
2019 Policy on voting for Shareholders' Meetings

As an asset management company DNCA watches over its investors' interests through active involvement in the Shareholders' Meetings of the companies in which the UCIs that it manages directly or by delegation have holdings.

Thus, in accordance with the provisions of articles 319-21 to 319-25 (FIA) and articles 321-132 to 321-134 (OPCVM) of the general regulations of the French Market Authority (Autorité des Marchés Financiers - AMF), the purpose of this document is to present DNCA's policy on voting at Shareholders' Meetings.

As a reminder, DNCA's management is completely independent. Its policy is to vote in the best interests of the shareholders and/or holders of its UCIs while respecting the various stakeholders of the issuing companies.

This voting policy is based on the AFEP-MEDEF governance code; AFEP-MEDEF has been developing governance standards since 1995 so that listed companies can improve their operations and management and make them more transparent.

*This policy drafted on 15/09/2018
is applicable as of 1 January 2019*

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Conditions for exercising voting rights



Voting scope



Timetable of Shareholders' Meetings



Voting instructions



Analysis of resolutions and voting responsibilities



VOTING SCOPE

DNCA exercises voting rights attached to securities held in portfolios that DNCA manages directly or by delegation and which it is responsible for exercising, under the following conditions:

- DNCA must vote if the cumulative assets of UCIs managed on the date of the Shareholders' Meeting in the event of physical attendance or on the deadline for sending ballot papers in the event of postal ballots, represents:
 - 1% or more of the equity in the company concerned;
 - Or 0.2% of the total UCI assets managed.

The above criteria are alternatives and not cumulative.

- It aims to vote systematically for all securities held in portfolios by any managed UCI with the SRI label ("SRI UCI").

In principle, DNCA does everything it can to vote at all Shareholders' Meetings related to securities held in portfolios by any SRI UCI, on the understanding that, as an exception, DNCA may not vote at as small a number of Shareholders' Meetings as possible.

The proportion of Shareholders' Meetings at which DNCA votes during the year for any SRI UCI is specifically indicated in the "Report on the exercise of voting rights" for the year in question.

- It votes in specific cases not covered by the above rules at the request of the asset management teams.
- DNCA votes at Shareholders' Meetings where the securities concerned have to be blocked during the period between the registration of the securities and the vote.



TIMETABLE OF SHAREHOLDERS' MEETINGS

The timetable of Shareholders' Meetings at which DNCA must participate in the light of the above criteria is drawn up in January of each year by the legal department.

The timetable covers all assets held in portfolios (all UCIs managed by DNCA, for which the latter is responsible for exercising voting rights, combined) for which the criteria on the voting scope are met.

The timetable is sent to all asset management teams when it is first drawn up. It is then updated regularly and at least twice a month. If the updates lead to the addition and/or removal of assets compared with the initial timetable drawn up, the legal department will circulate the timetable again to all the asset management teams. Asset managers can ask for the timetable to be sent to them at any time.



VOTING INSTRUCTIONS

In France, voting instructions are sent by post or by physical attendance at Shareholders' Meetings. For votes abroad, we use Broadridge (ProxyEdge) for online voting.

DNCA usually claims the role of vote teller when its holding enables it to.



ANALYSIS OF RESOLUTIONS AND VOTING RESPONSIBILITIES

The asset management team analyses the resolutions presented and makes its voting decisions in accordance with DNCA's voting policy. However, if based on assessment of specific elements of a given resolution, the management team considers that it is in the best interest of unitholders or shareholders of DNCA funds to derogate, on an exceptional basis, from the voting policy, then DNCA will vote in that direction.

Internal analysis can be based on the AFG (French Asset Management Association) "AG SBF 120 Alerts". As part of its programme of monitoring Shareholders' Meeting resolutions, AFG publishes resolutions considered contrary to the corporate governance code. These recommendations are not binding on the asset management team's voting policy.

DNCA also uses the database produced by OFG, an independent research company, which focuses on the French market and specialises in analysis and organisation of the governance of listed companies.

Lastly, preparatory meetings for Shareholders' Meetings can be organised with issuers. These meetings give the DNCA asset management teams the opportunity to discuss with companies their draft resolutions to evaluate their relevance, while putting forward DNCA's point of view.

Membership and operation of the Board



Governance structure



Board membership



Appointment and reappointment of directors



Board diversity policy



Non-voting members



Committees reporting to the Board



Directors' compensation and fees



GOVERNANCE STRUCTURE

DNCA has no preference between a one-tier (Board of Directors) or two-tier (Management Board and Supervisory Board) structure provided the governance structures act in the interests of all shareholders.

Where there is a Board of Directors, DNCA favours separation of the offices of Chairman and Chief Executive Officer. However, specific situations may justify combining the offices, in which case appropriate measures of control and to ensure a balance of powers must be put in place (presence of an independent lead director, strengthening the Board independence requirements).



BOARD MEMBERSHIP

The Board of Directors performs the tasks conferred by the law and acts at all times in the corporate interest. It endeavours to promote long-term value creation by the company by considering the social and environmental aspects of its activities. If applicable, it proposes any changes to the articles of association that it considers appropriate.

DNCA attaches particular importance to the quality of the Board and to its membership being consistent with company strategy. In particular, its analysis is based on the following:

- The appropriate size for a Board is 5 to 15 members.
- Professional skills, complementary profiles and diversity (nationality, gender, ages) are essential selection criteria for directors.
- The membership must reflect the company's shareholders, as much as possible.
- The Board must be at least 40% women.
- The Board's independence must be complied with, with at least 33% independent directors if the company is controlled and at least 50% if the company is not controlled.
- The term of office for directors must be limited to 4 years, renewable twice.

DNCA analyses the independence of directors using the criteria in the AFEP-MEDEF code. Directors or Supervisory Board members must be independent. These company officers must therefore not have any potential conflicts of interest such as, for instance, being former senior executives or employees, current senior executives or employees, or senior executives or employees of partners (financial, commercial, consultants, etc.). The table below gives the AFEP-MEDEF independence criteria.

Independence of directors according to the AFEP-MEDEF Code

Criterion 1
Employee company officer within the previous 5 years

Not to be or to have been within the previous 5 years:

- An employee or executive officer;
- An employee, executive officer or director of a company consolidated within the company;
- An employee, executive officer or director of the company's parent company or a company consolidated within this parent company.

Criterion 2
Cross-directorships

Not to be an executive officer of a company in which the company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the company (currently in office or having held such office within the last 5 years) holds a directorship.

Criterion 3
Significant business relationships

Not to be a customer, supplier, commercial banker, investment banker or consultant that is significant to the company or its group, or for which the company or its group represents a significant portion of its activity.
The evaluation of the significance or otherwise of the relationship with the company or its group must be debated by the board and the quantitative criteria that led to this evaluation (continuity, economic dependence, exclusivity, etc.) must be explicitly stated in the annual report.

Criterion 4
Family ties

Not to be related by close family links to a company officer.

Criterion 5
Auditor

Not to have been an auditor of the company within the previous 5 years.

Criterion 6
Period of office exceeding 12 years

Not to have been a director of the company for more than 12 years. Loss of the status of independent director occurs on the date of the 12th anniversary.

Criterion 7
Status of non-executive officer

A non-executive officer cannot be considered independent if he or she receives variable compensation in cash or in the form of securities or any compensation linked to the performance of the company or group.

Criterion 8
Status of the major shareholder

Directors representing major shareholders of the company or its parent company may be considered independent, provided these shareholders do not take part in the control of the company.
Nevertheless, beyond a 10% threshold in capital or voting rights, the Board, upon a report from the Nominations Committee, must systematically review the qualification as independent in the light of the make-up of the company's capital and the existence of a potential conflict of interests.



APPOINTMENT AND REAPPOINTMENT OF DIRECTORS

The proper operation of a Board relies on the integrity, availability, skills and involvement of its directors. Thus, DNCA votes against candidates in the following situations:

- A candidate has been on the board for more than 12 years.
- A candidate has more than 5 executive and non-executive offices in listed companies (excluding subsidiaries).
- A candidate is proposed on the basis of considerations that are clearly unrelated to the sole interest of the company.
- A candidate, from his or her past behaviour, has not always respected the interests of minority shareholders.
- In the context of a financial restructuring operation, the candidates put forward for appointment or reappointment do not seem to have the skills required for the envisaged new strategy.
- In the context of a reappointment, a candidate who has too low an attendance rate at Board meetings.



BOARD DIVERSITY POLICY

Each Board must consider what the desirable balance of its membership and that of its committees must be, particularly in terms of diversity (representation of women and men, nationalities, age, qualifications, professional experience, etc.). It must make public in the report on corporate governance a description of the diversity policy applied to members of the Board of Directors as well as a description of the objectives of this policy, its implementation measures and the results achieved in the past financial year.

DNCA encourages diversity of Board members to encourage optimal operations and a balance of powers.

In particular, with regard to the representation of women, DNCA encourages alignment with European laws, which recommend a minimum threshold of 40%.

In addition, DNCA promotes the representation of employees and employee shareholders on the Board.

Finally, in an extension of its responsible investment policy, DNCA encourages the presence of at least one, preferably independent, director, whose qualifications enable him or her to debate the labour relations, social and environmental issues facing the company.



NON-VOTING MEMBERS

DNCA favours the appointment of voting directors to the Board. Thus, we are not in favour of appointing non-voting members unless there are specific reasons to justify it.



COMMITTEES REPORTING TO THE BOARD

The formation of committees by the Board is vital for good preparation of meetings. The number and structure of committees are determined by the Board.

However, in addition to the tasks assigned to the Audit Committee by law, it is recommended that the compensation and appointment of directors and company officers should be the subject of preparatory work by a committee of the Board. As for the Board, we place particular importance on the membership of these committees and particularly on their independence.

In addition, as an extension of DNCA's responsible investment policy, this policy encourages the formation of a committee dedicated to corporate responsibility.



DIRECTORS' COMPENSATION AND FEES

The Compensation Committee is responsible for reviewing and proposing recommendations on the global amount of and methods used for the distribution of the fees awarded to directors. The total amount approved at the Shareholders' Meeting is set by the Board. It must take account of directors' actual attendance at meetings of the Board and the committees, and the amount shall therefore consist primarily of a variable portion. In addition, it must be consistent with the size of the company and its business sector.

Directors' participation in specialised committees may give rise to the award of additional directors' fees. Similarly, the exercise of special tasks such as that of lead director may give rise to additional fees or payment of extraordinary compensation subject to the application of the procedure for related parties agreements.

The amount of directors' fees must reflect the level of responsibility assumed by the directors and the time that they need to devote to their duties. We encourage directors' fees to be awarded under conditions relating to attendance at Board meetings. The rules for allocation of the directors' fees and the individual amounts of payments made in this regard to directors must be transparent and set out in the report on corporate governance.

DNCA strongly encourages directors personally to be shareholders and to hold a minimum number of shares that is significant in relation to the directors' fees awarded. If he or she does not hold these shares when assuming office, he or she must use his or her directors' fees to acquire them. The director must notify the company of this information and the company must publish it in its report on corporate governance.

Senior executives' compensation



Principles and transparency



Alignment with performance



Termination benefits



Senior executive shareholders



PRINCIPLES AND TRANSPARENCY

The compensation policy is a key tool for aligning senior executives' interests with shareholders' interests and we therefore pay particular attention to it.

The Board must debate the performance of senior executives in the absence of the interested parties. The Board is responsible for determining the compensation of senior executives on the basis of proposals made by the Compensation Committee. The Board must provide reasons for its decisions in such matters.

In order to determine the compensation of senior executives, the Board and committees must take into account and rigorously apply the following principles:

- **Comprehensiveness:** all the components of the compensation must be taken into account when determining the overall compensation level.
- **Balance between the compensation components:** each component of the compensation must be clearly substantiated and correspond to the corporate interest.
- **Comparability:** the compensation must be assessed in the context of a business sector and the reference market. It must also depend on the responsibilities assumed, the results achieved and the work performed. It may also depend on the nature of the tasks entrusted to him or her or on the specific situations (for example, turning around a company in difficulty).
- **Consistency:** the company officer's compensation must be determined in a manner consistent with that of the other senior executives and employees of the company.
- **Transparency:** the rules must be simple, stable and transparent. The performance criteria used must correspond to the company's objectives, and be demanding, explicit and, to the greatest extent possible, long-lasting.

DNCA considers that these principles apply to all compensation components, including long-term and extraordinary compensation. In France, the Sapin 2 law has made voting senior executives' compensation in the Shareholders' Meeting mandatory, thereby enabling shareholders to express their views first on the general principles of compensation and then on how the Board applies these principles.



ALIGNMENT WITH PERFORMANCE

DNCA considers that the compensation of senior executives must be competitive, adapted to the company's strategy and context and must aim, in particular, to improve its performance and competitiveness over the medium and long term, notably by incorporating one or more criteria related to social and environmental responsibility. The compensation must make it possible to attract, retain and motivate high-quality senior executives.

In the context of resolutions proposed at a Shareholders' Meeting, DNCA is:

- In favour of putting in place variable or extraordinary remuneration aligning senior executives' interests with those of shareholders. The quantitative and qualitative criteria must be clearly communicated in the annual report;
- In favour of incorporating quantitative, transparent and demanding extra-financial criteria linked to the Corporate Responsibility policy and the sustainability aspects specific to this policy;
- Against compensation deemed clearly excessive;
- Against setting up "top-up pension" plans.



TERMINATION BENEFITS

It is not acceptable that senior executives whose company has failed or who have personally failed receive benefits upon departure. The law gives a major role to shareholders by making these predefined benefits, paid on termination of office as a senior executive, subject to the procedure for related parties agreements. It demands total transparency and makes termination payments conditional upon performance conditions.

In addition to the requirements imposed by law, when a senior executive leaves the company, the financial conditions relating to his or her departure must be set out in detail. The information to be published comprises:

- The fixed compensation paid in respect of the current financial year;
- The way in which the annual variable compensation will be calculated for the current year and, if applicable, any extraordinary compensation;
- How ongoing multi-annual or deferred variable compensation plans, stock options that have not yet been exercised and performance shares not yet vested will be dealt with;
- The payment of any termination or non-competition benefits;
- Benefits from any supplementary pension schemes.

The performance conditions set by the Board for these benefits must be assessed over at least two financial years. They must be demanding and may not allow for the indemnification of a senior executive unless his or her departure is imposed.

In the context of votes on termination benefits at Shareholders' Meetings, DNCA is:

- Against the payment of termination benefits to a senior executive who elects to leave the company in order to hold a new position or is assigned to another position within the same group or is entitled to benefit from his or her pension rights;
- Against termination benefits exceeding two years of (annual fixed and variable) compensation unless a non-competition clause has been stipulated;
- Against the award of stock options or performance shares at the time of his or her departure.



SENIOR EXECUTIVE SHAREHOLDERS

To encourage the alignment of interests, DNCA is in favour of senior executives being shareholders.

Thus DNCA recommends a precise description of the policy for awarding stock options to senior executives. In particular, the nature of the options (purchase or subscription options), the frequency of the plans, and the conditions decided on by the Board for the exercise of the options must be specified. A summary table must show all the data relating to current option plans, as set out in the report on corporate governance:

- A description of the policy for awarding shares to senior executives, the conditions and, if applicable, the criteria defined by the Board;
- The number of performance shares awarded to each senior executive;
- A valuation at the time of the award;
- The fraction (of the capital) awarded to each senior executive.

During votes at Shareholders' Meetings, DNCA favours the following rules after a case-by-case analysis of the companies:

- Details are given of the award and performance conditions;
- The use of the various plans over the last three years is reported;
- The total amount of the current plans must not exceed 1% of the capital and must favour the use of existing shares to limit dilution.

Approval of accounts and management



Approval of accounts



Related parties agreements



Appointment and remuneration
of auditors



APPROVAL OF ACCOUNTS

DNCA approves accounts when no reservation or refusal of certification has been issued and when the auditors' report is included in the management report.



RELATED PARTIES AGREEMENTS

We examine the content of these transactions to determine their merit and their interest for the company and its minority shareholders. DNCA votes against related parties agreements when they are contrary to the company interest and/or when the transparency of these agreements is not sufficient to be able to analyse them.



APPOINTMENT AND REMUNERATION OF AUDITORS

Auditors are parties outside the company whose role is to check the accuracy and fairness of the annual accounts prepared by the company, by carrying out an accounting and financial audit.

In order for auditors to maintain total independence in their judgement, DNCA agrees with the European reform of audits and votes against appointments when the auditor's term of office exceeds 12 years (24 years in the case of joint auditors). In addition, we favour the appointment of substitute auditors who are independent of the main auditor.

Lastly, in the context of case law related to the Enron law in the USA (2001) DNCA is in favour of separating accounts certification activities from consultancy activities. This is why we pay particular attention to the fees received by the auditors and to their being primarily linked to certification activities.

Appropriation of profits and equity-related transactions



Appropriation of profits



Equity-related transactions



Equity-related transactions
during takeover bids



Convertible bonds



Mergers and acquisitions



APPROPRIATION OF PROFITS

DNCA pays particular attention to the shareholder return policy and desires it to be consistent with the company's results and strategy. After detailed analysis of the context of each company, DNCA opposes the appropriation of the profits if:

- The payment of higher dividends is to the detriment of investment in growth.
- Cash flow is not adequate to fund the dividend.



EQUITY-RELATED TRANSACTIONS

Resolutions on equity-related transactions are analysed on a case-by-case basis according to the structure of the transaction and its potential for dilution for shareholders. Any such transactions require clear strategic and financial justification.

With regard to share repurchase programmes, outside public offering periods, DNCA applies the following principles:

- It votes in favour of share repurchases up to 10% of capital.
- It specifically examines public share repurchase offerings with no predefined capital limit.

With regard to capital increases, DNCA applies the following principles:

- DNCA votes in favour of rights issues provided they do not exceed 50% of the number of existing shares. Beyond this threshold, the capital increase must be clearly justified and explicitly show a benefit for the shareholder.
- A restricted capital increase or private placement without a rights issue is limited to 10% of capital. As far as possible, DNCA desires priority subscription to be offered to shareholders. However, an equity-related transaction without rights issue with a higher threshold may be approved if it provides real value and is in the interest of all shareholders.

With regard to capital increases restricted to employees, we apply the following principles:

- A minimum holding period must be specified.
- The capital increase must not exceed 5% or 3% if the maximum discount is set at 30%.

Capital increases that are potentially cumulative must not exceed the threshold of 50% of all existing shares. Similarly, "greenshoe" resolutions regarding increases must also comply with this maximum threshold.

The specific case of capital increases restricted to specific investors (private placements, remuneration of non-cash contributions or public exchange offers) require maximum transparency and are analysed on a case-by-case basis.



EQUITY-RELATED TRANSACTIONS DURING TAKEOVER BIDS

The context of takeover bids is analysed on a case-by-case basis and shareholders are responsible for making the decision whether or not to authorise a takeover bid. For this reason, DNCA opposes any resolutions encouraging anti-takeover bid mechanisms. For example, DNCA is in favour of share repurchases proposed during a takeover bid period.



CONVERTIBLE BONDS

DNCA approves the issue of convertible bonds if the operation leads to the creation of potential shares amounting to less than 20% of existing shares.



MERGERS AND ACQUISITIONS

DNCA approves mergers or acquisitions when they are justified strategically and create long-term value.

Corporate responsibility



Shareholder rights and
information transparency



Incorporation of environmental
and social issues



SHAREHOLDER RIGHTS AND INFORMATION TRANSPARENCY

VOTING RIGHTS ATTACHED TO SHAREHOLDERS

DNCA is in favour of the general principle of “one share, one vote”.

However, for French companies, in the context of the Florange law, DNCA considers that holding shares in the medium term must be encouraged by incentive mechanisms such as payment of a higher dividend to loyal shareholders or the distribution of additional shares during free allocations, or even the allocation of double voting rights.

In the context of its long-term investment policy, DNCA places particular importance on all mechanisms to build shareholder loyalty, but it remains vigilant about ensuring that they are set up fairly and do not lead to excessive control at the expense of the minority shareholders.

For foreign companies, apart from the principle of double voting rights that may be granted to shareholders subject to a minimum holding period condition, DNCA opposes allocating multiple voting rights to certain shareholders.

Similarly, DNCA is against resolutions restricting voting rights, whatever the level.

MECHANISM FOR BUILDING LOYALTY OF EMPLOYEE SHAREHOLDERS

DNCA is in favour of free allocation programmes, stock options and capital increases restricted to employees (company savings plans, etc.) insofar as their total dilution does not exceed 1% of capital per financial year.

In general, DNCA prefers optional profit-sharing mechanisms offered to all staff.

CHANGES TO ARTICLES OF ASSOCIATION

The Board performs the tasks conferred by the law and acts at all times in the corporate interest. It endeavours to promote long-term value creation by the company by considering the social and environmental aspects of its activities. If applicable, it proposes any changes to the articles of association that it considers appropriate.

Each resolution involving a change to articles of association is analysed on a case-by-case basis. In general, DNCA is against:

- Transferring the head office to a country for reasons not justified by the company's real economic activities, particularly to tax havens;
- Changing the statutory age limit in the absence of succession planning.

GROUPED RESOLUTIONS

DNCA favours separate resolutions for separate decisions. It will vote against grouping several sub-resolutions in a single resolution. In particular, resolutions concerning appointments, capital increases and related parties agreements must be the subject of as many resolutions as there are decisions to make.

ROLE OF TELLER

DNCA desires to actively participate in the Shareholders' Meetings of the companies it invests in. Thus, DNCA systematically claims the role of teller when its holding in the company concerned permits, and at least when the Shareholders' Meeting is held in French territory.

The teller at Shareholders' Meetings is a person responsible for the proper conduct and counting of a ballot. The Meeting must set up a committee comprising a chairman and two tellers. The chairmanship is provided by the Board (or the chairman of the Board). The committee's task is to certify the attendance sheet on the basis of the information collected by the centralising entity, under the terms of the contract signed by the latter with the issuer (AMF Recommendation 2012-05) and to ensure the Meeting is conducted fairly. The two tellers are the two members of the Shareholders' Meeting with the largest number of votes and who accept this role (Article R225-101 (1) of the French Commercial Code). The tellers do not have powers in their own right but hold their powers from belonging to the committee. The committee is a collegial body. The role of the tellers is to assist the chairman of the Shareholders' Meeting, in particular by checking the validity of the votes and counting them. After the Shareholders' Meeting, the teller signs the minutes to indicate his or her agreement with its content, which he or she can refuse to do if he or she considers it necessary ("*Vade-mecum à l'attention des membres du bureau des assemblées générales*" (Handbook for committee members at shareholders' meetings) drawn up by AFEP in conjunction with ANSA).



INCORPORATION OF ENVIRONMENTAL AND SOCIAL ISSUES

Taking account of environmental and social risks and issues is an integral part of good corporate management and creates long-term value.

Therefore, DNCA encourages companies to communicate clearly and regularly on these matters. DNCA is particularly in favour of companies publishing an "Integrated Report" taking account of environmental, social and governance matters in the company's strategic and financial communications.

DNCA encourages companies to make sure that these issues are taken into account in their governance. This may involve setting up a Board committee devoted to these subjects, having one or more Board meetings a year devoted to these matters, and appointing independent directors with expertise in the environmental and/or social issues that the company has to deal with.

As an extension of its responsible investment policy¹, DNCA is in favour of resolutions on labour relations, social and environmental issues. These resolutions are analysed on a case-by-case basis, based on the ESG (Environmental Social Governance) issues and risks the company has to deal with, and with a constant concern to preserve sustainable growth and value creation.

Finally, in the event of serious failures or violations of the corporate responsibility principles, DNCA reserves the right, in addition to its regular engagement with the companies it invests in, to oppose certain resolutions (discharge, election of directors, compensation policy).

Our philosophy



PRINCIPLES

“Socially responsible investment (SRI) is a multi-faceted concept that is constantly evolving”¹ and involves a combination of economic and social requirements. SRI saw a major turning point in the 90s, when it widened its scope from predominantly ethical considerations to include the concept of sustainability. As a result, extra-financial criteria, ESG (Environmental, Social and Governance), have been gradually incorporated into financial management, moving from an informal framework to a statutory one.



DNCA'S DNA

DNCA Finance is a management company founded in 2000 by asset management experts specialising in private and institutional investors. Over the years, the founders have put together a team of experienced and well-regarded asset managers and developed a simple, clear and successful range of funds focused on conviction management. DNCA's investment choices are the result of deep and fundamental analysis of companies. Before investing, DNCA studies a security from all angles to select bonds and shares offering the best potential performance for the risk taken. Of course, DNCA's analysis and continuous dialogue with companies are marked by social concerns. Investments are firmly focused on long-term performance that considers all the risks and challenges that companies face. This is why governance has always been a key criterion whereas these days it is unthinkable to invest in a company without gaining assurances as to the quality of its senior executives, the independence of its control bodies and its respect for its minority shareholders.

DNCA has gradually incorporated social and environmental concerns into its approach, as it is convinced that they are relevant as it pursues its business: to select tomorrow's winners. Alongside financial analysis and value creators, ESG criteria have been logically incorporated into DNCA's management.



OUR CONVICTION

In 2017, DNCA Finance signed the United Nations Principles for Responsible Investment (UN PRI) to give a structured framework to our approach and to take part in industry discussions on the subject as an active long-term investor. This step has grounded our conviction as responsible asset managers in relation to our investor clients and to the companies we finance. We aim to offer a differentiating and innovative approach that evolves to meet new challenges as they arise. Therefore, our Responsible Investment policy distinguishes two concepts: Corporate Social Responsibility (CSR) and Sustainable Economic Transition. This result is the fruit of in-depth analysis of economic and social trends as well as on recognised expertise in SRI.

¹ ISR: Investissement Responsable (SRI: Responsible Investment), Hors Collection, Ellipse 2014



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