

# Report on intermediation fees and execution policy

## Financial year 2018

— Pursuant to the General Regulations of the French Financial Markets Authority, Covéa Finance is required to report on the intermediation fees paid during the financial year 2018 where the total exceeds €500,000. Intermediation fees are the fees including tax received directly or indirectly by the investment service providers working for Covéa Finance:

- fees associated with order execution services;
- fees associated with assistance services for decision-making in investment are covered by Covéa Finance with its own resources. This decision applies to individual management under mandate as well as collective management.

Intermediaries are selected for the order execution service on organised or OTC markets from among those previously referenced by an indexing committee. Once referenced, these intermediaries are reviewed by an ad hoc committee composed of Fund Management Directors, Fund Management team managers, the Legal Department, Middle Office unit and the internal control unit. Once a year, this committee examines the ratings established in an objective manner of the investment service providers regarding the quality of execution, and validates the quality of settlement-delivery. Meetings are arranged in accordance with the provisions set out in the intermediary selection procedure.

For the equity markets including ETFs and programme trading, the intermediation fees related to order execution services are included in the brokerage allocated to each intermediary on the list. Intermediation costs relating to the order execution service amounted to €4,968,030 for the 2018 financial year.

The objective of the intermediary selection procedure is also to prevent and manage any potential conflicts of interest. To this end Covéa Finance applies a single intermediation fee schedule structured by asset class and geographical region, regardless of the volumes handled.

Our execution and selection policies of investment service providers are available on our website under the «Publications», «Our Policies» section, or upon request.

As part of our activity, our intermediary selection policy will be modified.