

# Covéa Finance

## Compliance Policy

# 1. Roles and responsibilities of COVEA FINANCE's Compliance Function

As an asset management company belonging to the COVEA Group, COVEA FINANCE is required to set up a Compliance Function adapted to its size, the nature of its activities and the risks it might have to face.

This Compliance Function aims to ensure the development of a compliance culture within COVEA FINANCE while securing the development and growth of the company's activities.

For this reason, the Compliance Function provides advice and assistance to the COVEA FINANCE teams and management in order to limit the risk of non-compliance within the company.

- Notion of the risk of non-compliance:

The Compliance Function is responsible for identifying the risks of non-compliance within COVEA FINANCE.

The risk of non-compliance is defined as a risk of legal, administrative or disciplinary sanction, of significant financial loss or of harm to COVEA FINANCE's reputation, arising from the failure to respect legislative or regulatory provisions applicable to the company, professional and ethical standards or instructions from the company's management.

- Notion of legislative or regulatory obligations, professional and ethical standards, instructions from the company's management:

COVEA FINANCE should adopt an organisation and internal procedures that comply with legislative and regulatory obligations. These obligations encompass all the standards of national or European law that might apply to asset management companies conducting their activities in France (AMF (Autorité des Marchés Financiers) [Financial Markets Authority] or ESMA [European Security and Markets Authority] regulations, company law, labour law, tax law, accounting law, regulations on personal data protection, etc.).

COVEA FINANCE should also respect the standards of the profession published notably through the Association Française de la Gestion [French Asset Management Association] (ethical codes and rules).

Lastly, the Compliance Function should also take into account the internal regulations formulated by COVEA FINANCE management, including them in the corpus of applicable standards.

## 2. Organisation of the Compliance Function

COVEA FINANCE has set up a Compliance and Internal Control system structured around four functions:

- The Compliance Function in charge of advising on and assisting with the implementation of legal and regulatory obligations;
- The Internal Control Function in charge of level 2 permanent internal control, which verifies the adequacy and effectiveness of the systems to control operational and non-compliance risks ;
- The Internal Audit function in charge of level 3 control, called "periodic control";
- The Risk Control Function in charge of the ex post facto control of market risks, and participating in level 1 (a) control.

The assignments and aims of each of these functions are defined in ad hoc policies.

### Positioning of the Compliance Function:

The Compliance Function is led by the Legal, Compliance, Audit and DPO officer, who reports directly to the General Management of COVEA FINANCE.

In this capacity, the Legal, Compliance, Audit and DPO officer submits an annual report to general management to report on the operational implementation of this policy.

Compliance also participates in the Audit and Compliance Committee, which is responsible for overseeing Covéa Finance's compliance programme.

### Main missions of the Compliance Function:

The Compliance Function participates throughout the process of identifying and controlling non-compliance risks, and more specifically in the following stages:

- Regulatory watch, impact study and assistance:
  - Monitoring changes in legal, regulatory and professional obligations;

- Carrying out the impact study on changes in legal, regulatory and professional obligations;
- Alert to management and operational staff in the event of changes and/or impact on the company's organisation;
- Regulatory and expertise projects:
  - Steering of regulatory projects or contribution of expertise on the regulatory and compliance aspects of projects led by the business lines;
  - Training and education of teams with regard to regulatory requirements;
- Validation of the compliance of internal standards, opinion and advice:
  - Validation of the compliance of policies and other internal directives;
  - Assessment of the opportunity of setting up policies or other internal directives, and monitoring the updating of these policies, or other internal directives in connection with the regular analysis of non-compliance risks and the monitoring work carried out;
  - Advice and assistance to the operational staff concerned in the conduct of their assignments so that they can perform the tasks entrusted to them in accordance with their professional obligations.

### 3. The Compliance Function's interactions with the Internal Control Function

To guarantee the effectiveness of COVEA FINANCE's Compliance and Internal Control system, the Compliance Function works in coordination with Permanent Control to ensure the maintenance of the consolidated risk map: identification, assessment and update of non-compliance risks through the compliance unit, and consolidation and maintenance of the global map by Permanent Control.

Recurring coordination committee meetings are also held between the Compliance Officer and the Permanent Control Officer to monitor the relations/dialogue with the supervisory authorities, discuss compliance notices issued or communicate regulatory changes and the implementation of transformation projects.

## 4. The Compliance Function's interactions with the business lines

COVEA FINANCE'S Compliance Function aims to develop a "compliance culture" within the company. As such, it is the business lines' preferred contact for all subjects regarding the identification or interpretation of laws, regulations, professional obligations or instructions given by the management (concerning compliance).

The Compliance Function may therefore be contacted by all members of the Management or by business line managers regarding any matter within its area of expertise. As part of these contacts, the Compliance Function is authorised to express opinions regarding compliance and give advice to ensure compliance with legislative, regulatory, professional and ethical standards, or management's compliance instructions.

All operational teams should provide their assistance in order to ensure the satisfactory progress of the Compliance Function's assignments, focusing on:

- Protecting COVEA FINANCE against any non-compliance risk;
- Ensuring the constant improvement of the processes and quality of service provided to COVEA FINANCE's customers.

## 5. The Compliance Function's interactions with regulators

As a general rule, the Permanent Control and Compliance Officers are the preferred contacts of the regulators (AMF, ACPR, CNIL, etc.); in this capacity they interact with the latter and manage relations on a day-to-day basis.

For investigations carried out by the Management in charge of monitoring market transactions, requests are sent to the Permanent Control Officer. Governance is set up between the Permanent Control Officer, the Compliance Officer and the Managing Director in charge of the support and control functions to discuss the responses to provide.

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