [French Association of Private Companies] and the Mouvement des Entreprises de France (MEDEF) [Movement of French Enterprises]. Moreover, ODDO BHF Asset Management bases itself on its commitments as a signatory of the United Nations Principles for Responsible Investment (UN PRI) with regard to environmental, social and governance issues.

The disclosure of the implementation and results of this Policy is publicly available in the document “Engagement and Voting Report”.

This Policy complies with articles L. 533-16 and 22 of the French Monetary and Financial Code and meets the requirements of Decree no. 2019-1235 of 27 November 2019. It also meets requirements of the French SRI Label V3.

The Policy is annually reviewed by the ESG Research Team, validated by the Risk & Compliance Team, and then presented to the Executive Committee of ODDO BHF Asset Management. The implementation of this Engagement and Voting Policy will be monitored in accordance with the provisions set out in the management company's annual compliance and internal control plan.

DEFINITIONS

Throughout this policy, we use the term “Stewardship” as an equivalent of “Active Ownership” to refer to the responsible use of investor rights and influence through monitoring, engagement, and voting in relation to investee companies and assets to create long-term sustainable value

In addition, it is important to differentiate the engagement and dialogue concepts that are often mixed up. “Engagement” is the process of a direct constructive communication with investee companies to understand and influence their strategies, governance, and practices. It relies on the definition of specific objectives. On the contrary, “Dialogues” are not driven by the attainment of targets and refer to all types of interactions with investee companies aimed at building relationships, exchanging views, and gaining insights outside of formal engagement processes. “Engagement” can be bilateral or in collaboration with other investors through national or global working groups.

“Voting” is the exercise of shareholder rights to express views on corporate matters, governance, and strategy through formal resolutions.

Finally, “Escalation” describes the steps taken when initial engagement does not meet our expectations.

DIALOGUES & ENGAGEMENTS

01 SCOPE

The principles linked to engagements & dialogues described in this Policy applies to listed and private investment universe of the funds managed by ODDO BHF Asset Management SAS. Thus, it covers companies across all asset classes (equities, fixed income, private) on a global perimeter. As regards to funds delegated to external asset managers, the application of our engagement approach is limited to terms and conditions mutually agreed.

02 PRIORITIES

LISTED ASSETS

Engagement priorities are determined based on a set of criteria designed to ensure the relevance, impact, and feasibility of our actions. We give priority to companies held in our open-ended funds classified under Article 8-9 SFDR, with a particular focus on those where our level of investment represents a significant exposure. The selection of companies for engagement is guided by the following factors:

- › Risk exposure and investment conviction, to reflect our responsibility as shareholder and the financial materiality of ESG issues;
- › Relevance to actual or potential principal adverse impacts, particularly where companies contribute significantly to environmental or social harm;
- › Alignment with our ESG thematic priorities, which define key areas of focus across our engagement strategy;
- › Feasibility and resources, taking into account the likelihood of constructive exchanges and our internal capacity to conduct meaningful engagement;
- › Findings from our controversies monitoring process, which help identify companies involved in significant ESG incidents that may warrant proactive engagement.

For funds holding the French SRI label, we apply a dedicated identification process that aligns with the requirements of the relevant framework. These engagements are designed to support the label's objectives and demonstrate a clear link between our stewardship activities and the promotion of sustainability characteristics.

PRIVATE ASSETS

Our engagement approach in private markets is tailored to the type of fund and nature of the investment (direct, primary, secondary, or co-investment).

For buyout (direct) investments, we seek to engage with each investee company in order to foster long-term, sustainable value creation.

For fund of funds investments, since we have limited direct contact with portfolio companies and no operational responsibility, our focus is on interactions with General Partners (GPs). Generally, the investment team engages with each GP prior to commitment and, where relevant, holds ad-hoc discussions throughout the investment period. In addition, we reach out to each GP post-investment as part of our annual ESG campaign.

03 OBJECTIVES

Our Engagement and Voting Policy aims to support the long-term financial performance of our investments while contributing to more sustainable and transparent corporate practices. The objectives of this policy are structured around the following pillars:

1. Improve the understanding of sustainability-related impacts, risks, and opportunities

Engagement and dialogue allow us to deepen our understanding of the material sustainability-related impacts, risks and opportunities faced by companies. These interactions provide context beyond public disclosures, particularly for recently listed, private, or smaller-sized companies where information may be limited or affected by transparency bias.

2. Support and validate our ESG analyses

Through dialogue, we seek to validate and refine our internal ESG analyses by gaining additional information. This helps to strengthen the reliability of our internal ESG ratings and challenge the ratings and data provided by our data providers, enhance the monitoring of controversies, and better assess companies' capacity to manage ESG risks / impacts and seize sustainability-related opportunities, as well as reducing adverse negative impacts.

3. Encourage improved sustainability disclosures and transparency

We engage with companies to encourage more transparent, complete, and material sustainability disclosures to better inform our investment decisions. This includes promoting alignment with relevant reporting frameworks and ensuring better communication of sustainability-related metrics, actions, and targets.

4. Influence corporate practices and ESG trajectories

Our engagement efforts aim to influence companies' practices on material sustainability topics that may affect long-term value creation. We promote the integration of sustainability considerations into corporate strategy, operational practices, and risk management processes. As a responsible shareholder, we aim to contribute to the transformation of corporate practices in a direction that supports sustainable development. We encourage companies to place ESG issues at the center of their decision-making processes and to enhance their contribution to a more inclusive, equitable, and sustainable economy. Engagement activities are aligned with our ESG investment themes and may be used as a channel for targeted thematic strategies. In some cases, we engage collectively with other investors to address industry-wide issues that individual companies may not be able to tackle alone.

5. Monitor progress and support transformation

We assess companies' responsiveness to our requests and use this information to support investment decisions, contribute to risk management, and define escalation measures where needed.

04 INTEGRATION ACROSS INVESTMENT PRACTICES

LISTED ASSETS

Dialogues and engagements constitute one of the key pillars of our Sustainable Investing strategy, with exclusions and sustainability integration.

The engagement and dialogue process is closely linked to our [Exclusion Policy](#). Engagement is used as a primary tool to address sustainability-related concerns with companies. Where companies are unresponsive to engagement efforts, demonstrate a lack of willingness or ability to improve, or are involved in very severe and persistent controversies, these cases may be escalated and lead to a potential exclusion from the relevant funds. This process ensures that exclusion is considered as a measure of last resort, following a structured engagement approach, where opportunities for improvement have been provided and documented.

Both engagement and dialogue contribute to our ESG integration approach. Dialogue may be used to obtain specific information from companies to support our ESG analysis, for example, to better understand internal practices, clarify data points, or validate external ratings. This information can feed into internal and external ESG ratings, controversy monitoring, and the use of climate- and nature-related metrics and indicators. Engagement, by contrast, is a longer-term and more targeted process, aiming to support and influence companies in addressing material ESG issues, with the objective of encouraging better practices and enhancing long-term financial value. Outcomes from engagement are used to assess the company's capacity and willingness to improve, and are integrated into our evaluation of ESG risks, impacts, and opportunities. This ensures a robust, forward-looking ESG integration framework that supports more informed investment decision-making and sustainability reporting.

Our sustainability approach is further described in our [Responsible Investment Policy](#).

PRIVATE ASSETS

Dialogue and engagement is part of our post-investment 'monitoring and reporting' and may take several forms depending on the fund. As there are specific differences across investment strategies, we adopt a tailored approach to ESG integration, including dialogue and engagement, for each of our strategies. Our access to information and our ability to engage also necessarily depends on the nature of the investments: direct, primary, secondary, or co-investments.

Depending on the fund and investment type, dialogue may include:

- Pre-investment ESG questionnaire
- Annual ESG questionnaire campaign
- Defining areas of progress and ESG key performance indicators with an investee company (not applicable to portfolio companies' exposure gained through fund of funds investments)
- Ad-hoc dialogue with GPs
- Interactions with other stakeholders, lenders and sponsors

Overall, this allows to continuously monitor our investments, assess ESG improvements or deterioration year-on-year, better understand companies' approach to material ESG issues, encourage companies to be more transparent on ESG, and report clients in a transparent way.

A [Responsible Investment Policy](#) has been implemented for Private Assets, detailing how ESG is considered throughout the investment cycle and how the ESG performance of our investments is monitored.

05 COMPANY MONITORING PROCESS

5.1 ESG RATINGS

LISTED ASSETS

ESG ratings provide a structured and comparable assessment of a company's performance on environmental, social, and governance factors, enabling us to identify strengths, weaknesses, and areas where engagement may drive meaningful improvement.

For public listed companies, we have adopted an hybrid approach based on the ESG ratings of MSCI ESG Research and an internally developed methodology for ESG ratings of companies operating in the High Yield universe.

MSCI ESG ratings range from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC). MSCI ESG ratings model identifies the ESG risks (key issues) that are most material to a GICS® sub-industry or sector. The MSCI ESG ratings model measures:

- › Risk exposure
- › Risk management

Each of these two criteria are measured and then expressed in the form of scores, which are then combined, such that a higher level of exposure requires demonstrating higher management skills to obtain the same final Key Issue Score. Key Issue Scores are expressed on a scale of 0 to 10, where 0 means “very poor” and 10 means “very good”. MSCI ESG Research methodology is publicly available on their [website](#).

Our proprietary model relies on a double materiality approach available through our internal ESG research platform. This platform is available to all investment teams. Our proprietary ESG analysis model is based on several themes and distinguishes between companies according to their sector and shareholder structure (non-controlled, controlled, family-owned). The weightings assigned to each of the environmental, social and governance modules are established for each sector based on our materiality matrix depending on long-term risks, impacts, and opportunities. As a final step, we rank the companies on a 5-level scale: Strong Opportunity (5), Opportunity (4), Neutral (3), Moderate Risk (2) and High Risk (1). More information about the internal ESG model can be found in our [Responsible Investment Policy](#).

PRIVATE ASSETS

For Private Assets, we developed in 2023 a proprietary in-house ESG research and rating model adapted to our investment types for our Art. 8 SFDR funds. This approach allows us to identify investments’ sustainability risks and to assess how financially material such risks are depending on the type of investments and the fund’s strategy:

- › Fund of funds investments:
 - For all types of investments: We endeavor to systematically evaluate the GPs’ ESG practices using our proprietary model.
 - For co-investments and GP-led investments: We analyse the portfolio company(ies) using our proprietary model on a best effort basis.
 - For primary investments: An analysis of companies is typically not possible for primary investments into new funds that by definition are yet to be invested. However, if investments have been made already, we analyze the existing portfolio company(ies) using our proprietary model on a best effort basis.
 - For Limited Partners (LP)-led investments: We may have to take a broader view or assess a sample of underlying portfolio companies using our proprietary model. An ESG module is integrated in our internal investment tools, supporting Investment teams in considering ESG risks as part of their due diligence. However, we recognize that we may lack visibility on some of the underlying assets, and at times the information is closely guarded by GPs, and only accessible once we reach a certain phase of the deal process. Additionally, sustainability-related information and data on the underlying companies is more than often not available and/or cannot be reasonably accessed before an investment decision needs to be made.
- › Buyout (direct) investments: We systematically analyse companies’ ESG practices, using our proprietary model.

5.2 CONTROVERSIES

LISTED ASSETS

Our controversy monitoring process aims to identify, assess and respond to ESG-related incidents involving companies held in our portfolios, in line with our commitment towards the PRI and the requirements of the French SRI label. The process consists of the following steps:

5.2.1. Identification of controversies

We rely on alerts and data feeds from our external ESG data provider, MSCI ESG Research. This monitoring system continuously screens the invested positions of Article 8-9 SFDR funds and flags companies involved in ESG controversies. The invested universe is updated on a quarterly basis.

A score of 1/10 (equal to an orange flag) based on MSCI methodology automatically triggers a due diligence process realized by the ESG Research team to confirm the materiality of the controversy. Less severe controversies (yellow flag or below) are shared with us but may not require immediate action unless they escalate or are linked to a fund's ESG objectives. MSCI methodology is available online on their [website](#).

5.2.2. Controversy assessment and classification

Each identified controversy (controversy with a MSCI score of 1/10) is subject to an internal due diligence process conducted by the ESG Research team. This involves a qualitative review of the controversy based on:

1. Severity (MSCI score of 1/10 corresponding to an orange flag and to severe or very severe cases);
2. Credibility or level of evidence (alleged, proven);
3. Recurrence (isolated, repeated);
4. Relevance to the environmental and/or social characteristics of the fund and/or its sustainable objective (e.g. climate, biodiversity, human rights);
5. Financial materiality, based on the potential impact on reputation, regulatory risk, litigation, and/or business model;
6. Company's response, including communication or remediation measures.

This classification allows us to determine the strategic relevance of the controversy for the fund and the management company. The overall assessment results in one of the four following risk levels: low, medium, high, very high.

5.2.3. Escalation process and types of action

Based on the materiality of the controversy in terms of frequency and level of risk, a structured escalation process is implemented. This process applied for a severe or very severe controversy only. For moderate and minor controversy, we monitor the situation and it does not require any immediate action unless situation evolves.

Severity	Frequency	Risk assessment by the ESG Research team ¹	Escalation
Severe	Repeated	High	Initiation of a dialogue or individual engagement if needed
Very severe	Isolated	High	Initiation of a dialogue or individual engagement if needed
Very severe	Repeated	Very high	Engagement (individual or collaborative), placement under watchlist
Very severe	Persistent (no improvement or worsening)	Very high	Further escalation (e.g. voting sanctions, reduction of position, or even exclusion)

Each engagement includes clear objectives and timelines, with regular monitoring and documented outcomes.

5.2.4. Conditions for lifting measures

Actions taken in response to controversy (such as placement under watchlist or engagement) may be lifted under certain circumstances, such as:

1. The company provides credible evidence of remediation or structural improvements;
2. Independent verification by, for example, NGOs, auditors, lawyers, etc., confirms that the issue has been resolved;
3. The controversy is no longer ongoing or material.

Lifting measures must be supported by a formal internal assessment.

5.2.5. Governance and monitoring

Decisions regarding controversies are taken by the ESG Research Team during its team meeting. It:

1. Reviews due diligence outcomes;
2. Ensures consistency with the Engagement and Voting, and Exclusion Policies.

The team meets at least on a weekly basis or ad hoc in case of urgent controversies.

In case of an escalation process, the case will be presented to the ESG Investment Forum gathering the Chief Investment Officer (CIO), the Global Head of Sustainable Investment Solutions, the ESG Research team, and the Investment teams as well as to the Sustainability Risk Committee including representatives from the Risk & Compliance, Reporting, and Legal teams.

¹ Risk levels: low, moderate, high, very high

5.2.6. Documentation and traceability

Formal records of all controversies and related actions are archived, including:

1. List of all companies flagged with controversies in the past year;
2. Internal assessments and classification;
3. Engagement records and decisions;
4. Status updates and final outcomes.

This documentation supports internal oversight and external reporting, including the label's transparency requirements.

5.2.7. Conflict of interest

Potential conflicts of interest between the management company and controversial companies (e.g., related-party investments, business relationships) are reviewed by the Risk & Compliance team. Where relevant, they are disclosed and managed in accordance with our [Conflict of Interest Policy](#).

PRIVATE ASSETS

Potential controversies are first identified during the pre-investment ESG due-diligence process. Depending on their materiality, such controversies can directly influence the final ESG score of a GP or a company. As a condition for investment in our Art.8 SFDR funds, GPs must not be subject to material controversies based on our own assessment.

During the holding period, controversies are monitored through our annual ESG questionnaire campaign.

Our ESG assessment are reviewed on an ad-hoc basis and may be updated to reflect positive or negative developments, such as ESG-related controversies. If a GP's ESG score falls below our threshold, an engagement process would be started with the GP. For direct investments, if a material ESG issue or controversy arises, we can ask the company's management to address the issue by setting up an action plan with other stakeholders.

5.3 PRINCIPAL ADVERSE IMPACTS (PAIS)

LISTED ASSETS

We monitor and assess the Principal Adverse Impacts (PAIs) of our investments on sustainability factors in accordance with the EU Sustainable Finance Disclosure Regulation (SFDR). PAIs capture the most significant negative effects that investee companies may have on the environment, society, and governance factors.

Our monitoring process incorporates both quantitative and qualitative indicators, covering for example, greenhouse gas emissions, biodiversity, water usage, or gender diversity. By tracking these metrics, we identify material sustainability risks and potential breaches of international norms.

The monitoring of PAIs is reflected in our annual [Article 4 SFDR disclosure](#), which details the indicators tracked at the entity level. Some PAIs are also embedded in our investment approach through our [Exclusion Policy](#), as well as within the ESG rating models we use. For funds awarded the French SRI label, we ensure compliance with the label's requirements regarding the consideration of PAIs.

PRIVATE ASSETS

PAIs are partially taken into account through the application of ODDO BHF Asset Management's [Exclusion Policy](#) (including exclusions related to coal, oil & gas; controversial weapons; and normative).

Whilst we seek to collect KPIs related to the PAIs in our annual ESG questionnaire campaign, this is done on a best effort basis. For the time being, our funds do not consider the PAIs on sustainability factors as we are not able to have reliable and consistent data for private equity investments for the time being.

06 DIALOGUE & ENGAGEMENT PROCESS

6.1 DIALOGUES, ENGAGEMENTS (INDIVIDUAL & COLLABORATIVE), ADVOCACY ACTIONS

LISTED ASSETS

We conduct numerous dialogues with companies throughout the year. These dialogues primarily aim at seeking additional information or clarification on ESG practices, data, or policies. They help strengthen our analysis and support ESG integration across our investment processes. Dialogues may take place through various channels, including direct emails, calls, videoconference, or in-persons meetings. In particular, we leverage our participation in ESG-focused conferences and events as a key opportunity to interact with companies and gain insights into their sustainability practices.

When material ESG issues are identified and long-term value is at stake, we go beyond information-gathering and initiate a structured engagement process. Engagement is used to influence and support companies in improving their management of ESG risks, impacts, and opportunities, with the objective of encouraging measurable progress, reducing negative impacts, and fostering more sustainable business practices.

Our engagement process follows a structured and transparent approach designed to ensure consistency, effectiveness and accountability across all engagement activities. The key steps are as follows:

- 1. Identification & preparation:**

Companies are selected for engagement based on predefined criteria described previously. This selection process ensures that resources are allocated where our influence can be most effective. For each engagement, we define clear and measurable objectives aligned with material ESG issues. Moreover, whenever possible, we associate KPIs to our targets to monitor progress more effectively.

- 2. Engagement phase:**

The engagement begins with an initial outreach to the company, which may include written communication, meetings, or calls to present the issues identified and initiate a communication channel. A timeline to reach the objectives is agreed with the company whenever possible.

- a. **Ongoing monitoring & follow-up:**
We monitor the company's responsiveness, actions taken, and progress toward the defined objectives. Follow-up communications are conducted regularly to ensure continued dialogue and assess changes over time.
 - b. **Assessment of progress:**
Progress is evaluated against the initial objectives and timeframe. This may involve reviewing disclosures, data, or public commitments made by the company. Engagements are documented and periodically reviewed.
3. **Escalation if needed:**
If engagement is not conclusive, as evidenced by the lack of satisfactory progress, our ESG Research team, together with the Investment teams, may consider escalation measures described in the dedicated section below.
 4. **Documentation & reporting:**
All engagement are documented internally. Key outcomes are shared with relevant internal teams and, where appropriate, externally through client reporting, regulatory disclosures, or stewardship reports.

We tailor our engagement approach to the nature of the ESG issue and the expected time horizon for change. Our engagement actions are therefore conducted both on a short term perspective (up to one year) and on a long-term perspective (more than one year).

We generally prioritize individual engagement when addressing short- to medium-term or company-specific issues, where direct bilateral contact allows for a focused and timely exchange with the company. This one-on-one interaction also facilitates the establishment of a constructive relationship with the company and provides an opportunity to directly express our expectations and concerns as a shareholder. Individual engagements are also used for small- to mid-sized companies as collaborative engagements often target larger market capitalizations.

For medium- to long-term challenges, particularly those that are systemic, sector-wide, or require broader market transformation, we may participate in collaborative engagement initiatives. We are member of the Forum pour l'Investissement Responsable (FIR), Finance for Biodiversity, FAIRR, l'Institut de la Finance Durable (IFD), Climate Action 100+, or Nature Action 100. These initiatives may serve as a valuable extension of individual engagement when wider stakeholder involvement is beneficial to enhance influence, align expectations, and increase the effectiveness of engagement efforts. This approach is particularly efficient when the issues at stake are complex and cross-cutting. We participate in collaborative engagements when we believe they can lead to greater impact than acting alone, and when they are aligned with our ESG priorities and engagement objectives. Our aim as long-term investor is to influence the trajectory of companies towards the climate, ecological and just transition. Our memberships supporting companies' trajectories towards better practices can be found in our [Responsible Investment Policy](#).

In addition to company-level engagement, we participate in advocacy efforts aimed at promoting sustainable finance and improving sustainability-related practices more broadly. These actions may involve discussions with regulators, industry associations (AFG, BVI), ESG data providers, and other relevant stakeholders. Our objective is to contribute to the development of robust regulatory frameworks, enhance data transparency and quality, and support the alignment of financial markets with long-term sustainability goals.

PRIVATE ASSETS

Private Equity

For buyout (direct) investments, we aim to define, post-closing, tailored areas of progress and ESG key performance indicators with the investee company. These depend on material ESG issues identified during the due diligence and on the ESG roadmap potentially already implemented by the investee company. A dedicated ESG action plan can be put in place and progress monitored throughout the investment cycle. Post-investment, we maintain regular interactions and ongoing dialogue with the management of our portfolio companies.

This does not apply to portfolio companies' exposure gained through fund of funds investments, as we have no direct contact with those portfolio companies and no operational responsibility.

For our fund of funds investments, we endeavor to:

- › Engage with the GPs of portfolio funds to promote the importance of ESG criteria and practices (notably the stewardship of their portfolio companies during the holding period and of any material ESG incidents that may arise), where appropriate and for the relevant funds;
- › Have interactions with GPs and more specifically in relation to specific incidents;
- › Encourage an ESG dialogue in alignment with our internal practices and with relevant industry associations (France Invest, PRI, etc.);
- › Keep our LPs aware of ESG-related topics through dedicated ESG reporting and encourage GPs to provide a similar level of reporting.

We may negotiate a side-letter with the GP of a proposed investment for any clarifications, adherence to our [Exclusion Policy](#), precision of reporting obligations with regards to ESG, our fund themes or target SDGs. Such side-letter may include an excuse or opt-out clause to preclude us from being invested in a company that does not comply with ODDO BHF Asset Management SAS' [Exclusion Policy](#), as applicable.

6.2 ENGAGEMENT THEMES

Our engagement activities are guided by a focused set of sustainability issues that present material impacts, risks and opportunities across our investments. Among the wide range of environmental, social, and governance factors, we have identified three priority themes: climate, biodiversity, and human capital & human rights. By focusing on these areas, we aim to understand how companies manage related impacts and risks, how these issues affect long-term value creation, and where constructive engagement can encourage stronger practices and disclosure.

6.2.1. CLIMATE

The Paris Agreement commits signatories to hold the increase in global average temperature to well below 2°C above pre-industrial levels and to pursue efforts to limit warming to 1.5°C. Yet, according to the latest IPCC report, global greenhouse-gas emissions are projected to continue rising, making it likely that warming will exceed 1.5°C during the 21st century and that limiting warming to 2°C will require deep and sustained reductions in emissions throughout this decade. Achieving a pathway consistent with this temperature would require substantial investment in low-carbon energy, infrastructure, and technology, alongside rapid reductions in emissions across all sectors. For an asset manager, this gap between ambition and action creates transition and physical risks.

Engagement therefore centres on topics such as:

- › adoption of science-based emissions targets consistent with a 1.5-2°C pathway;

- › publication of scope 1-2-3 greenhouse-gas emissions and interim reduction milestones;
- › integration of climate scenario analysis and stress testing into corporate strategy;
- › alignment of capital expenditure and lobbying activities with Paris aligned transition plans;
- › board-level oversight and incentive structures that embed climate considerations into decision-making.

6.2.2. BIODIVERSITY

The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) identifies biodiversity loss as a critical global risk, with profound implications for ecosystems, economies, and societies. The 2019 Global Assessment Report highlighted that approximately one million species are at risk of extinction, many within decades, due to human activities such as land-use change, overexploitation, pollution, and climate change.

The Kunming-Montreal Global Biodiversity Framework (GBF) adopted in 2022, sets ambitious targets to halt and reverse biodiversity loss by 2030. Achieving these targets necessitates a substantial increase in financial commitments. The GBF calls for the mobilization of at least €200 billion annually for biodiversity conservation, encompassing both public and private sources. Biodiversity loss exposes asset managers through their investments to nature-related financial risks and impacts such as disruptions in raw-material supply chains, rising input costs from degraded ecosystem services, tightening land-use and conservation regulations, and reputational damage linked to harmful sourcing practices.

Engagement topics include for example:

- › assessment and disclosure of biodiversity impacts and dependencies across operations and supply chains;
- › implementation of science-based targets aligned with the GBF;
- › integration of biodiversity considerations into governance structure, ensuring board-level oversight and accountability;
- › alignment of investment and business strategies with nature-positive outcomes, promoting notably sustainable sourcing;
- › collaboration with stakeholders including governments, NGOs, and local communities to support biodiversity conservation initiatives.

6.2.3. HUMAN CAPITAL & HUMAN RIGHTS

Respect for human rights and the effective management of human capital are recognized as essential to sustainable economic growth and long-term financial stability. The UN Guiding Principles on Business and Human Rights (UNGPs), the ten Principles of the United Nations Global Compact (UNGC), and the OECD Guidelines for Multinational Enterprises set the global standard for corporate responsibility to prevent, mitigate, and remediate adverse human rights impacts. The International Labour Organization (ILO) reports that more than 27 million people are in situations of forced labor and that unsafe working conditions cause millions of injuries and fatalities each year, underscoring the systemic nature of these risks.

For asset managers, weaknesses in labor practices and human rights due diligence can create legal, operational, and reputational risks. Regulatory developments such as the EU Sustainable Finance Disclosure Regulation (SFDR) are raising expectations for investor oversight and disclosure. Companies failing to address these issues may face supply chain disruptions, litigation, restricted market access, or heightened financing costs.

Thus, engagement subjects may cover:

- › adoption of human rights due diligence processes consistent with the UNGPs, UNGC, and OECD Guidelines;
- › transparent reporting on workforce health and safety, diversity, equity, and inclusion metrics;
- › protection of freedom of association and collective bargaining throughout global supply chains;
- › identification and mitigation of risks and impacts related to forced labor, child labor, and modern slavery;
- › board-level accountability for human capital strategy, including integration of social indicators into risk management.

6.3 GOVERNANCE AROUND DIALOGUE & ENGAGEMENT

LISTED ASSETS

The ESG Research team, composed of five members, is responsible for analyzing companies and identifying engagement needs, defining priorities, conducting dialogues and engagements, following up and assessing progress, reporting progress internally and externally, as well as integrating engagement results into investment processes, ESG ratings, and stewardship strategies. One team's member is in charge of coordinating the Stewardship process. The ESG Research team may be supported by the Investment teams, notably by participating in some meetings with investee companies.

Engagement progress and results will be presented at least annually to the ESG Investment Forum which brings together the Chief Investment Officer (CIO), the Global Head of Sustainable Investment Solutions, the ESG Research team, and the Investment Teams. This ensures a shared understanding of progress, challenges, opportunities arising from engagement activities, and supports informed decision-making across the organization.

In cases where escalation of engagement efforts is deemed necessary, the ESG Investment Forum serves as the decision-making body to evaluate the situation and determine the appropriate measures to be taken.

The impacts and key outcomes of engagement activities will be presented to the Sustainability Risk Committee, which includes representatives from the Risk & Compliance, Reporting, and Legal teams. This allows for appropriate consideration of engagement-related insights in the assessment of sustainability risks and impacts, and supports alignment with regulatory and reporting obligations.

Strategic supervision is further reinforced by the participation of the Global Head of Sustainable Investment Solutions as a member of the General Management Committee (GMC) of ODDO BHF Asset Management SAS, ensuring direct involvement of senior management in key decisions.

Dialogues and engagements are centralized by the ESG Research team in dedicated tools.

PRIVATE ASSETS

ESG considerations are embedded across all functions, and a range of resources are leveraged to support our engagement efforts:

- Investment teams maintain regular dialogue with GPs and investee companies during their diligence as well as during the ownership period.
- The ESG Research team collaborates closely with the Investment team and may also engage with GPs and investee companies.

External service providers support our process by conducting the annual ESG questionnaire campaign.

We defined a robust control framework ensuring that ESG practices are applied consistently. First level controls are carried out by the operational teams (i.e. Investment team, Operation and Finance team, ESG team). Second-level controls are carried out by the Compliance and Risk team, independently of operational activities, in accordance with the Annual Control Plan. The Compliance function checks and controls compliance with our Responsible Investment Policy as part of the Annual Control Plan. The results of the second level controls are communicated in the Compliance and Risk Committees.

6.4 ESCALATION PROCESS

LISTED ASSETS

To support the effectiveness of our engagement efforts, we apply a range of escalations levers when progress is insufficient or when ESG-related controversies arise. These levers are categorized into three main families, in line with the French SRI label, but applied across all our responsible investment activities.

1. Enhanced dialogue:

These actions aim to increase pressure through direct communication with the company and it can imply among other things:

- a. Reiterating expectations with more specificity and urgency, notably by involving Investment teams in the discussion in addition to the ESG Research team;
- b. Raising the issue with more senior representatives such as executive or board members;
- c. Sending formal letters outlining concerns and requesting specific corrective actions;
- d. Coordinating with other investors through collaborative initiatives.

The objective is to elevate the importance of the issue internally at the company and signal increased scrutiny.

2. Public actions:

In some cases, when enhanced dialogue measures are not sufficient, we may adopt public-facing pressures:

- a. Disclosing the engagement concern in our annual Engagement and Voting report;
- b. Submitting questions at AGM;
- c. Co-signing or supporting shareholder resolutions;
- d. Filing shareholder proposals on relevant ESG issues;
- e. Voting against management or specific resolutions.

The objective is to increase external pressure and visibility around the issue and encourage accountability through market or stakeholder mechanisms.

3. **Actions relating to management of investment:**

If enhanced dialogue measures and/or public actions fail to yield sufficient change, we may take decisions that directly impact our exposure to the company:

- a. Placing the company under our internal watchlist;
- b. Decreasing the internal ESG score;
- c. Conducting a due diligence of the ESG score from our data provider;
- d. Imposing investment restrictions or halting new purchases;
- e. Reducing partially our exposure to the company;
- f. Divesting as a last resort, since it ends our stewardship influence and is taken only when material ESG or financial risks cannot be mitigated through engagement.

The objective is to manage and mitigate financial, ESG-related, reputational, and regulatory risks associated with the company, and protect long-term value.

The escalation of engagement activities is governed by a structured process:

- › The ESG Investment Forum is responsible for reviewing cases and making decisions on escalation measures.
- › Decisions are presented to the Sustainability Risk Committee to ensure consistency with overall risk management and ESG integration.
- › In parallel, the ESG Research team tracks and monitors all ongoing controversial cases, ensures timely reassessments, and flags potential escalation triggers.

This multi-layered governance approach promotes alignment across investment, ESG, and risk oversight functions.

Escalation timelines are determine based on the nature and severity of the underlying issue. While general engagement may follow flexible timelines tailored to strategy-specific goals, controversies follow stricter timeframes aligned with the French SRI label requirements:

	TRIGGER	INDICATIVE TIMELINE	ESCALATION EXPECTATION
	Thematic or strategic misalignment²	Tailored to strategy and engagement plan	Escalation if no progress toward objectives set
Controversy	<i>Isolated / moderate</i>	Up to 3 years	Company expected to demonstrate measurable remediation

² Situations where company's practices, strategy, or business model are inconsistent with our sustainability-related objectives, strategy, or investment themes. For example, an oil & gas company increasing progressively its share of revenue from non-conventionnal sources may exceed our exclusion threshold at some point.

<i>Repeated</i>	Up to 2 years	Escalation steps expected within timeframe.
<i>Serious / systemic</i>	12 months maximum	Decisive action (related to management of investment) if no credible and sustained progress
<i>Worsening/non responsive</i>	Accelerated escalation, potentially immediate	Fast-track review by the ESG Research team validated by the ESG Investment Forum

All escalation actions and decisions are documented, including the underlying rationale, milestones, company’s response, and any changes to exposure or ratings.

PRIVATE ASSETS

We track and monitor the ESG performance of our funds, including their average ESG scores and any controversies that may arise. Where relevant, we may also review our ESG analysis of the GPs and update the internal ESG scores if and when necessary. This can occur following our Annual ESG questionnaire campaign or following a positive or negative development such as an ESG controversy.

For our direct investments (Private Equity), in the event of a material ESG issue or controversy affecting a portfolio company, the Investment team can ask the company’s management to address the issue by setting up an action plan with other stakeholders.

For our fund of funds investments, since we have no direct contact with portfolio companies and no operational responsibility, there is no formal escalation process in the event of a controversy. Our engagement therefore focuses primarily on dialogue with the General Partner.

THE EXERCISE OF VOTING RIGHTS

01 SCOPE

LISTED ASSETS

ODDO BHF Asset Management SAS votes under the following conditions:

- › Open-ended funds for which ODDO BHF Asset Management SAS is the management company and provides investment management: ODDO BHF Asset Management SAS votes systematically;
- › Dedicated funds for which ODDO BHF Asset Management SAS is the management company and provides investment management: ODDO BHF Asset Management SAS votes systematically, unless otherwise specified in the prospectus;
- › Funds whose investment management is given to ODDO BHF Asset Management SAS by another management company: ODDO BHF Asset Management SAS may be contractually entrusted with the exercise of voting rights;
- › Open-ended funds for which ODDO BHF Asset Management SAS is the management company and entrusts investment management to another entity:
 - If it is a management company: ODDO BHF Asset Management SAS does not vote systematically;
 - If it is a banking institution part of the ODDO BHF Group: ODDO BHF Asset Management SAS votes systematically.

ODDO BHF Asset Management SAS votes at shareholder meetings of European companies that are listed on a regulated market in the European Union or the European Economic Area, for which the funds collectively hold - at entity level - a stake of more than 0.05% of the capital. It is true that in very rare cases the investment management company cannot vote for reasons of efficiency, costs and timeliness.

In specific case of dedicated funds, we may not vote following client particular preferences.

ODDO BHF Asset Management SAS may vote at the Annual General Meetings of portfolio companies that are traded on a market other than a regulated market in the European Union or the European Economic Area.

Moreover, ODDO BHF Asset Management SAS strives to vote at meetings for all the positions held at entity level, when the company in scope is invested in a portfolio that has an European SRI label, regardless of the related reference standard (French SRI label, FNG label, Towards Sustainability label).

PRIVATE ASSETS

The exercise of voting rights attached to unlisted equities is inseparable from the investment strategy of the funds under management. For Private Equity Buyout, we do the best effort to sit on the Board and take decisions which are in line with the best interest for fund bearers.

Our Fund of Funds activity in Private Equity does not allow us to vote during AGMs of investees.

02 OBJECTIVES

ODDO BHF Asset Management SAS considers the exercise of voting rights to be a fundamental component of its role as a shareholder and a key mechanism through which it fulfils its stewardship responsibilities. Voting enables ODDO BHF Asset Management SAS to formally express its views on matters such as corporate strategy, capital allocation, board composition, executive remuneration, risk management, or sustainability practices. Through active participation in Annual General Meeting (AGMs), ODDO BHF Asset Management SAS uses voting as a tool to influence corporate behaviour, support robust governance frameworks, and ensure that strategic decisions align with sustainable value creation over the long-term.

For unlisted equities, the exercise of voting rights is inseparable from the investment strategy of the funds managed by ODDO BHF Asset Management SAS. In its direct Private Equity activity, ODDO BHF Asset Management SAS places strong emphasis on securing Board representation, allowing it to play an active role in guiding strategic direction, overseeing governance, and ensuring that decisions are made in the best interests of fund investors. This involvement enables the integration of financial, operational, and sustainability considerations into decision-making at the highest level.

03 INTEGRATION ACROSS INVESTMENT PRACTICES

At ODDO BHF Asset Management SAS, the exercise of voting rights is fully integrated into our broader investment and stewardship processes. Voting is not treated as an isolated activity, but as a complementary tool alongside engagement, ESG analysis, and portfolio management.

When assessing resolutions, ODDO BHF Asset Management SAS draws on insights from ESG analyses, which form part of the ESG Integration pillar of its sustainability strategy. These analyses primarily rely on ESG ratings provided by our external data provider, with proprietary ESG models applied specifically to issuers in our High Yield and Private Assets funds. The results help identify environmental, social, and governance factors that may present material risks, impacts, or opportunities, thereby informing our voting decisions.

Voting also plays a central role in our engagement and escalation process. Where engagement with a company does not lead to sufficient progress on identified concerns, voting against management proposals or supporting shareholder resolutions can be an effective means to signal expectations and reinforce the need for change. This coordinated approach ensures that both engagement and voting are aligned towards responsible business conduct.

Through this integrated process, ODDO BHF Asset Management SAS seeks to ensure that voting decisions are consistent with the objectives of our Engagement and Voting Policy, the outcomes of our ESG analyses, and the best interests of our clients.

04 VOTING PROCESS

4.1 GOVERNANCE AROUND THE EXERCISE OF VOTING RIGHTS

LISTED ASSETS

Internally, our voting process is coordinated by the ESG Research team collaborating closely with the Investment Teams and the Middle Office Department.

ESG RESEARCH TEAM'S RESPONSIBILITIES	INVESTMENT TEAMS' RESPONSIBILITIES	MIDDLE OFFICE DEPARTMENT'S RESPONSIBILITIES
<ul style="list-style-type: none"> › Maintaining accurate and up-to-date Engagement and Voting Policy including a dedicated Voting section; › Analyzing some specific sustainability-related resolutions (described below as a “case-by-case review” corresponding to a “refer” by ISS, our external service provider); › Ensuring that voting activities are aligned with engagement activities, and with our broader Sustainability Approach; › Coordinating with Investment teams for decision making; › Coordinating with the Middle Office Department for 	<ul style="list-style-type: none"> › Reviewing some specific resolutions from a financial and strategic perspective based on in-depth knowledge of companies and sector dynamics (described below as a “case-by-case review” corresponding to a “refer” by ISS, our external service provider); › Collaborating with the ESG Research team to assess material ESG risks, impacts, and opportunities linked to voting decisions. 	<ul style="list-style-type: none"> › Operationnally managing the proxy voting process; › Monitoring deadlines, ensuring timely submission of votes, and addressing any operational issues with our proxy advisor.

operational exercise of voting rights;

- › Documenting rationale for significant or contentious voting decisions.

In accordance with its voting principles, ODDO BHF Asset Management SAS calls on an external service provider, Institutional Shareholder Services (ISS).

ISS' responsibilities are the following:

- › Identifying companies' AGMs for which ODDO BHF Asset Management SAS is exercising its voting rights after having collected positions from custodians;
- › Applying the Voting Policy defined by ODDO BHF Asset Management SAS;
- › Reviewing resolutions based on our Voting Policy and making recommendations which supports our decision making;
- › Offering a digital interface to support the execution of proxy votes;
- › Ensuring that voting instructions are routed efficiently to issuers.

Generally, voting is carried out by the proxy advisor, but it may be executed in writing or electronically by means of specific instructions from the company. In some rare cases, we may wish to attend the AGM in person.

While we make every effort to exercise voting rights effectively, technical limitations within the chain of intermediaries, especially in international voting contexts, may occasionally prevent votes from being properly transmitted. In such cases, we cannot be held responsible for outcomes beyond our control.

4.2 VOTING PRINCIPLES

LISTED ASSETS

ODDO BHF Asset Management SAS draws a distinction in voting according to the ownership and control structure. Moreover, geographical and market capitalization aspects may influence some voting decisions.

So that shareholders may exercise their voting rights in an informed manner, companies are asked to send them detailed and transparent disclosures sufficiently in advance of the AGM.

When it intends to vote against a resolution, ODDO BHF Asset Management SAS strives to notify the company of its intentions prior to the AGM, especially in the case of controlled companies.

4.2.1. APPROVAL OF ACCOUNTS AND MANAGEMENT

Approval of parent company and consolidated accounts

ODDO BHF Asset Management SAS generally votes in favour of resolutions with the exception of the following situations:

- › if there are issues with the accounts, resulting in the refusal to certify them or if the external auditors express reservations;
- › if the company does not answer shareholders' questions regarding specific information that must be disclosed publicly.

Appointment of external auditors

ODDO BHF Asset Management SAS votes against the appointment of external auditors in the following cases:

- › failure to comply with turnover at least once every 10 years (or 24 years if co-external auditors are involved), in accordance with European Directive 2014/56/EU on legally required audits of annual accounts and consolidated accounts;
- › if there are serious doubts with regard to the accounts presented or the auditing procedures used;
- › if the external auditors have been replaced without explanation;
- › if their consulting fees are higher than auditing fees;
- › if they may be considered to be affiliates of the company;
- › substitute external auditors must not be affiliated with the main external auditor.

Earnings distribution policy

ODDO BHF Asset Management SAS pays special attention to ensuring that the shareholder return policy is consistent with the company's strategy and long-term interests. We vote against paying out dividends that seem excessive with regard to the company's financial situation.

Likewise, we vote against dividend resolutions that do not include a cash payment option, unless company management can prove that such an option would undermine shareholder value.

Approval of related-party agreements (General Approach excluding France)

ODDO BHF Asset Management SAS reviews this criteria on a case-by-case basis, considering factors including, but not limited to:

- › the parties of the transaction;
- › the nature of the asset to be transferred / service to be provided;
- › the pricing of the transaction;
- › the views of independent financial adviser.

Approval of related-party agreements (France)

ODDO BHF Asset Management SAS votes against the approval of related-party agreements in the following cases:

- › if the special report of the external auditors is not accessible at least 21 calendar days prior to the first announcement of the meeting date for all main companies;
- › if the special report of the external auditors mentions an agreement between a non-executive director and the company for the provision of consulting services (including all professional services).

4.2.2. BOARD OF DIRECTORS AND OPERATION

Members profile

ODDO BHF Asset Management SAS, depending on the company's size and geographical exposure, pays special attention to the members profile to have a diversity of profiles on the board in terms of gender, nationality, age and expertise.

Independence

ODDO BHF Asset Management SAS draws a distinction in voting between controlled and/or family-held companies and non-controlled companies regarding the minimum number of independent directors. By "controlled" we mean a company having one shareholder or a group of core shareholders holding at least 30% of the voting rights and without whose approval no strategic deal is possible. For controlled companies, special attention is paid to governance within the boards of directors. This helps forestall risks of conflicts of interest and protect minority shareholders.

ODDO BHF Asset Management SAS reviews this criteria on a case-by-case basis. We nonetheless advocate a level of independence of at least 33% for controlled companies and 50% for non-controlled companies. Employee shareholder representatives will be excluded from the calculation of board independence.

In accordance with the French Investment Management Association (AFG) recommendations, to be considered independent, a director must not:

- › be an employee or an executive director of the company or of a company belonging to its parent group, or have been one in the past 5 years;
- › be an employee or executive director of a significant shareholder of the company or of a company belonging to its parent group;
- › be an employee or executive director of a significant and usual commercial, banking or financial partner of the company or of companies belonging to its parent group;
- › have been a company auditor within the 5 most recent years;
- › have been a member of the company's board of directors or the supervisory board for a period of more than the past 12 years.

Availability

ODDO BHF Asset Management SAS generally votes against candidates holding an excessive number of board appointments following specific guidelines.

Board structure

We are not in favour of resolutions:

- › that alter the board's organisational structure or size in the context of a fight for control of the company or the board;

- › on mandatory retirement age for directors;
- › on the election of non-executive directors above 75 years old if more than one third of the directors composing the board are older than 75.

Combined CEO / Chair

The principle of separating the executive management and board supervision is recommended, but combining the two roles may be efficient under certain circumstances linked to the overall board independence and the appointment of a lead director.

Committees reporting to the board

ODDO BHF Asset Management SAS believes that one key factor in good corporate governance is the existence of an audit committee with a majority of non-executive directors (at least one third of independent members).

We vote against the election or re-election of any executive director (including the chairman and CEO) who sits on the remuneration and/or audit committee, regardless of the level of independence of the committees.

For companies that are significant greenhouse gas emitters, we generally vote against the incumbent chair of the responsible committee if the company is not taking the minimum steps needed to understand, assess, and mitigate risks and impacts related to climate change.

Term lengths

ODDO BHF Asset Management SAS reviews this criteria on a case-by-case basis in drawing a distinction between controlled companies and non-controlled ones. However, terms should preferably be no longer than four years.

Directors' fees

Directors' compensation and benefits should be of a level that aligns their interests with the company's long-term performance and the interests of long-term shareholders.

ODDO BHF Asset Management SAS votes against the compensation of non-executive directors when:

- › the size of the directors' fees is excessive compared to other companies in the same country or sector;
- › there are proposals for introducing pensions.

Non-voting members

ODDO BHF Asset Management SAS believes that non-voting members should only be used in exceptional cases and that such use should be justified (to manage a succession, for example) to shareholders prior to the AGM.

Discharge of Directors

ODDO BHF Asset Management SAS generally supports resolutions to discharge directors of their responsibilities unless there are:

- › lack of oversight or actions undermining shareholder trust, such as serving private or company interests over shareholder interests;

- › legal issues or allegations (past or ongoing) involving breaches of trust;
- › other egregious governance concerns.

In markets without formal discharge votes, we express concerns through related agenda items such as the approval of annual accounts.

Others director elections-related topics

ODDO BHF Asset Management SAS votes against the election of a director in the following cases:

- › if there have been suspicious transactions combined with conflicts of interests;
- › if abuses have been discovered that run contrary to the interests of minority shareholders;
- › if there are specific concerns regarding the person, such as criminal offenses or a violation of fiduciary responsibilities;
- › if the director holds an excessive number of board appointments;
- › if repeated absences from board meetings have not been explained.

4.2.3. EXECUTIVE COMPENSATION

Say-on-Pay

ODDO BHF Asset Management SAS is in favour of the principle of a vote on executive compensation (Say-on-Pay).

Executive compensation structure

ODDO BHF Asset Management SAS evaluates executive compensation packages with particular attention to:

- › transparency and clarity of information presented (amounts allocated, nature of quantitative and qualitative criteria, levels of achievement of objectives);
- › alignment with the company's medium- and long-term performance;
- › balance and consistency (alignment with comparable group of companies, consistent with shareholder return and the company's economic results);
- › the independence of the Compensation Committee.

Moreover, ODDO BHF Asset Management SAS is in favour of integrating sustainability criteria into executive remuneration packages while ensuring that these are commensurate, transparent and easily quantifiable.

Severance payments

ODDO BHF Asset Management SAS does not support severance payments to executive directors in the following cases:

- › dismissal for misconduct;
- › departure at the executive's own initiative;
- › poor economic performances prior to departure;
- › no mention of performance terms and minimum seniority in the resolution.

Allocation of free or performance-based shares to executives

ODDO BHF Asset Management SAS considers that executive share ownership is desirable in 30asei t30 align interests with those of shareholders. Therefore, ODDO BHF Asset Management SAS is in favour of such schemes under the following conditions:

- › the total amount of current plans does not exceed 10% of total outstanding shares in 30asei t30 limit dilution;
- › the allocations are based on the achievement of long-term performance targets (at least 3 years);
- › the performance terms must be detailed in resolutions authorizing such plans.

4.2.4. CAPITAL-RELATED RESOLUTIONS

Increases in capital

In case of capital increase, ODDO BHF Asset Management SAS:

- › *Issuances requests with preemptive rights:*
votes against if the proposed amount of shares exceeds 100% of outstanding capital;
- › *Issuances requests without preemptive rights:*
votes for issuance authorities without pre-emptive rights to a maximum of 10 percent (or a lower limit if local market best practice recommendations provide) of currently issued capital as long as the share issuance authorities' periods are clearly disclosed (or implied by the application of a legal maximum duration) and in line with market-specific practices and/or recommended guidelines (specificities defined in France when the increase is through a Private Placement without specific details, or for share exchange offers, or to Finance Contribution in Kind);
- › *Issuances requests with a specific purpose/project:*
reviews each situation on a case-by-case basis with or without preemptive rights;
- › *Issuances requests in authorized capital:*
 - votes against if the proposals aim to approve unlimited authorisations of capital increases.

Reductions of capital

ODDO BHF Asset Management SAS votes against resolutions to reduce share capital if the conditions are unfavourable for minority shareholders.

Share buyback plans

ODDO BHF Asset Management SAS votes against share repurchases if the plan:

- › does not include any safeguards against arbitrary or discretionary buybacks;
- › occurs during a public offering, in which 30asei t would be considered an anti-takeover pill.

Some conditions and thresholds are defined when analyzing each resolution depending on the volume limit, the duration, or the geography.

Reissuance of treasury shares

ODDO BHF Asset Management SAS votes against if there is clear evidence of past abuse of authority.

Anti-takeover mechanisms

ODDO BHF Asset Management SAS opposes all anti-takeover proposals unless they are structured in such a way as to allow shareholders the final decision on any proposal or bid.

Mergers and acquisitions

ODDO BHF Asset Management SAS does not support resolutions authorizing a merger or acquisition if:

- › the financing is not favourable;
- › the structure of the company following the transaction does not reflect good corporate governance;
- › the companies do not provide sufficient information after a request to enable an informed voting decision;
- › there are concerns regarding the negotiation process that could have had a negative impact on assessing the terms of the offer.

4.2.5. SHAREHOLDER PROPOSALS

External resolutions are analysed on a case-by-case basis. Generally speaking, ODDO BHF Asset Management SAS votes against all proposals that would entail significant costs for little or no benefits, that could undermine corporate governance, or that could be contrary to the interests of minority shareholders.

4.2.6. ENVIRONMENTAL / SOCIAL ASPECTS

Resolutions including environmental and social aspects such as “Say on Climate” or “Say on Biodiversity” are reviewed on a case-by-case basis, ensuring that they are in line with the long-term interests of the company, ODDO BHF Asset Management SAS’ sustainability approach, and our ESG commitments as a signatory of the United Nations’ Principles of Responsible Investment (PRI).

Several factors are taken into account when assessing these resolutions such as:

- › the regulatory context;
- › the measures implemented by the company to address the issues raised in the resolution;
- › the relevance of the proposed measures to manage the associated risks and impacts;
- › the relevance of the measures in terms of feasibility and available options to the industry;
- › the history of controversies;
- › the company’s public commitment to the issue;
- › the impacts of such measures in terms of business resilience and corporate governance.

For companies with a high climate risk profile that are considered not to be taking the steps to understand, assess, and mitigate these risks and impacts, we may decide to vote against key resolutions for the company (re-election of

audit committee members or chairperson, approval of the sustainability report, approval of the financial statements, executive compensate, etc.).

4.2.7. OTHERS

Amendments to the Articles of Association

ODDO BHF Asset Management SAS reviews on a case-by-case basis resolutions resulting in a change in Articles of Association.

Change in company fiscal term

ODDO BHF Asset Management SAS generally votes for resolutions to change a company's fiscal term unless a company's motivation for the change is to postpone its AGM.

It should be noted that ODDO Asset Management SAS shall not be held liable for not exercising or only partially exercising voting rights because of delays, oversights or mistakes made in the provision or transmission of the necessary information or documents for these rights to be exercised.

05 SECURITIES LENDING POLICY

Our securities lending activity is conducted with the objective of optimizing portfolio management and enhancing returns, while maintaining our commitment to active ownership and responsible investment. We recognize that lending securities temporarily transfers the voting rights to the borrower. To ensure that we can fully exercise our voting rights at shareholder meetings, all securities on loan are systematically recalled ahead of the Annual General Meeting or any other significant shareholder meeting. This process guarantees our ability to participate in voting on all agenda items and align our voting behavior with our stewardship responsibilities.

CONFLICTS OF INTEREST

Our Conflict of Interest Policy is publicly available on our [website](#).

It outlines the principles and procedures we follow to identify, prevent, and manage situations where the management company's clients conflict with those of ODDO BHF Asset Management SAS or its employees or those of its parent company (ODDO BHF).

If any conflicts of interest arise, they are immediately referred to the management company's Risk & Compliance Team. They are responsible for analysing the potential conflict of interest in accordance with the management company's Conflict of Interest Policy in line with articles 33 to 35 of the EU delegated regulation of 25 April 2016, and with articles 318-12 to 318-14 and 321-48 to 321-52 of the AMF General Regulation.

The Policy is maintained and overseen by the Risk & Compliance Team, which ensures its effective implementation.

TRANSPARENCY

LISTED ASSETS

We publish an annual [Engagement and Voting Report](#) providing key statistics about our dialogue and engagement activities as well as about our voting activities.

ODDO BHF Asset Management SAS provides shareholders with information on the exercise of voting rights on each resolution presented at an AGM. This information is available upon written request from the shareholder to the management company.

PRIVATE ASSETS

Our ambition is to report to clients in a transparent and clear way. We have funds' dedicated annual ESG reports which detail the results of our annual ESG campaign as well as our ESG progress and priorities. This enables us to report portfolio-level progress back to our own investors, as well as track our progress in implementing our own [Responsible Investment Policy](#).

ODDO BHF ASSET MANAGEMENT SAS (France)

Portfolio management company approved by the Autorité des Marchés Financiers sous le n° d'agrément GP 99011
Société par actions simplifiée with a capital of €21,500,000
Trade Register (RCS) 340 902 857 Paris

12 boulevard de la Madeleine
75440 Paris Cedex 09
France
Phone: +33 (0)1 44 51 85 00

am.oddo-bhf.com



ODDO BHF
ASSET MANAGEMENT