



STEWARDSHIP POLICY

Société Générale Private Wealth Management
– May 2023

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INTRODUCTION

SGPWM (hereafter "SGPWM") is a fund management company and a wholly owned subsidiary of the Société Générale Group. This document describes how SGPWM acts as a responsible and engaged shareholder on behalf of its clients.

Convinced of the importance of the environmental, social and governance challenges, **SGPWM has defined – as an extension to its approach as a responsible investor – a stewardship policy covering our engagement activities as well as proxy voting policy attached to the securities held by the collective investment schemes (AIFs and UCITS) which it manages.**

The Stewardship policy is composed of two complementary components: a shareholder engagement policy and a voting policy, which together enables SGPWM to meet its fiduciary obligations towards its clients.

The shareholder engagement policy is part of our socially responsible approach to investment. SGPWM's voting and engagement policy sets forth the main principles of corporate governance to which the management company adheres.. Since shareholder meetings deal with a broad spectrum of subjects, this document covers only SGPWM's voting principles on the issues it believes are the most important. It also presents our philosophy of shareholder engagement.

The voting and engagement policy is reviewed annually to adapt tp any changes in laws and regulations, in governance codes, and in market practices over the past year. A dedicated internal governance committee (the Voting and Engagement Committee) meets twice a year to validate the voting and engagement policy and its roadmap.

This policy describes:

- 1) Dialogue with investee companies
- 2) The exercise of voting rights and other rights attached to shares
- 3) Cooperation with other shareholders
- 4) Communication with relevant stakeholders
- 5) The prevention and management of actual or potential conflicts of interest in relation to their commitment

1. GENERAL INFORMATION

1.1. Stewardship policy implementation team

Societe Generale Private Banking's Stewardship team coordinates the implementation of ESG engagement actions, with the support of SGPWM's ESG experts.

The team's responsibilities include:

- Building and facilitating shareholder dialogue with securities issuers
- Coordinating the proxy voting policy in compliance with regulatory developments and the ESG strategy of fund management companies
- Contributing to local and international engagement initiatives
- Collaborating with partners on collective engagement actions.

The Stewardship team works with selected issuers each year to determine its annual engagement themes. The various actions taken during the year are presented in the [Stewardship Report](#).

1.2. Preventing and managing conflicts of interest

The guidelines of our engagement and voting policy aim to serve the best interests of our clients and mandates. Nevertheless, while implementing its engagement and voting policy, SGPWM may be confronted with conflicts of interests arising from:

- A business relationship with a company that is subject to SGPWM's shareholder engagement and voting policy
- At general meetings of the Societe Generale group, to which SGPWM belongs. SGPWM does not participate in the general meetings of the Societe Generale group or listed entities controlled by the Societe Generale group.

To prevent these potential conflicts of interests, the following rules and measures are defined:

- The engagement and voting policy is approved by the Voting and Engagement Committee, which is composed of members of various SGPWM's departments, CIOs and representatives of the Compliance and Internal Control Officer.
- As with all our assets under management, the general rule for potential conflict-of-interests situations is to vote strictly in accordance with the current proxy voting policy.
- In exceptional cases where the voting policy is inapplicable, the following procedure applies:
 - I. The situation will be examined and presented to the Governance Committee
 - II. Decision by the General Secretary
 - III. If necessary, the SGPWM's CEO makes the final decision.

2. SHAREHOLDER ENGAGEMENT POLICY

At SGPWM, we are convinced that a strong and transparent corporate social responsibility policy is synonymous with long-term value creation and sustainable financial performance for investors. This is why our approach to socially responsible investment includes shareholder engagement with issuers.

Shareholder dialogue, which is conducted both bilaterally and with other investors, encourages greater transparency and higher standards of ESG practices.

In order to promote best ESG practices, SGPWM has developed an engagement policy that covers three key areas: pre-AGM dialogue, ongoing dialogue on ESG issues, and collective dialogue.

2.1. Dialogue with investee companies

A. General Assemblies of investee companies

As the representative of collective investment schemes SGPWM manages, SGPWM endeavours to ensure that its exercise of the voting rights attached to the shares in the portfolios of these funds promote the best corporate governance practices (see Section III. Voting policy).

To this end, SGPWM will use its influence in the period prior to shareholder meetings to initiate a **constructive dialogue with companies** that is reflected in the resolutions submitted for a shareholder approval.

During the rest of the year, SGPWM maintains an ongoing dialogue with companies on corporate governance issues, such as the composition of boards of directors and committees, succession plans, the role and functions of the lead independent director, changes to the remuneration policy, etc.

B. Ongoing engagement with companies on ESG issues

Environmental, social and governance issues are at the core of SGPWM's responsible investor strategy. Establishing an ongoing dialogue with companies allows us to assess how effectively they deal with and limit the non-financial risks they face, and to seize sustainable development opportunities.

SGPWM considers that a company's management and board of directors are responsible for overseeing the definition of the company's ESG and climate-related risks and opportunities, and the strategy its management has implemented to address these risks and opportunities.

SGPWM's objective is to establish a regular dialogue with companies to encourage them to improve their CSR practices. The Stewardship team uses the following criteria to prioritise the selection of issuers for a bilateral dialogue:

- Percentage of voting rights held
- How important the company's sector of activity is for a just economic transition
- Specific ESG concerns (a major ESG controversy or poor or exemplary ESG performance or practices).






The Stewardship team selects the ESG engagement themes for its annual engagement campaign, which are approved in the first quarter of each year. These themes mainly deal with the following:

- Climate change
- Biodiversity

- The circular economy
- The just transition
- Human rights
- Equality and balance of authority within governance bodies, i.e. the board of directors or supervisory board, and the executive committee or management board.

2.2. Collective initiatives and cooperation with other shareholders

In addition to individual dialogues and with the aim of strengthening our engagement actions, SGPWM is a signatory and/or an active member of several local and international initiatives in favour of more sustainable finance.

Initiative	Objectives of the initiative	Our actions
 <p>Signatory of  Principles for Responsible Investment</p>	Global initiative launched by investors in partnership with UNEP-FI and the United Nations Global Compact.	<ul style="list-style-type: none"> • Signatory • Participation in annual reporting • Participation in working groups • Participation in collective engagement opportunities
 <p>CDP DRIVING SUSTAINABLE ECONOMIES</p>	An international non-profit organisation, CDP maintains the world's largest database on the environmental performance of cities and companies. Data on water management and on impacts on forests are collected respectively with the CDP Water and CDP Forests questionnaires.	<ul style="list-style-type: none"> • Target companies that lack transparency in their carbon data • Strengthen our knowledge of the most emitting sectors • Participate in various engagement campaigns
 <p>FAIRR A COLLIER INITIATIVE</p>	A network of investors created by the Jeremy Collier Foundation in 2016, FAIRR analyses ESG data from the world's largest protein producers and manufacturers. FAIRR regularly runs campaigns to raise awareness of the ESG risks associated with intensive livestock farming practices.	<ul style="list-style-type: none"> • Target agri-food companies as a priority (Nestlé, Danone...) • Deepening our ESG knowledge of this industry • Participate in various engagement campaigns • Collaborating with our peers
 <p>Finance for Biodiversity Pledge</p>	An initiative that brings together over 100 global financial institutions who work to preserve and restore biodiversity.	<ul style="list-style-type: none"> • Signatory and participating member • Integrate biodiversity as an issue in our ESG analyses and define our own biodiversity objectives • Equipping yourself with the commitment to biodiversity



Climate Action 100+ is an investor-led initiative to engage the world's largest greenhouse gas emitting companies to take effective action to address the challenge of climate change.

It is coordinated by five regional investor networks: the Asia Investor Group on Climate Change (AIGCC), Ceres, Investor Group on Climate Change (IGCC), Institutional Investors Group on Climate Change (IIGCC) and Principles for Responsible Investment (PRI).

- Engaging with business on climate
- Equipping ourselves on climate commitment
- Collaborate with our international peers

2.3. Communication with relevant stakeholders

In addition to engaging with companies, SGPWM collaborates with other stakeholders in the responsible investment ecosystem, including:

- regulatory authorities, when responding to consultations
- providers of ESG data
- NGOs
- SGPWM's clients.

SGPWM's [annual engagement and voting report](#) explains in detail the measures and actions it has undertaken during the year.

2.4. Escalation procedure

SGPWM believes that engagement with issuers can only be constructive when based on a relationship of trust. Accordingly, SGPWM ensures to keep confidential its discussions and exchanges with issuers. However, some exchanges with issuers may not improve ESG or climate-related practices, or improve them rapidly enough, which may compromise SGPWM's capacity to honour its commitments. In such an event, after carefully examining the situation, SGPWM may implement an escalation procedure, which could include one or more of the following actions:

- Collaborative engagement with other investors
- Negative votes at an annual general meeting, on such matters as the reappointment of a director, executive remuneration or climate resolutions.
- Letter to the company's board of directors or supervisory board
- Public statement
- Filing a resolution at the general meeting
- Submitting questions at the general meeting
- Putting the company under surveillance
- Absence of new investments by the company
- Divestment

If the outcome of this escalation procedure is not constructive, SGPWM may have to liquidate its investment in the company.

This escalation procedure is activated on a case-by-case basis and may therefore vary depending on such factors as the investment vehicle, the ESG commitment involved, and the company.

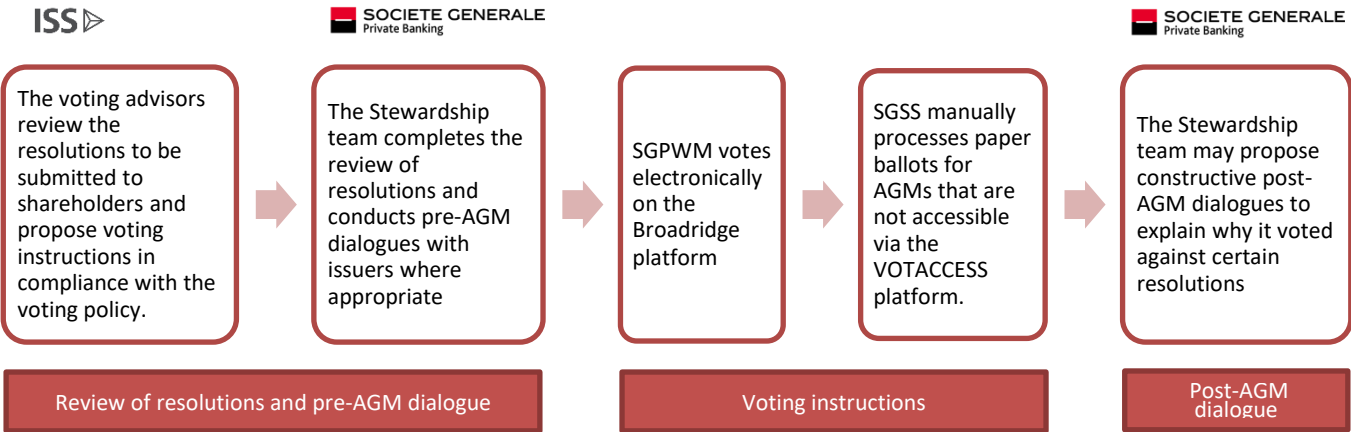
3. PROXY VOTING POLICY

3.1. Implementation

A. Proxy voting process

The preparation of voting decisions takes into account corporate governance standards as well as applicable regulations and corporate governance codes.

In the majority of cases, voting is carried out via the external service provider’s platform through which SGPWM instructs its voting decisions. In exceptional cases, where electronic voting is not possible, postal voting forms are completed and sent to Societe Generale Securities Services, which ensures that the delivery of votes to the issuers.



The managers can also attend the General Meetings and cast their vote. In no case shall a form be sent with power to the President.

B. Proxy voting scope

The following rules apply to general shareholder meetings held on or after 1 January 2023. The voting scope includes:

- Collective Funds (AIF or UCITS) managed by SGPWM.

C. Voting restrictions

To enable the fund managers to comply with the constraints that are inherent to the investment process, depending on cost and share immobilisation considerations, voting rights may sometimes be exercised only on a portion of the securities held.

3.2. SGPWM voting principles

Good corporate governance should improve a company's performance over the long term. To achieve this, engagement with issuers is essential (see Section I. Engagement policy). By exercising its voting rights, SGPWM also seeks to encourage the companies to adopt best practices and reduce their risk exposure, and thus contribute to improving their business and financial performance.

Our pillars of good corporate governance are:

- **Protection of the long-term interests and rights of shareholders, supporting the “one share, one vote” principle**, where shareholders have voting rights in direct proportion to their economic interest in a company
- **Independence and diversity of boards of directors** to avoid conflicts of interests and to foster optimal effectiveness and efficiency
- **Balance of the financial structure of the company** allowing it both to have the essential conditions to deploy its strategy while preserving the position of the shareholder
- **Fair and transparent executives’ remuneration policy** in line with the performance of the company
- **Quality and integrity of financial information** and related communication to shareholders
- **Integration of corporate environmental and social responsibility in the company’s** operations for the benefit of the company, its shareholders and other stakeholders

The above principles reflect the types of resolutions that shareholders will be called to vote on most frequently. SGPWM's general voting principles on these resolutions are in line with generally accepted corporate governance practices. Resolutions that fall outside the scope of the voting policy will be examined on a case-by-case basis.

Although these principles are observed when voting, they do not necessarily result in a No vote. Voting decisions are motivated by quantitative and/or qualitative analyses, while taking into account each company's specific characteristics, such as its size, shareholder structure and sector.

In general, SGPWM reserves the right to derogate from the principles detailed below if it considers the voting situation to be contrary to the interests of its clients. Such situations will be explained in the annual report on the exercise of voting rights (see Section 4. Reporting).

A. Boards of directors (or Supervisory Board)

Board of directors or supervisory boards (hereafter Board or Boards) is a company's most strategic governing body. Boards should not serve the individual interests of certain shareholders, but act in the interests of all of the company's owners. All of a Board's actions must be governed by the principles of transparency, accountability, efficiency and availability.

The Board's primary objective is to monitor and evaluate the company's management in complete independence, and to verify that the company is on track to achieve sustainable growth over the long term, and that appropriate risk management systems and controls are in place.

Below are our key voting principles on resolutions that apply to Boards and other governing bodies.

Topics	Voting principles & directions
Board Diversity	<p>SGPWM believes that a diverse Board contributes to a company's success, as it enables strategic challenges to be addressed from various perspectives. When considering whether a Board nominee is suitable for appointment, the Board's diversity should be promoted, in terms of the backgrounds, experiences, ages and skills of its members, and its gender balance. For resolutions to appoint a new Board member, shareholders must be provided with information on the candidate's background, experience, skills and availability.</p> <p>SGPWM considers that a ratio of at least 40% female Board members is consistent with its environmental, social and governance objectives.</p>
Independence of Board Members	<p>SGPWM recommends that Boards have a majority of independent members and will generally vote in favour of increasing the proportion of independent members. Exceptions to this rule include companies where the main shareholder (or a group of shareholders subject to a shareholders' agreement) holds 50% or more of the voting rights, and companies that have a certain proportion of employee representatives on the Board.</p> <p>Recommendations on the appropriate level of Board independence are based on corporate governance codes and best practices.</p> <p>SGPWM systematically expects companies to provide shareholders with the information they need to determine whether Board members are independent.</p>
Size of the Board	<p>SGPWM considers that a Council should have at least 4 members and no more than 18 members. The Board should have sufficient members to allow it to maintain the necessary expertise and independence, but remain small enough to function effectively.</p>
Separation of powers	<p>The separation of powers is one of the fundamental principles of good corporate governance and can be achieved in various ways.</p> <p>The separation of powers mitigates the risk that power will be excessively concentrated in the hands of any one person. A Board's capacity to exercise its judgement independently of management may be compromised if the Board's chair is also the company's chief executive.</p> <p>SGPWM support's the principle that the offices of chief executive officer and Board chair should be held by two different people. However, an exception to this rule may be made under certain conditions, for example, when a Board has a high proportion of independent members and has a lead independent director. Customary practice will also be taken into account.</p>
Board committees	<p>SGPWM recommends that Boards be supported by at least an audit committee, a remuneration committee and a nomination committee. The roles of these committees must be clearly defined and disclosed to shareholders</p> <p>As these Board committees perform key functions, it is important that they are sufficiently independent, with ideally over half of their members being independent. The chairs of the audit and remuneration committees should be independent.</p> <p>SGPWM will observe the provisions of local laws and good governance codes where these are more stringent.</p>

<p>Board responsibility for CSR and climate issues</p>	<p>SGPWM believes that it is the Board's responsibility to oversee the identification of the company's climate and other non-financial risks and opportunities, and also senior management's strategy in response to the analysis of risks and opportunities.</p> <p>SGPWM therefore opposes isolated resolutions that seek to discharge the Board or reappoint the members of an audit, CSR or equivalent committee, if:</p> <ul style="list-style-type: none"> • There is an environmental controversy • CO2 emissions data are not made publically available for scopes 1, 2 and 3. <p>Furthermore, SGPWM may oppose the reappointment of the Board chair in the following cases:</p> <ul style="list-style-type: none"> • Failure to support the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and to make the necessary publications • An environmental controversy • Failure to report CO2 emissions data (scopes 1, 2 and 3).
<p>Term of office as a director</p>	<p>The term of office of Council members should not exceed 4 years. SGPWM will generally vote against resolutions to increase the term of office of directors.</p>
<p>Multiple mandates</p>	<p>SGPWM is not in favour of Board members sitting on an excessive number of other boards as they must be able to devote sufficient time to the exercise of their mandate. While it is important for Board members to broaden their skills and knowledge, they must be aware of the amount of time that should be devoted to the work of the various boards and committees on which they sit, otherwise they will not be sufficiently involved in the long-term development of each of these undertakings. SGPWM is likely to vote against the election of a member of the Board if the latter holds too many mandates. As a rule of thumb:</p> <ul style="list-style-type: none"> • Executive Directors are deemed not to exercise any other executive or chairmanship functions. However, they may hold up to two other non-executive mandates in listed companies. • Non-executive chairmen are deemed not to hold executive office in other companies or more than one other term as chairman. However, they may hold up to two other non-executive mandates in listed companies. • Non-executive members who do not exercise executive or chairmanship functions in listed companies may hold up to three other non-executive mandates in listed companies. <p>Other points of attention may relate to (non-exhaustive list):</p> <ul style="list-style-type: none"> • Directors also performing functions with a competitor or operating in the same sector and without an industrial partnership, • A director providing remunerated consulting assignments to the company of which he is a director, • The non-separation of the functions of Chairman and Chief Executive Officer if the proportion of independents on the board is not respected • The director chairing the remuneration committee if the shareholders have significantly contested the remuneration policy of directors, • The renewal of the Chair of the Audit Committee in the event of repeated issuance of reservations by the CACs,

	<ul style="list-style-type: none"> The renewal of the mandate of the Chairman of the Nominations Committee in the event of insufficient diversity. <p>SGPWM will follow the planned provisions and best practices in corporate governance where they are more stringent.</p> <p><i>Special case of employee directors or representatives of employee shareholders:</i> SGPWM will analyze the situation with regard to the new obligations resulting from the PACTE law and in the general case may abstain when appointing/renewing them in the case of a call for competition. SGPWM will abstain except in cases duly explained when creating a position of censor and when appointing / renewing them except in temporary situations.</p>
<i>Elections in the form of a "blocked" vote</i>	<p>The Board may use a block election to protect individual directors or to prevent changes in certain Board practices.</p> <p>Resolutions should not include items that could be presented separately to a shareholder vote. In particular, shareholders should be able to decide on the election of each of the proposed directors and not on a list of candidates.</p>

B. Compensation and Benefits

Remuneration policies must be designed to attract, retain and appropriately motivate managers with the skills required to lead a company and drive its long-term success. Transparency in remuneration is essential so that shareholders can judge whether potential rewards are fair and aligned with their interests.

Issue	Voting principles & directions
<i>Resolutions relating to executive compensation</i>	<p>Remuneration policies should be linked to the company's strategy and the amounts granted should reflect the company's performance. SGPWM votes on executives' compensation-related items on a case-by-case basis, while taking into account global corporate governance best practice. In particular, SGPWM believes that a board of directors should abide by the following general principles:</p> <ul style="list-style-type: none"> Provide shareholders with clear and comprehensive and timely information and justifications on the chosen compensation structures and levels; Maintain consistency between compensation and performance with a focus on long-term shareholder value; Integrate extra-financial criteria of social responsibility into the remuneration policy in line with the company's extra-financial strategy; Avoid arrangements that risk "pay for failure"; Maintain an independent and effective compensation committee. <p>Executives' compensation should always include a long-term variable component with performance conditions. This performance should be measured over a long-term period (at least 3 years). Criteria used in long</p>

	<p>term incentive plans (LTIP) should be disclosed, detailed, stringent enough and additional to short-term variable remuneration.</p> <p>For companies which belong to the sectors which are the most sensitives to climate considerations, SGPWM expects specific criteria to be included in the definition of the variable remuneration of the main executives. Thus, in the absence of criteria on CSR and/or Climate issues, SGPWM may oppose resolutions relating to executive compensation.</p> <p>To analyze the executive remuneration policy, SGPWM has defined criteria and thus has an internal analysis grid, ensuring a consistent approach while taking into account specificities such as the size of the company, its sector of activity, its shareholding and its geographical area.</p>
<i>Equity-linked executive remuneration</i>	Share-based incentive plans should always be subject to the achievement of detailed and demanding performance targets measured over a relatively long period. These plans should not be excessively dilutive, and in the case of stock-option and free-share plans should not exceed a reasonable percentage of the company's share capital. Stock-option plans should not provide for issuance at a discount nor be revisable.
<i>Resolutions on the remuneration of non-executive Board members</i>	The remuneration of non-executive Board members should be commensurate with their responsibilities and the time they devote to their Board and/or committee duties, without however compromising their ability to act independently of management.
<i>Severance pay</i>	SGPWM supports executive severance payments (including non-competition payments) provided that their amount is not excessive and that they are subject to performance targets. These performance targets should be quantifiable and sufficiently demanding. Such payments should not be made to executives who have not been with the company for a sufficiently long time or who are retiring. An executive who has performed poorly should not receive a severance payment. An executive's departure from the company should not accelerate the vesting of shares and/or stock options.
<i>Pension schemes agreements</i>	SGPWM supports pension schemes agreements to executives who are senior enough within the company. Such plans should be granted for a large scale of executives, not only the CEO. Payment should be made only if the executive is working for the company at the moment of the grant and should avoid the risk to pay for failure.
<i>Employee share-ownership plans</i>	SGPWM supports employee share-purchase plans and the issuance of shares exclusively for employees, as employee share-ownership aligns the interests of employees with those of the company's other shareholders. In contrast to executive stock-option plans, the granting of options to purchase shares made available to all employees at a moderate discount is considered acceptable. However, such plans should not be excessively dilutive.

C. Financial structure

SGPWM supports the issuance of equity securities within limits that are consistent with the company's need for capital and which respect the rights of all shareholders.

SGPWM believes that the right to purchase newly issued shares pre-emptively is a fundamental right of shareholders, and that companies that issue new shares should give their shareholders the first chance to purchase them. However, SGPWM also recognises that companies should also be able to issue shares without pre-emptive purchase rights if this is necessary to raise the capital they need.

Topics	Voting principles & directions
<i>General capital issuances with pre-emptive rights</i>	SGPWM supports capital issuance with pre-emptive rights to a maximum of 50 percent over currently issued capital as long as the share issuance authorities' periods are clearly disclosed and in line with market-specific practices or recommended guidelines. However, SGPWM will also align its position with stricter local best practices on this matter, where relevant.
<i>General capital issuance without pre-emptive rights</i>	SGPWM will support the capital issuance without pre-emptive rights of existing shareholders, provided these offerings are reasonably limited. SGPWM will examine share offerings, with or without rights, on a case-by-case basis and cumulatively.
<i>Share buybacks or capital reductions</i>	<p>SGPWM will ensure that share buy-back programmes are reasonably limited in terms of their amount and duration, and are used in the company's best interest. Share buybacks that do not exceed 10% of the company's capital will be supported, unless the company fails to pay a dividend. The liquidity risk of medium-sized companies (i.e. non CAC 40) that seek to reduce their share capital or which fail to pay a dividend will be assessed. The authorisations granted under these resolutions should not be used during a public offering. Otherwise, they will be treated as anti-takeover measures.</p> <p>Authorisations that are requested in view of a specific project will be examined on a case-by-case basis.</p> <p>Companies are no longer required to submit resolutions for authorisation to issue bonds or similar securities. If however such resolutions are proposed, they will be supported unless the company has a debt-to-equity ratio of 1.5 or higher.</p>

D. Financial information and disclosures

Shareholders have the right to accurate, concise and transparent accounts in order to be able to assess the financial standing of the company and take informed voting decisions. The financial information should be accompanied with contextual information explaining key changes between reporting periods. Reporting to shareholders should include information on risks and uncertainty facing the company and elements that contribute to long term value creation.

Since the granting of discharge waives the shareholder's right of recourse gratuitously and is not in the shareholder's interest, resolutions that propose the granting of discharge will be systematically rejected in France but may be approved in other jurisdictions.

Topics	Principle & voting conditions
<i>Financial statements and statutory auditor reports</i>	SGPWM stresses the importance of good financial reporting and encourages companies to adhere to the highest international standards of information disclosure to investors. SGPWM generally votes to approve financial accounts, auditors' reports, auditor appointments and fees, unless reservations have been

	<p>expressed about the auditor's independence, the integrity of the information disclosed, or the amount of non-audit fees paid.</p> <p>To assess the independence of a statutory auditor, SGPWM checks that its total fees do not exceed 50% of its audit engagement fee, and that it has not been engaged by the company for more than 18 years.</p>
<i>Transactions between related parties / regulated agreements (specificity of the French market)</i>	<p>Related party transactions are closely monitored, especially when they involve the company's executive officers or Board members. The nature of the transaction, its pricing and other material aspects will be reviewed. The auditors' special report on related-party transactions will be reviewed on a case-by-case basis to ensure that these transactions are in the best interests of shareholders. Related-party transactions are assessed on the basis of their impact on the company's financial performance and must be in the interest of all shareholders. The information pertaining to these transactions must be accurate and made available to the shareholders in good time. We believe that such transactions should be individualised in so far as necessary, to prevent all such transactions from being refused due to a negative assessment one or more specific transactions.</p>
<i>Distribution of earnings and dividends</i>	<p>SGPWM generally supports the distribution of earnings and dividends, unless the payout ratio is unusually low or excessive in relation to the company's financial situation and the company has not provided a valid explanation for this. Thus, the amount of the dividend should not exceed the company's average free cash flow on a multi-year basis. Furthermore, the paying of dividends in shares by companies with little debt is considered inappropriate.</p>
<i>Change in the accounting period</i>	<p>SGPWM votes for resolutions to modify the period of the accounting year, unless this modification is motivated by the postponement of the ordinary general meeting.</p>
<i>Amendment of articles of incorporation</i>	<p>A company's articles of association are an essential element of corporate governance and are therefore of great importance to investors. Resolutions to amend a company's articles of association are often formulated in response to a change in rules, laws or regulations concerning the company, such as listing rules. Most of these amendments may relate to technical or administrative issues. However, they should be carefully considered as they are likely to have a significant effect on corporate governance.</p> <p>SGPWM votes on amendments to the articles of association on a case-by-case basis.</p>

E. External shareholder resolutions on social or environmental issues

The board of directors or supervisory board should be able to determine the environmental and social impact of the company's activities and identify potential business and reputational risks, while ensuring that adequate controls and procedures are in place to address these risks.

SGPWM will generally vote in favour of social and environmental resolutions that promote good corporate citizenship while enhancing shareholder and partner value over the long term.

The following factors are taken into consideration when voting on HR, social and environmental resolutions:

- Is the particular issue mainly a statutory rather than a regulatory matter?

- Has the company already responded adequately and sufficiently to the relevant issue or issues?
- Does the proposed resolution entail disproportionate constraints, in terms of scope, deadlines or cost?
- How does the company's approach to address the issue or issues referred to in the resolution compare with current practices in its sector?
- If the resolution proposals entail more disclosure or transparency, do shareholders currently receive a reasonably sufficient amount of information from the company, or have public access to such information?
- If the resolution proposals do not entail more disclosure or transparency, would the implementation of these proposals reveal proprietary or confidential information that could put the company at a competitive disadvantage?

The particular case of "Say on Climate"

With regard to "Say on Climate" resolutions, SGPWM will generally vote in favour of the following:

- Resolutions to improve the company's disclosure of information on its climate-change related financial, physical or regulatory risks, its operations and investments, or its identification, measurement or management of these risks
- Resolutions to get companies to provide targets for the greenhouse gas emissions generated by their activities and/or products.

Climate-related resolutions will be reviewed on a case-by-case basis. SGPWM will pay particular attention to:

- The transparency of the climate report
- The relevance and scope of quantitative targets
- Alignment with the Paris Agreement and the objective of carbon neutrality by 2050
- The monitoring of commitments and indicators.

F. Miscellaneous matters

Mergers and Acquisitions: Voting decisions on mergers and acquisitions are made on a case-by-case basis and in consideration of the following factors:

- Valuation – will shareholders receive reasonable value from the targeted acquisition?
- Market reaction – how has the market reacted to the proposed merger/acquisition?
- Strategic rationale – does the transaction make sense strategically? How does the proposed merger/acquisition generate value?
- Conflicts of interest – are insiders benefiting disproportionately and inappropriately from the transaction compared to non-insider stakeholders?
- Corporate governance – is the company that will result from the transaction likely to be governed more or less effectively than are the current companies?

Anti-takeover mechanisms: SGPWM generally votes against anti-takeover measures unless they enable shareholders to have the final say regarding any proposal or offering.

Please note that SGPWM's voting policy may vary according to the listing market and/or local best practices and transparency standards.

3.3. Policy on Securities Lending

SGPWM does not practice securities lending for conventionally managed funds. However, securities lending may be engaged in to optimise the management of certain structured financial products, which may be within the voting scope (i.e. those with portfolios that include direct investments in equities). Lent securities will be systematically repatriated before voting and the payment of dividends, unless this is prevented by legal and technical constraints, and provided that this is in the economic interest of our clients.

4. REPORTING

To provide its clients with the utmost transparency and comply with its legal obligations, SGPWM publishes an annual report on its website that presents the results of its engagement actions and the exercise of its voting rights (see section 2.3. Communication with relevant stakeholders).

This report, which is usually made available in the first quarter of the year, is divided into the following two parts:

4.1. Reporting on engagement actions

This section presents the number of companies with which SGPWM has exchanged over the past year, the various topics discussed and, where applicable, the impact that these exchanges may have had on voting at company general meetings.

4.2. Report on the exercise of voting rights

This section includes details of voting decisions from the past general meeting season, including, among others:

- The number of companies and general meetings on which resolutions were voted during the voting period;
- The proportion of the general meetings on which SGPWM voted in relation to the total number of general meetings included in SGPWM's voting perimeter ;
- The proportion of general meetings on which SGPWM voted in relation to the total number of general meetings for which SGPWM has voting rights;
- Cases in which the principles of SGPWM's voting policy were not followed;
- Cases of conflicts of interest arising during the voting period.

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