

Report on the exercise of voting rights

Financial year 2018

Pursuant to the provisions of Article L.533-22 of the French Monetary and Financial Code and Articles 314-100 to 314-102 and 319-21 to 319-23 of the General Regulations of the French Financial Markets Authority, we hereby present our report for the financial year 2018 on the conditions under which Covéa Finance decided to exercise the voting rights attached to the securities held in the UCITS and AIF portfolios and mandates managed by it.

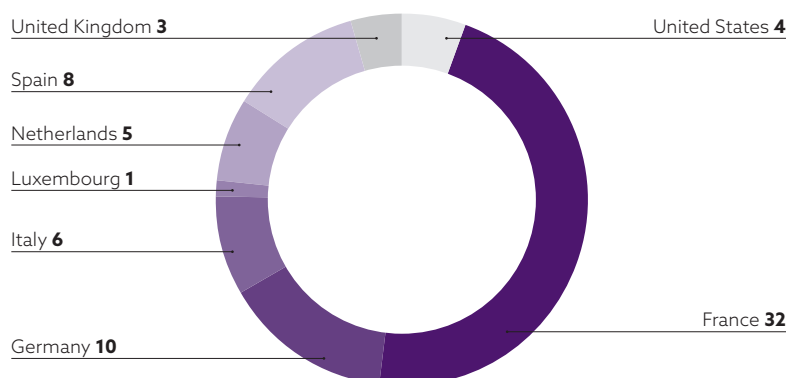
Within the framework of its «voting policy» document, Covéa Finance committed for the thirteenth year to mandatory voting for portfolio management companies in accordance with the following criteria:

- To vote in the meetings of its twenty largest positions accumulated in companies of the European Union in UCITS, AIF and mandate portfolios as at 31 December 2017 (unless these securities were sold as of the date of the General Meeting);
- To only take into account registered securities;
- To make every effort to exercise voting rights in listed European companies supported by Covéa Finance on a long-term basis and notably mid-cap companies in which Covéa Finance has a significant holding (over 1.5% of the capital and voting rights). Covéa Finance also undertook to vote in the General Meetings of companies which it assists in a long-term approach in the United States. However, this voting was suspended during the year due to legal and administrative complications.

GENERAL MEETINGS VOTED:

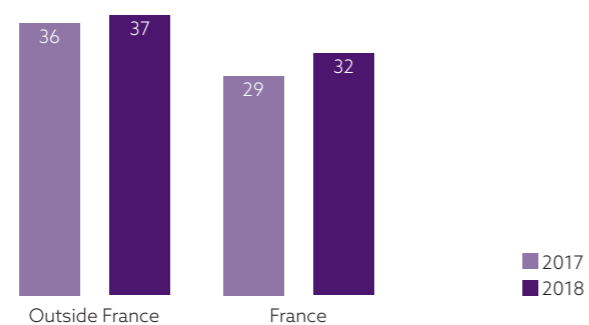
As of 31 December 2018, Covéa Finance exercised its voting right in 65 European General Meetings, of which 32 were in France and 33 outside France. Covéa Finance also exercised its voting rights in four General Meetings in United States prior to the suspension of the voting rights in this geographical area, for the abovementioned reasons.

General Meetings voted in 2018, by country



As part of the redesign of Covéa Finance's voting policy initiated in 2016 and pursued in 2017 and 2018, the company decided to enable an in-depth and personalised shareholder dialogue with the various companies it votes on.

Moreover, as part of the standardisation of procedures, Covéa Finance decided not to vote at General Meetings concerning lock-up periods on the securities.

CHANGES IN THE EXERCISE OF VOTING RIGHTS - 2017/-2018

At 31 December 2017, the total number of companies in which Covéa Finance could have a voting right stood at 445 representing a volume of listed shares of €10,586,592,987 (provided that the shares on the date of the meeting scheduled in 2018 were included in a mandate, AIF or UCITS portfolio). The number of companies comprising the vote chosen by the company as at 31 December 2017 amounted to 71 (including the US companies for which voting was suspended during the financial year). Companies not included in the voting established by the company at the beginning of the year were included in the vote at their request.

Participation rate	69/445
Rate restricted to the scope defined by the fund management company	69/71

Breakdown of votes:

Resolutions for	978
Resolutions against	184
Abstentions	1
Total number of resolutions voted	1,163
Out of a total number of approved resolutions of	1,142
Resolutions not approved by the Board - vote for	9
Resolutions not approved by the Board - vote against	12

N.B.

Resolutions approved = resolutions previously validated by the Board of Directors.

Resolutions not approved = resolutions for which the Board of Directors issued a negative recommendation or did not issue a prior opinion.

Reasons for negative votes

(including the votes «against» the approved resolutions and the votes «for» resolutions not approved)

SUBJECT OF RESOLUTION	FRANCE	EUROPEAN UNION	EUROPE OUTSIDE EUROPEAN UNION	OUTSIDE EUROPE
Appointment of the members of the Board of Directors or Supervisory Board	26	28	-	6
Appointment and remuneration of statutory auditors	4	0	-	0
Amendments to the Articles of Association having a negative impact on the rights of shareholders	2	1	-	-
Approval of statutory agreements	4	0	-	-
Capital transactions considered an anti-takeover* mechanism	3	-	-	-
Financial transactions/mergers	33	10	-	-
Remuneration of directors and employee share ownership	49	7	-	1
Employee shareholding	2	-	-	-
Approval of financial statements and allocation of earnings	-	-	-	-
External resolutions (not approved by the Board)	-	1	-	5

* The transactions taken into account are the following: delegations to the Board to issue warrant subscriptions; authorisations concerning the share redemptions up to 10%; amendment to the Articles of Association concerning the double voting right, etc.

Cases where Covéa Finance was unable to comply with the principles set out in its Voting Policy:

In 2018, Covéa Finance did not vote against its voting policy.

Covéa Finance will provide shareholders with details of the votes on request.

Cases where Covéa Finance found itself in a conflict of interest:

None

N.B. This report does not cover strategic Covéa Group holdings.