



REPORT ON THE EXERCISE OF VOTING RIGHTS IN 2019

FEBRUARY 2020



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Completed to be written on February 20, 2020

In the framework of its responsible investor policy, ODDO BHF Asset Management SAS considers that the exercise of voting rights is an integral part of its responsibility as a shareholder. Its attendance of annual general meetings ensures that companies, through their strategy, risk management and governance, create long-term value, a source of performance for their shareholders.



Reminder of the principles of the voting policy

To determine its votes, ODDO BHF Asset Management SAS uses the “Recommendations on Corporate Governance” drawn up by the AFG (French investment management association), of which it is a member, and the Afep-Medef code, and takes into consideration its commitments as a signatory to the PRI (United Nations Principles for Responsible Investment) regarding environmental, social and governance criteria.

As a general rule, ODDO BHF Asset Management SAS votes above a holding threshold of 0.25% of the equity capital of European companies held jointly by all its portfolios, and systematically for all companies in portfolios incorporating ESG criteria in the investment process.

On the basis of its voting principles, ODDO BHF Asset Management SAS uses the services of an external provider, ISS, to analyse resolutions and the outcome of votes. ISS’ recommendations are submitted to fund management teams, who take the final voting decision.

Exercise of voting rights in 2019

1. General voting statistics

Votes at AGMs

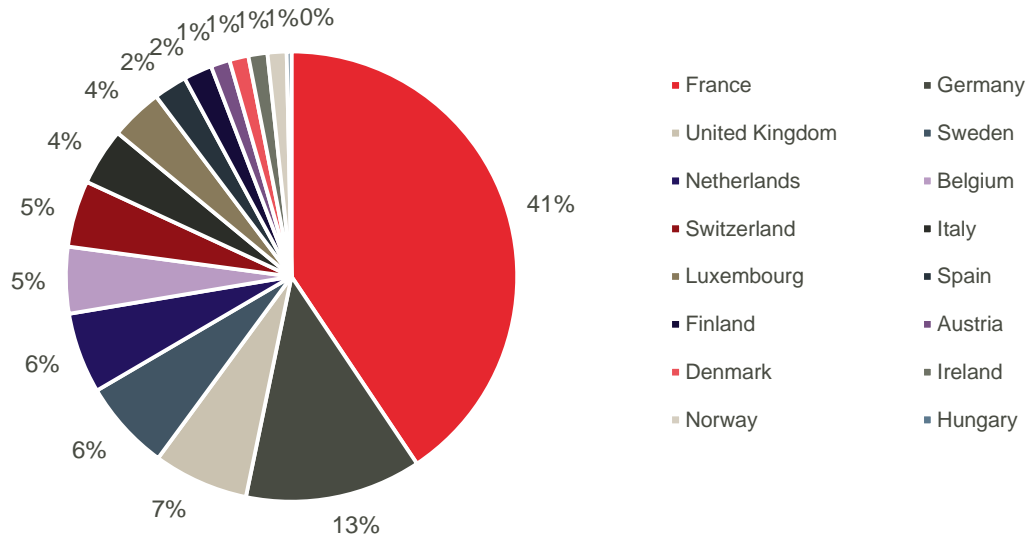
In 2019, ODDO BHF Asset Management SAS voted at the AGMs of **293 listed European companies**, representing 4413 resolutions. The number of companies in which ODDO BHF Asset Management SAS had voting rights and for which it could have exercised its rights over this period was 298. Consequently, its participation rate at the AGMs of portfolio companies was **98.3%**.

From a geographical perspective, France represented 41% of AGMs voted at in 2019, ahead of Germany (13%), the UK (7%) and Sweden (6%).

The participation rate was 100% in all countries where ODDO BHF Asset Management SAS voted at AGMs, with the exception of France (98.32%), Sweden (94.74%), Belgium (92.86%) and Switzerland (85.71%).

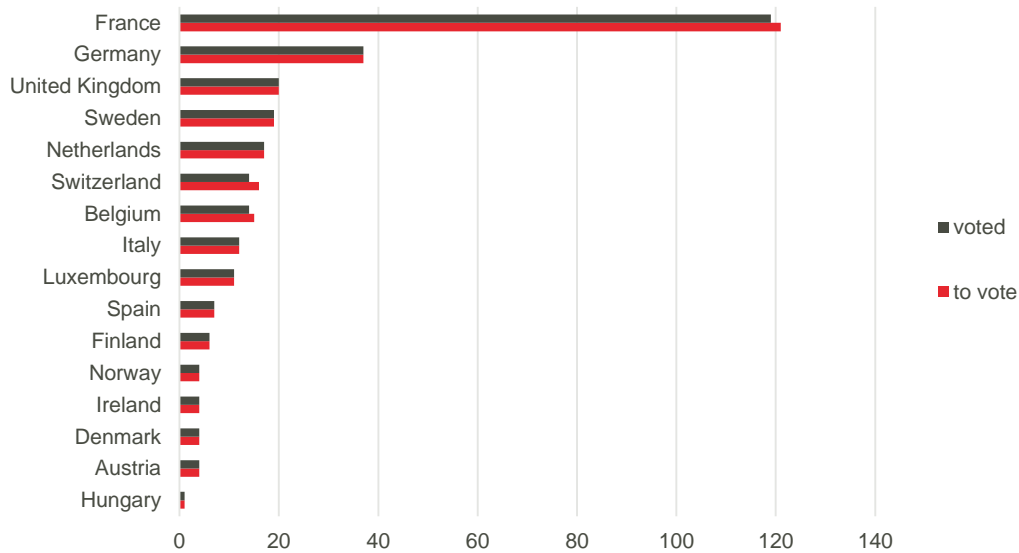


Geographical breakdown of votes at AGMs in 2019



Sources: ISS, ODDO BHF Asset Management SAS, 31/12/2019

Gap between potential and voted AGMs

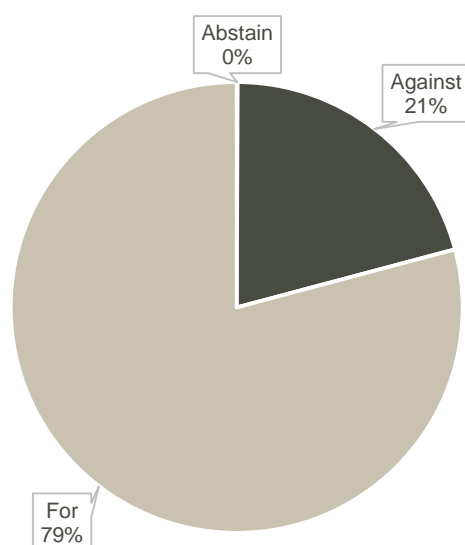


Sources: ISS, ODDO BHF Asset Management SAS, 31/12/2019

Breakdown of votes by resolutions

Of the 4,515 possible resolutions in 2019, ODDO BHF Asset Management SAS voted on **4,413**, representing a **participation rate of 97.7%**. **Opposing votes** represented **20,8%**.

Breakdown of votes by nature



Sources: ISS, ODDO BHF Asset Management SAS, 31/12/2019

History of "for" and "against" votes

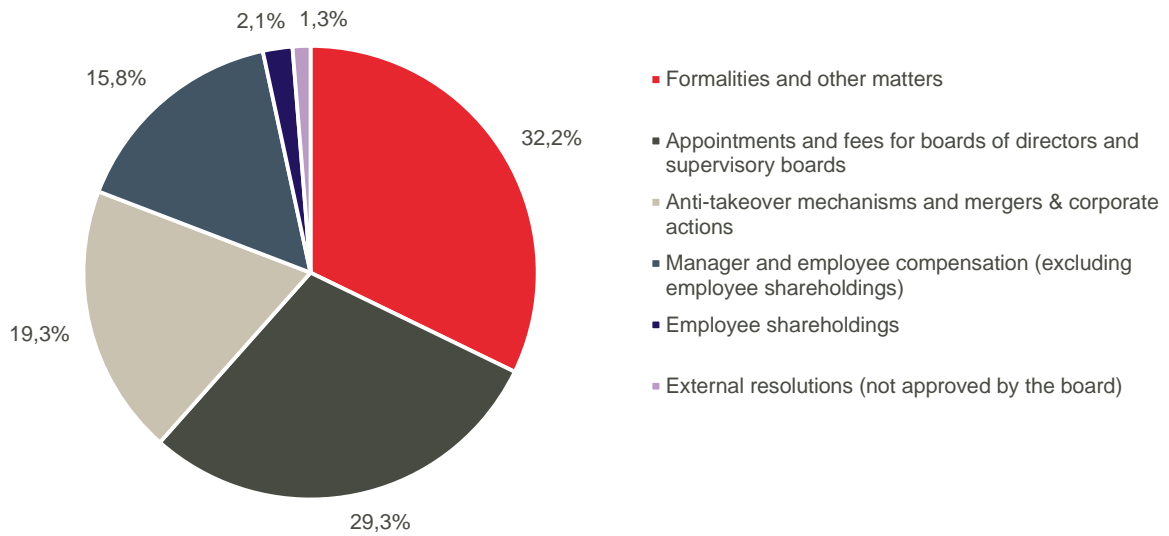
Year	Number of resolutions	% of „for" vote	% of „against" vote
2012	3143	90,10%	9,90%
2013	2963	89,35%	10,18%
2014	6037	86,90%	13,07%
2015	6244	85,14%	14,78%
2016	6499	85,13%	14,61%
2017	6582	82,98%	16,96%
2018	6679	84,00%	16,00%
2019	4413	79,15%	20,78%

Source: ODDO BHF Asset Management SAS, 31/12/2019



Broken down by category, 32% of our votes in the 2019 financial year involved formalities and similar matters (approval of accounts, amendments to articles of incorporation, and external auditor appointment and compensation); 29% involved appointments and fees for boards of directors or supervisory boards; 19%, anti-takeover mechanisms, and mergers & corporate actions; and 16%, manager and employee compensation.

Breakdown of resolutions voted on by category



Sources: ISS, ODDO BHF Asset Management SAS, 31/12/2019

The approval rate of resolutions varied from 60.6% to 100% depending on the geographical origin of companies whose AGMs were attended by ODDO BHF Asset Management SAS.

Geographical breakdown of “for” votes

Countries	Number of companies	% of “for” votes
Austria	4	61%
Belgium	9	84%
Denmark	4	73%
Finland	6	95%
France	107	73%
Germany	37	80%
Hungary	1	100%
Ireland	4	72%
Italy	12	67%
Luxembourg	10	88%
Netherlands	16	94%
Norway	4	83%
Spain	6	92%
Sweden	17	89%
Switzerland	7	79%
United Kingdom	18	96%

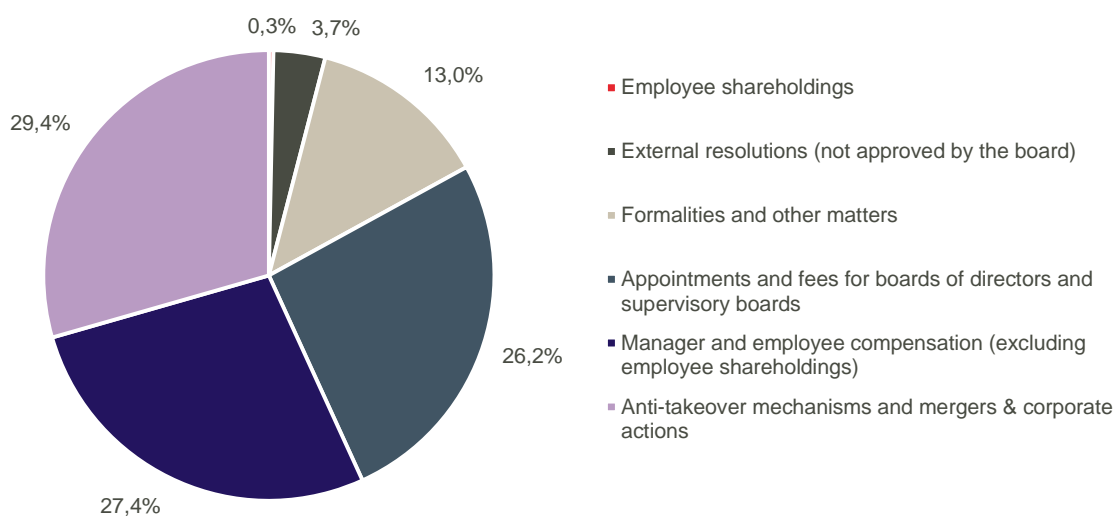
Sources: ISS, ODDO BHF Asset Management SAS, 31/12/2019



2. Analysis of opposing votes

In 2019, ODDO BHF Asset Management SAS opposed 917 resolutions. The majority of opposing votes in 2019 were concentrated on financial operations and mergers (29,4%), management remuneration (27,4%), and the appointment and attendance fees of directors (26,2%).

Breakdown of opposing votes by category



Sources: ISS, ODDO BHF Asset Management SAS, 31/12/2018

As a reminder, our voting policy pays particular attention to these three subjects.

- Management remuneration: we assess the structure of remuneration, with a particular focus on the transparency and readability of information presented, and its alignment with the company's medium- and long-term performance.
- Financial operations and mergers: ODDO BHF Asset Management SAS does not back resolutions authorising a merger or acquisition if the financing is not favourable, if the company's structure following the operation does not reflect good governance and if there are concerns that the negotiation process could have had a negative impact on the assessment of the offer terms.
- Nomination and attendance fees of directors: we are watchful that boards of directors of supervisory boards respect a minimum independence rate (50% for non-controlled companies and 33% for controlled companies) and demonstrate efforts to improve diversity and that directors do not accumulate too many mandates.

3. Resolutions submitted by shareholders (not approved by the Board)

In 2019, ODDO BHF Asset Management SAS voted on 62 external resolutions submitted by shareholders, with 23 votes “For” and 39 votes “Against”.

Most “against” votes were in relation to nominations of corporate officers.

4. Management of conflicts of interest

ODDO BHF Asset Management SAS did not encounter any conflicts of interest in relation to votes exercised in 2019.



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