



VOTING POLICY

JANUARY 2019



ODDO BHF Asset Management SAS, an investment management company certified by the French Financial Markets Authority (AMF) under number GP-99011, is governed by the provisions of the AMF General Regulations. Accordingly, and by virtue of Articles 319-21 and 321-132 of said Regulations, this document presents its policy for voting at annual shareholder meetings.

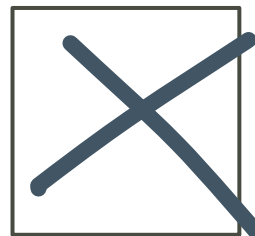
Agenda

PART ONE: Organising the exercising of voting rights	3
Voting scope	4
Review of resolutions and voting instructions	4
Responsibility for votes	5
How voting rights are exercised	5
PART TWO: Voting policy principles	6
Approval of accounts and strategies	7
Board membership and operation	8
Corporate actions	10
Executive compensation	11
Other types of resolutions	12
PART THREE: Managing conflicts of interests	13



PART ONE:

Organising the exercising of voting rights



ODDO BHF Asset Management SAS believes that exercising voting rights is an integral part of its responsibility as a shareholder. We regard our profession as investment managers from the point of view of investors and therefore believe that participating in annual general meetings (AGMs) is in the interests of our fund unitholders.

Participating in AGMs helps us ensure that entrepreneurs' strategies, risk management and governance are creating value over the long term, which is a source of returns for their shareholders.

In deciding how to vote, ODDO BHF Asset Management SAS bases itself on a document entitled "Recommendations on Corporate Governance" (*Recommandations sur le Gouvernement de l'Entreprise*), published by the French Investment Management Association (AFG), of which it is a member, on the AFEP-MEDEF code, and on its commitments as a signatory of the United Nations Principles for Responsible Investment (UN PRI) with regard to environmental, social and governance issues.

Voting scope

- ODDO BHF Asset Management SAS votes at shareholder meetings of European companies that are listed in the CAC All Tradable index of French stocks and the FTSE Eurofirst 300 index of European stocks, of which its stock-picking funds collectively hold a stake of more than 0.25%. It is true that in very rare cases the investment management company cannot vote for reasons of efficiency, costs and timeliness.
- Moreover, ODDO BHF Asset Management SAS strives to vote at the meetings of all companies held in its portfolios that integrate ESG (environmental, social and governance) criteria into their investment process.

Review of resolutions and voting instructions

- In accordance with its voting principles, ODDO BHF Asset Management SAS calls on an external service provider, ISS, to review resolutions and help it decide how to vote.
- The middle office is responsible for the operational implementation of the exercising of voting rights.

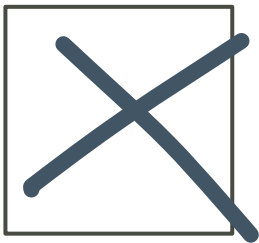
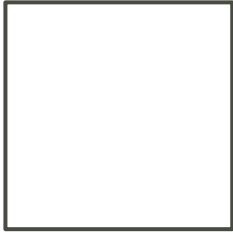


Responsibility for votes

- ISS's recommendations are submitted to the investment management teams, which make the final decision on how to vote.
- A committee has been set up to manage conflicts of interest when they do occur. It is headed by the chief compliance officer of ODDO BHF Asset Management SAS and includes the company's co-chief investment officer and the chief compliance officer of ODDO BHF group.
- Its decisions are reported to the Management Committee of ODDO BHF Asset Management SAS.

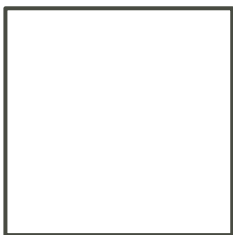
How voting rights are exercised

- In the vast majority of cases, voting is done by mail, i.e., on paper for French equities, by fax and Internet for European equities, and for the fund's depositary and sub-custodians.
- Online voting is being developed as secured voting progresses, depending on the country.
- In some rare cases, the manager may wish to attend the AGM in person.



PART TWO:

Voting policy principles





ODDO BHF Asset Management SAS draws a distinction in voting between non-controlled and/or family-held companies and controlled companies regarding the minimum number of independent directors, the number of times a director may be re-elected, and the length of their terms of office.

For controlled companies, special attention is paid to governance within the boards of directors. This helps forestall risks of conflicts of interest and protect minority shareholders.

When it intends to vote against a resolution, ODDO BHF Asset Management SAS strives to notify the company of its intentions prior to the AGM, especially in the case of controlled companies.

Approval of accounts and strategies

- Approval of parent company and consolidated accounts:

ODDO BHF Asset Management SAS generally votes in favour of resolutions with the exception of the following situations:

- if there are issues with the accounts, resulting in the refusal to certify them or if the external auditors express reservations; and
- if the company does not answer shareholders' questions regarding specific information that must be disclosed publicly.

- Appointment of external auditors

We vote against the appointment of external auditors in the following cases:

- failure to comply with turnover at least once every 10 years (or 24 years if co-external auditors are involved), in accordance with European Directive 2014/56/EU on legally required audits of annual accounts and consolidated accounts;
- if there are serious doubts with regard to the accounts presented or the auditing procedures used;
- if the external auditors have been replaced without explanation;
- if their consulting fees are higher than auditing fees;
- if they may be considered to be affiliates of the company;
- substitute external auditors must not be affiliated with the main external auditors.

- Earnings distribution policy

ODDO BHF Asset Management SAS pays special attention to ensuring that the shareholder return policy is consistent with the company's strategy and long-term interests. We vote against paying out dividends that seem excessive with regard to the company's financial situation.

Likewise, we vote against dividend resolutions that do not include a cash payment option, unless company management can prove that such an option would undermine shareholder value.

- Approval of related-party agreements (France)

ODDO BHF Asset Management SAS votes against the approval of related-party agreements in the following cases:

- if the special report of the external auditors is not accessible at least 21 calendar days prior to the first announcement of the meeting date for all main companies;
- if the special report of the external auditors mentions an agreement between a non-executive director and the company for the provision of consulting services (including all professional services).

Board membership and operation

So that shareholders may exercise their voting rights in an informed manner, companies are asked to send them detailed and transparent disclosures sufficiently in advance of the AGM.

The principle of separating management and supervision is recommended, but combining the two roles may be a satisfactory option if the board has the resources to play its supervision and guidance roles.

Managers' and directors' compensation and fringe benefits should be of a level that aligns their interests with the company's long-term performance and the interests of long-term shareholders.

Lastly, ODDO BHF Asset Management SAS, depending on the company's size and geographical exposure, pays special attention to voting in the direction of a diversity of profiles on the board in terms of gender, nationality, age and expertise.

- Election of directors (background)

ODDO BHF Asset Management SAS votes against the election of a director in the following cases:

- if the director is not a shareholder of the company in an amount at least in line with his/her annual director's fees;
- if there have been suspicious transactions combined with conflicts of interests;
- if abuses have been discovered that run contrary to the interests of minority shareholders;
- if there are specific concerns regarding the person, such as criminal offenses or a violation of fiduciary responsibilities;
- if repeated absences from board meetings have not been explained.



- Independence

ODDO BHF Asset Management SAS reviews this criteria on a case-by-case basis in drawing a distinction between controlled companies and other companies. By “controlled” we mean a company having one shareholder or a group of core shareholders holding at least 30% of the voting rights and without whose approval no strategic deal is possible.

We nonetheless advocate a level of independence of at least 33% for controlled companies and 50% for non-controlled companies.

In accordance with AFG recommendations, to be considered independent, a director must not:

- be an employee or an executive director of the company or of a company belonging to its parent group, or have been one in the past five years;
- be an employee or executive director of a significant shareholder of the company or of a company belonging to its parent group;
- be an employee or executive director of a significant and usual commercial, banking or financial partner of the company or of companies belonging to its parent group;
- have been a company auditor within the five most recent years;
- have been a member of the company’s board of directors or the supervisory board for a period of more than the past 12 years.

- Term lengths

ODDO BHF Asset Management SAS reviews this criteria on a case-by-case basis in drawing a distinction between controlled companies and non-controlled ones. Even so, terms should preferably be no longer than four years.

- Board structure

We are not in favour of resolutions:

- on mandatory retirement age for directors, although no more than one third of the directors should be older than 75;
- that modify the board’s organisational set-up or size amidst a fight for control of the company or the board.

- Non-voting members

ODDO BHF Asset Management SAS believes that non-voting members should only be used in exceptional cases and that such use should be explained precisely (to manage a succession, for example) to shareholders prior to the AGM.

- Directors’ fees

ODDO BHF Asset Management SAS votes against the compensation of non-executive directors when:

- the size of the directors' fees is excessive compared to other companies in the same country or sector;
- there are proposals for introducing pensions.
- Committees reporting to the board

ODDO BHF Asset Management SAS believes that one key factor in good corporate governance is the existence of an audit committee with a majority of non-executive directors and at least one third of whose members are independent.

We vote against the election or re-election of any director (including the chairman and CEO) who sits on the remuneration and/or audit committee.

Corporate actions

- Request to issue new shares

We are in favour of requests to issue new shares with pre-emptive rights in an amount of up to 100% of currently outstanding shares.

For issues of new shares without pre-emptive rights amounting to more than 5% of outstanding shares, ODDO BHF Asset Management SAS reviews each situation on a case-by-case basis.
- Authorised capital increases

ODDO BHF Asset Management SAS votes against a capital increase if:

 - it would leave the company with less than 30% of its new authorised capital in circulation after adjusting for all the proposed issues;
 - the proposals aim to approve unlimited authorisations of capital increases.
- Capital reductions

ODDO BHF Asset Management SAS votes against resolutions to reduce share capital if the conditions are unfavourable for minority shareholders.
- Share buyback plans

We vote against share buybacks if:

 - they include no fail-safe measures against arbitrary or discretionary buybacks;
 - they occur during a public offer, in which case this is considered an anti-takeover pill.
- Redistribution of shares held in treasury

ODDO BHF Asset Management SAS votes against this if there is obvious evidence of abuse of authority in the past.



- Fusions and acquisitions

ODDO BHF Asset Management SAS does not support resolutions authorising a merger or acquisition if:

- financing is not favourable;
- the company's structure after the deal would not reflect good corporate governance;
- the companies fail to provide sufficient information after a request that would allow shareholders to make an informed voting decision;
- there are concerns regarding the negotiation process that may have had a negative impact on evaluating the terms of the offer.

- Anti-takeover mechanisms

We oppose all anti-takeover proposals unless they are structured in such a way as to allow shareholders the final decision on any proposal or bid.

Executive compensation

- Approval on say-on-pay

ODDO BHF Asset Management SAS is in favour of the principle of say-on-pay for manager compensation.

We evaluate executive compensation packages in ensuring in particular:

- the transparency and clarity of information presented (amounts awarded, nature of quantitative and qualitative criteria, and to what degree targets have been reached);
- alignment with the company's medium- and long-term performance;
- moderation (when compared to peer companies and in accordance with shareholder return and the company's economic results) ;
- the independence of the compensation committee

Moreover, ODDO BHF Asset Management SAS is in favour of integrating extra-financial criteria into executive remuneration packages while ensuring that these are commensurate, transparent and easily quantifiable.

- Redundancy payments

We are not in favour of redundancy payments to executive directors in the following cases:

- dismissal for misconduct;
- a departure on the manager's own initiative;
- poor economic performances preceding the departure.

Likewise, ODDO BHF Asset Management SAS shall vote against the resolution if there is no mention of performance terms and minimum seniority.

- Awarding free or performance-based shares to managers

ODDO BHF Asset Management SAS believes that managers should also be shareholders, in order to align their interests with those of shareholders. We are therefore in favour of such mechanisms under the following conditions:

- the total amount of current plans does not exceed 10% of total outstanding shares, in order to limit dilution;
- the awards are based on the achievement of long-term performance targets (at least three years);
- Performance terms must be detailed in resolutions authorising such plans.

Other types of resolutions

- Changes in the articles of incorporation

Resolutions resulting in a change in articles of incorporate are reviewed on a case-by-case basis.

- Shareholder proposals

External resolutions are analysed case-by-case. Generally speaking, ODDO BHF Asset Management SAS opposes all proposals that would incur heavy costs with little or no benefits, to the detriment of minority shareholders.

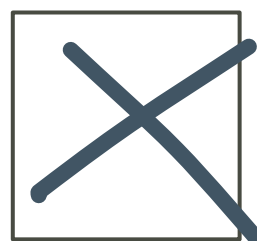
- Environmental and social resolutions

Resolutions involving environmental and social issues are reviewed on a case-by-case basis with the goal of furthering the shareholders' long-term interests, and in accordance with our ESG commitments as signatories of the United Nations' Principles of Responsible Investment (PRI).



PART THREE:

Managing conflicts of interests



ODDO BHF Asset Management SAS, a wholly owned subsidiary of ODDO BHF SCA, implements its own voting policy in accordance with current regulations.

- However, conflict-of-interest situations may occur if:
 - a ODDO BHF Asset Management SAS fund manager or a member of the Management Committee of ODDO BHF Asset Management SAS is a director of a listed company held by the funds;
 - the investment management company's independence is not guaranteed with regard to the ODDO BHF group's other activities.

These potential conflicts of interest must be reported to ODDO BHF Asset Management SAS Compliance and submitted to the Committee. Conflict-of-interest situations are then reviewed by the committee chaired by the chief compliance officer of ODDO BHF Asset Management SAS, which reports them to the investment management firm's senior management.

Disclaimer

ODDO BHF Asset Management SAS may not be held liable for the non-exercise or partial exercise of voting rights that are due to delays, negligence or breakdowns in publishing or sending the information and documents necessary for doing so.

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