

A large, ornate fountain with multiple tiers and statues, set against a blue sky with clouds. The fountain is the central focus of the image, with water spraying from various points. The statues are dark green and gold, and the fountain is surrounded by a low wall.

COMPLIANCE POLICY

Updated:
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Roles and responsibilities of the Compliance Function

The Compliance Function is responsible for identifying the risks of non-compliance within Covéa 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 Covéa Finance's reputation, arising from the failure to respect legislative or regulatory provisions applicable to the company, professional and ethical standards or the company's internal procedures.

Compliance takes into account the guidelines formulated by management and works together with Covéa Finance teams to continuously improve compliance by all internal and external stakeholders with the rules applicable to the company.

To this end, the Compliance team provides ongoing advice and assistance to the teams and management, and participates in the formalisation of a work programme and a control plan. These work tools are reviewed annually and rolled out after validation by management.

Organisation of the Compliance Function

Covéa Finance has set up a Compliance and Internal Control system structured around three functions:

- The Compliance Function in charge of advising and assisting with the implementation of legal and regulatory obligations, the identification of non-compliance risks and specific controls on regulatory aspects;
- The Internal Control Function in charge of the permanent level two internal control, which verifies the adequacy and efficiency of the systems to control non-compliance and operational risks;
- The Internal Audit function in charge of level 3 control, called “periodic control”;

The assignments and aims of each of these functions are defined in the respective policies.

Compliance Function Hierarchy and Reporting

The Compliance Function is led by the Compliance and Internal Control Officer who reports directly to the General Management of Covéa Finance. The Compliance and Internal Control Officer performs his/her function independently and has the resources and expertise necessary for his/her function.

As such, the Compliance and Internal Control Officer sends an annual report to Executive Management to report on the operational implementation of this policy and any changes in the structure of the compliance function.

Compliance also participates in the Audit and Compliance Committee (COMAC). In this committee, the compliance function

Provides information on the adequacy and effectiveness of policies and procedures aimed at the company's compliance with its obligations.

Provides information on changes in the regulatory environment.

Reports on controls and results of compliance controls

Informs about the risks and anomalies detected (including customer complaints)

Details the compliance priorities and actions.

The compliance function shall inform the management body on an ad hoc basis if it detects a significant risk of the company not complying with its obligations.

Knowledge and experience

The compliance function must have the necessary expertise for these missions and access to regular training on the new supervisory requirements and priorities in order to be able to perform its role effectively.

Main duties 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:

- Updating of non-compliance risk maps, SAPIN II, AML/CFT, conflicts of interest according to the activities and regulatory issues identified.
- Regulatory monitoring, impact studies and support for Covéa Finance's business lines in controlling regulatory requirements. :
- Alerting management and operational staff to significant risks identified and regulatory changes affecting the company's organisation;
- Coordination of responses to supervisory authorities and monitoring of any post-control corrective measures.
- Team training and awareness building with regard to regulatory requirements.

- Management of projects in line with regulations and contribution of regulatory expertise to Covéa Finance projects, new products and activities.
- Implementation of the compliance control plan, particularly with regard to AML/CFT, complaints and potential conflicts of interest.

Compliance Function's Interactions with the Internal Control Function.

In order to ensure the effectiveness of Covéa Finance's Compliance and Internal Control system, these two teams remain separate from each other under the coordination of the Compliance and Internal Control Officer.

Compliance Function's interactions with the business lines

Covéa Finance's Compliance Function underpins the “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 Management or division managers regarding any matter within its area of expertise. In the framework of these contacts, the Compliance Function is authorised to express opinions regarding compliance and give advice to ensure compliance with ethical, professional, regulatory or legislative standards, or instructions from the management in terms of compliance.

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

- Protecting Covéa Finance against any risk of non-compliance;
- Protecting its accountable managers and all its employees;
- Helping to ensure the long-term continuity of Covéa Finance's business for the benefit of its customers;
- Ensuring the continuous improvement of processes and the quality of services provided to Covéa Finance's customers.

The Compliance Function can access all information it deems relevant for the performance of its function.

The Compliance Function's interactions with supervisory authorities

As a general rule, the heads of the Permanent Control and Compliance Functions 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 ICCO.

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