




| LEA 02                                 | Monetary   | Reason for Interaction |
|--|--|------------------------|
| Individual/ internal staff engagements | <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues<br><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional information<br><input checked="" type="checkbox"/> To engage investor ESG disclosure<br><input type="checkbox"/> Other: specify |                        |
| Collaborative engagements              | <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues<br><input type="checkbox"/> To enhance corporate transparency or identify the need for additional information<br><input type="checkbox"/> Other: specify  |                        |
| Service provider engagements           | <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues<br><input type="checkbox"/> To enhance corporate transparency or identify the need for additional information<br><input type="checkbox"/> Other: specify  |                        |

# RI TRANSPARENCY REPORT

## 2019

METROPOLE Gestion

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2019 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

| Symbol | Status  |
|--------|---|
| ✓      | The signatory has completed all mandatory parts of this indicator |
| ☑      | The signatory has completed some parts of this indicator          |
| 🔒      | This indicator was not relevant for this signatory                |
| -      | The signatory did not complete any part of this indicator         |
| Ⓜ      | The signatory has flagged this indicator for internal review      |

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

# Principles Index

| Organisational Overview |  |        |                              | Principle |   |   |   |   |   | General |
|-------------------------|--|--------|------------------------------|-----------|---|---|---|---|---|---------|
| Indicator               | Short description  | Status | Disclosure                   | 1         | 2 | 3 | 4 | 5 | 6 |         |
| OO TG                   |  | ✓      | -                            |           |   |   |   |   |   |         |
| OO 01                   | Signatory category and services  | ✓      | Public                       |           |   |   |   |   |   | ✓       |
| OO 02                   | Headquarters and operational countries                                       | ✓      | Public                       |           |   |   |   |   |   | ✓       |
| OO 03                   | Subsidiaries that are separate PRI signatories                               | ✓      | Public                       |           |   |   |   |   |   | ✓       |
| OO 04                   | Reporting year and AUM   | ✓      | Public                       |           |   |   |   |   |   | ✓       |
| OO 05                   | Breakdown of AUM by asset class  | ✓      | Asset mix disclosed in OO 06 |           |   |   |   |   |   | ✓       |
| OO 06                   | How would you like to disclose your asset class mix                          | ✓      | Public                       |           |   |   |   |   |   | ✓       |
| OO 07                   | Fixed income AUM breakdown   | ✓      | Public                       |           |   |   |   |   |   | ✓       |
| OO 08                   | Segregated mandates or pooled funds  | 🔒      | n/a                          |           |   |   |   |   |   | ✓       |
| OO 09                   | Breakdown of AUM by market   | ✓      | Public                       |           |   |   |   |   |   | ✓       |
| OO 10                   | Active ownership practices for listed assets                                 | ✓      | Public                       |           |   |   |   |   |   | ✓       |
| OO 11                   | ESG incorporation practices for all assets                                   | ✓      | Public                       |           |   |   |   |   |   | ✓       |
| OO 12                   | Modules and sections required to complete                                    | ✓      | Public                       |           |   |   |   |   |   | ✓       |
| OO LE 01                | Breakdown of listed equity investments by passive and active strategies      | ✓      | Public                       |           |   |   |   |   |   | ✓       |
| OO LE 02                | Reporting on strategies that are <10% of actively managed listed equities    | 🔒      | n/a                          |           |   |   |   |   |   | ✓       |
| OO FI 01                | Breakdown of fixed income investments by passive and active strategies       | ✓      | Public                       |           |   |   |   |   |   | ✓       |
| OO FI 02                | Reporting on strategies that are <10% of actively managed fixed income       | 🔒      | n/a                          |           |   |   |   |   |   | ✓       |
| OO FI 03                | Fixed income breakdown by market and credit quality                          | ✓      | Public                       |           |   |   |   |   |   | ✓       |
| OO SAM 01               | Breakdown of externally managed investments by passive and active strategies | 🔒      | n/a                          |           |   |   |   |   |   | ✓       |
| OO PE 01                | Breakdown of private equity investments by strategy                          | 🔒      | n/a                          |           |   |   |   |   |   | ✓       |
| OO PE 02                | Typical level of ownership in private equity investments                     | 🔒      | n/a                          |           |   |   |   |   |   | ✓       |
| OO PR 01                | Breakdown of property investments  | 🔒      | n/a                          |           |   |   |   |   |   | ✓       |
| OO PR 02                | Breakdown of property assets by management                                   | 🔒      | n/a                          |           |   |   |   |   |   | ✓       |
| OO PR 03                | Largest property types   | 🔒      | n/a                          |           |   |   |   |   |   | ✓       |
| OO INF 01               | Breakdown of infrastructure investments                                      | 🔒      | n/a                          |           |   |   |   |   |   | ✓       |
| OO INF 02               | Breakdown of infrastructure assets by management                             | 🔒      | n/a                          |           |   |   |   |   |   | ✓       |
| OO INF 03               | Largest infrastructure sectors   | 🔒      | n/a                          |           |   |   |   |   |   | ✓       |
| OO HF 01                | Breakdown of hedge funds investments by strategies                           | 🔒      | n/a                          |           |   |   |   |   |   | ✓       |
| OO End                  | Module confirmation page   | ✓      | -                            |           |   |   |   |   |   |         |

| CCStrategy and Governance |  |        |            | Principle |   |   |   |   |   | General |
|---------------------------|--|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator                 | Short description  | Status | Disclosure | 1         | 2 | 3 | 4 | 5 | 6 |         |
| SG 01                     | RI policy and coverage   | ✓      | Public     |           |   |   |   |   |   | ✓       |
| SG 01 CC                  | Climate risk   | ✓      | Public     |           |   |   |   |   |   | ✓       |
| SG 02                     | Publicly available RI policy or guidance documents                 | ✓      | Public     |           |   |   |   |   | ✓ |         |
| SG 03                     | Conflicts of interest  | ✓      | Public     |           |   |   |   |   |   | ✓       |
| SG 04                     | Identifying incidents occurring within portfolios                  | ✓      | Public     |           |   |   |   |   |   | ✓       |
| SG 05                     | RI goals and objectives  | ✓      | Public     |           |   |   |   |   |   | ✓       |
| SG 06                     | Main goals/objectives this year                                    | ✓      | Public     |           |   |   |   |   |   | ✓       |
| SG 07                     | RI roles and responsibilities                                      | ✓      | Public     |           |   |   |   |   |   | ✓       |
| SG 07 CC                  | Climate-issues roles and responsibilities                          | ✓      | Public     |           |   |   |   |   |   | ✓       |
| SG 08                     | RI in performance management, reward and/or personal development   | ✓      | Public     |           |   |   |   |   |   | ✓       |
| SG 09                     | Collaborative organisations / initiatives                          | ✓      | Public     |           |   |   | ✓ | ✓ |   |         |
| SG 09.2                   | Assets managed by PRI signatories                                  | 🔒      | n/a        | ✓         |   |   |   |   |   |         |
| SG 10                     | Promoting RI independently   | ✓      | Public     |           |   |   | ✓ |   |   |         |
| SG 11                     | Dialogue with public policy makers or standard setters             | ✓      | Public     |           |   |   | ✓ | ✓ | ✓ |         |
| SG 12                     | Role of investment consultants/fiduciary managers                  | ✓      | Public     |           |   |   | ✓ |   |   |         |
| SG 13                     | ESG issues in strategic asset allocation                           | ✓      | Public     | ✓         |   |   |   |   |   |         |
| SG 13 CC                  |  | 🔒      | n/a        |           |   |   |   |   |   | ✓       |
| SG 14                     | Long term investment risks and opportunity                         | ✓      | Private    | ✓         |   |   |   |   |   |         |
| SG 14 CC                  |  | ✓      | Public     |           |   |   |   |   |   | ✓       |
| SG 15                     | Allocation of assets to environmental and social themed areas      | ✓      | Public     | ✓         |   |   |   |   |   |         |
| SG 16                     | ESG issues for internally managed assets not reported in framework | 🔒      | n/a        |           |   |   |   |   |   | ✓       |
| SG 17                     | ESG issues for externally managed assets not reported in framework | 🔒      | n/a        |           |   |   |   |   |   | ✓       |
| SG 18                     | Innovative features of approach to RI                              | ✓      | Public     |           |   |   |   |   |   | ✓       |
| SG 19                     | Communication  | ✓      | Public     |           | ✓ |   |   |   | ✓ |         |
| SG End                    | Module confirmation page   | ✓      | -          |           |   |   |   |   |   |         |

| Direct - Listed Equity Incorporation |  |        |            | Principle |   |   |   |   |   | General |
|--------------------------------------|--|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator                            | Short description  | Status | Disclosure | 1         | 2 | 3 | 4 | 5 | 6 |         |
| LEI 01                               | Percentage of each incorporation strategy                                    | ✓      | Public     | ✓         |   |   |   |   |   |         |
| LEI 02                               | Type of ESG information used in investment decision                          | ✓      | Public     | ✓         |   |   |   |   |   |         |
| LEI 03                               | Information from engagement and/or voting used in investment decision-making | ✓      | Public     | ✓         |   |   |   |   |   |         |
| LEI 04                               | Types of screening applied   | ✓      | Public     | ✓         |   |   |   |   |   |         |
| LEI 05                               | Processes to ensure screening is based on robust analysis                    | ✓      | Public     | ✓         |   |   |   |   |   |         |
| LEI 06                               | Processes to ensure fund criteria are not breached                           | ✓      | Public     | ✓         |   |   |   |   |   |         |
| LEI 07                               | Types of sustainability thematic funds/mandates                              | 🔒      | n/a        | ✓         |   |   |   |   |   |         |
| LEI 08                               | Review ESG issues while researching companies/sectors                        | ✓      | Public     | ✓         |   |   |   |   |   |         |
| LEI 09                               | Processes to ensure integration is based on robust analysis                  | ✓      | Public     | ✓         |   |   |   |   |   |         |
| LEI 10                               | Aspects of analysis ESG information is integrated into                       | ✓      | Public     | ✓         |   |   |   |   |   |         |
| LEI 11                               | ESG issues in index construction   | 🔒      | n/a        | ✓         |   |   |   |   |   |         |
| LEI 12                               | How ESG incorporation has influenced portfolio composition                   | ✓      | Public     | ✓         |   |   |   |   |   |         |
| LEI 13                               | Examples of ESG issues that affected your investment view / performance      | -      | n/a        | ✓         |   |   |   |   |   |         |
| LEI End                              | Module confirmation page   | ✓      | -          |           |   |   |   |   |   |         |

| Direct - Listed Equity Active Ownership |  |        |            | Principle |   |   |   |   |   | General |
|---|--|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator                               | Short description  | Status | Disclosure | 1         | 2 | 3 | 4 | 5 | 6 |         |
| LEA 01                                  | Description of approach to engagement  | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA 02                                  | Reasoning for interaction on ESG issues                                      | ✓      | Public     | ✓         | ✓ | ✓ |   |   |   |         |
| LEA 03                                  | Process for identifying and prioritising engagement activities               | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA 04                                  | Objectives for engagement activities   | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA 05                                  | Process for identifying and prioritising collaborative engagement            | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA 06                                  | Role in engagement process   | ✓      | Public     |           | ✓ |   | ✓ |   |   |         |
| LEA 07                                  | Share insights from engagements with internal/external managers              | ✓      | Public     | ✓         | ✓ |   |   |   |   |         |
| LEA 08                                  | Tracking number of engagements   | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA 09                                  | Number of companies engaged with, intensity of engagement and effort         | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA 10                                  | Engagement methods   | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA 11                                  | Examples of ESG engagements  | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA 12                                  | Typical approach to (proxy) voting decisions                                 | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA 13                                  | Percentage of voting recommendations reviewed                                | 🔒      | n/a        |           | ✓ |   |   |   |   |         |
| LEA 14                                  | Securities lending programme   | ✓      | Private    |           | ✓ |   |   |   |   |         |
| LEA 15                                  | Informing companies of the rationale of abstaining/voting against management | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA 16                                  | Informing companies of the rationale of abstaining/voting against management | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA 17                                  | Percentage of (proxy) votes cast   | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA 18                                  | Proportion of ballot items that were for/against/abstentions                 | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA 19                                  | Proportion of ballot items that were for/against/abstentions                 | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA 20                                  | Shareholder resolutions  | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA 21                                  | Examples of (proxy) voting activities  | ✓      | Public     |           | ✓ |   |   |   |   |         |
| LEA End                                 | Module confirmation page   | ✓      | -          |           |   |   |   |   |   |         |

# METROPOLE Gestion

## Reported Information

## Public version

## Organisational Overview

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.



## Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

| Select the services and funds you offer                  | % of asset under management (AUM) in ranges   |
|--|---|
| Fund management  | <input type="radio"/> 0%<br><input type="radio"/> <10%<br><input type="radio"/> 10-50%<br><input checked="" type="radio"/> >50% |
| Fund of funds, manager of managers, sub-advised products | <input checked="" type="radio"/> 0%<br><input type="radio"/> <10%<br><input type="radio"/> 10-50%<br><input type="radio"/> >50% |
| Other  | <input checked="" type="radio"/> 0%<br><input type="radio"/> <10%<br><input type="radio"/> 10-50%<br><input type="radio"/> >50% |
| Total 100%   |   |

Further options (may be selected in addition to the above)

- Hedge funds
- Fund of hedge funds

OO 01.2

Additional information. [Optional]

METROPOLE Gestion is an asset management company. Fund management represents 100% of assets under management.

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

France

**OO 02.2** Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

**OO 02.3** Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

49

**OO 02.4** Additional information. [Optional]

All METROPOLE Gestion staff are based in Paris.

**OO 03** **Mandatory** **Public** **Descriptive** **General**

**OO 03.1** Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

**OO 04** **Mandatory** **Public** **Gateway/Peering** **General**

**OO 04.1** Indicate the year end date for your reporting year.

31/12/2018

**OO 04.2** Indicate your total AUM at the end of your reporting year.

Include the AUM of subsidiaries, but exclude advisory/execution only assets, and exclude the assets of your PRI signatory subsidiaries that you have chosen not to report on in OO 03.2

|               | trillions | billions | millions | thousands | hundreds |
|---------------|-----------|----------|----------|-----------|----------|
| Total AUM     |           | 3        | 879      | 578       | 102      |
| Currency      | EUR       |          |          |           |          |
| Assets in USD |           | 4        | 426      | 184       | 011      |

Not applicable as we are in the fund-raising process

OO 04.4

Indicate the total assets at the end of your reporting year subject to an execution and/or advisory approach.

|               | trillions | billions | millions | thousands | hundreds |
|---------------|-----------|----------|----------|-----------|----------|
| Total AUM     |           |          | 55       | 231       | 034      |
| Currency      | EUR       |          |          |           |          |
| Assets in USD |           |          | 63       | 012       | 707      |

Not applicable as we do not have any assets under execution and/or advisory approach

OO 06

Mandatory

Public

Descriptive

General

OO 06.1

Select how you would like to disclose your asset class mix.

as percentage breakdown

|                          | Internally managed (%) | Externally managed (%) |
|--------------------------|------------------------|------------------------|
| Listed equity            | 91.4                   | 0                      |
| Fixed income             | 8.6                    | 0                      |
| Private equity           | 0                      | 0                      |
| Property                 | 0                      | 0                      |
| Infrastructure           | 0                      | 0                      |
| Commodities              | 0                      | 0                      |
| Hedge funds              | 0                      | 0                      |
| Fund of hedge funds      | 0                      | 0                      |
| Forestry                 | 0                      | 0                      |
| Farmland                 | 0                      | 0                      |
| Inclusive finance        | 0                      | 0                      |
| Cash                     | 0                      | 0                      |
| Money market instruments | 0                      | 0                      |

|                    |   |   |
|--------------------|---|---|
| Other (1), specify | 0 | 0 |
| Other (2), specify | 0 | 0 |

as broad ranges

**OO 06.2** Publish asset class mix as per attached image [Optional].

**OO 06.3** Indicate whether your organisation has any off-balance sheet assets [Optional].

Yes

No

**OO 06.5** Indicate whether your organisation uses fiduciary managers.

Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.

No, we do not use fiduciary managers.

|              |  |               |                |                |
|--------------|--|---------------|----------------|----------------|
| <b>OO 07</b> | <b>Mandatory to Report Voluntary to Disclose</b> | <b>Public</b> | <b>Gateway</b> | <b>General</b> |
|--------------|--|---------------|----------------|----------------|

**OO 07.1** Provide to the nearest 5% the percentage breakdown of your Fixed Income AUM at the end of your reporting year, using the following categories.

|                           |                           |      |
|---------------------------|---------------------------|------|
| <b>Internally managed</b> | SSA                       | 69   |
|                           | Corporate (financial)     | 11   |
|                           | Corporate (non-financial) | 20   |
|                           | Securitised               | 0    |
|                           | Total                     | 100% |

|              |                  |               |                |                |
|--------------|------------------|---------------|----------------|----------------|
| <b>OO 09</b> | <b>Mandatory</b> | <b>Public</b> | <b>Peering</b> | <b>General</b> |
|--------------|------------------|---------------|----------------|----------------|

OO 09.1

Indicate the breakdown of your organisation's AUM by market.

Developed Markets

100

Emerging Markets

0

Frontier Markets

0

Other Markets

0

Total 100%

100%

### Asset class implementation gateway indicators

OO 10

Mandatory

Public

Gateway

General

OO 10.1

Select the active ownership activities your organisation implemented in the reporting year.

Listed equity – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors.

Listed equity – voting

- We cast our (proxy) votes directly or via dedicated voting providers
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

Fixed income SSA – engagement

- We engage with SSA bond issuers on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with SSA bond issuers on ESG factors. Please explain why you do not.

Please explain why you do not engage directly and do not require external managers to engage with companies on ESG factors.

We do not engage with sovereign issuers as our ESG Framework only takes into account corporates.

Fixed income Corporate (financial) – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

Fixed income Corporate (non-financial) – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

|       |           |        |         |         |
|-------|-----------|--------|---------|---------|
| OO 11 | Mandatory | Public | Gateway | General |
|-------|-----------|--------|---------|---------|

OO 11.1

Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

Listed equity

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - SSA

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - corporate (financial)

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - corporate (non-financial)

- We address ESG incorporation.
- We do not do ESG incorporation.

|       |           |        |         |         |
|-------|-----------|--------|---------|---------|
| OO 12 | Mandatory | Public | Gateway | General |
|-------|-----------|--------|---------|---------|

OO 12.1

Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Listed Equity incorporation

Listed Equity incorporation

Direct - Listed Equity active ownership

Engagements

(Proxy) voting

RI implementation via external managers

Closing module

Closing module

Peering questions

| OO LE 01 | Mandatory | Public | Gateway | General |
|----------|-----------|--------|---------|---------|
|----------|-----------|--------|---------|---------|

|            |   |  |  |  |
|------------|---|--|--|--|
| OO LE 01.1 | Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies. |  |  |  |
|------------|---|--|--|--|

Update: this indicator has changed from "Mandatory to report, voluntary to disclose" to "Mandatory". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

Percentage of internally managed listed equities

| Strategies                              | Percentage of internally managed listed equities  |
|---|---|
| Passive                                 | <input type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input checked="" type="radio"/> 0% |
| Active - quantitative (quant)           | <input type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input checked="" type="radio"/> 0% |
| Active - fundamental and active - other | <input checked="" type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input type="radio"/> 0% |
| Total 100%                              |   |

|          |           |        |         |         |
|----------|-----------|--------|---------|---------|
| OO FI 01 | Mandatory | Public | Gateway | General |
|----------|-----------|--------|---------|---------|

Update: this indicator has changed from "Mandatory to report, voluntary to disclose" to "Mandatory". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

|            |   |
|------------|---|
| OO FI 01.1 | Provide a breakdown of your internally managed fixed income securities by active and passive strategies |
|------------|---|

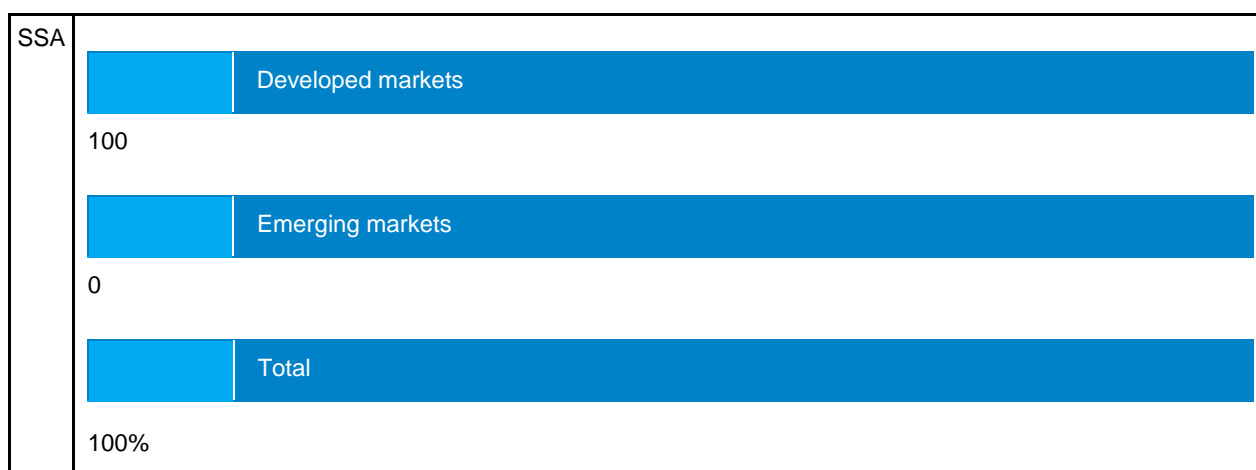


| Type                      | Passive   | Active - quantitative   | Active - fundamental & others   | Total internally managed fixed income security |
|---------------------------|---|---|---|--|
| SSA                       | <input type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input checked="" type="radio"/> 0% | <input type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input checked="" type="radio"/> 0% | <input checked="" type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input type="radio"/> 0% | <b>100%</b>                                    |
| Corporate (financial)     | <input type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input checked="" type="radio"/> 0% | <input type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input checked="" type="radio"/> 0% | <input checked="" type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input type="radio"/> 0% | <b>100%</b>                                    |
| Corporate (non-financial) | <input type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input checked="" type="radio"/> 0% | <input type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input checked="" type="radio"/> 0% | <input checked="" type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input type="radio"/> 0% | <b>100%</b>                                    |

|                 |                  |               |                    |                |
|-----------------|------------------|---------------|--------------------|----------------|
| <b>OO FI 03</b> | <b>Mandatory</b> | <b>Public</b> | <b>Descriptive</b> | <b>General</b> |
|-----------------|------------------|---------------|--------------------|----------------|

Update: this indicator has changed from "Mandatory to report, voluntary to disclose" to "Mandatory". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

**OO FI 03.1** Indicate the approximate (+/- 5%) breakdown of your SSA investments, by developed markets and emerging markets.



**OO FI 03.2** Indicate the approximate (+/- 5%) breakdown of your corporate and securitised investments by investment grade or high-yield securities.

| Type                      | Investment grade (+/- 5%)   | High-yield (+/- 5%)   | Total internally managed |
|---------------------------|---|---|--------------------------|
| Corporate (financial)     | <input checked="" type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input type="radio"/> 0% | <input type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input checked="" type="radio"/> 0% | <b>100%</b>              |
| Corporate (non-financial) | <input checked="" type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input type="radio"/> 0% | <input type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input checked="" type="radio"/> 0% | <b>100%</b>              |

# METROPOLE Gestion

## Reported Information

### Public version

### Strategy and Governance

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Investment policy

SG 01

Mandatory

Public

Core Assessed

General

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**SG 01.1**

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

**SG 01.2**

Indicate the components/types and coverage of your policy.

Select all that apply

| Policy components/types  | Coverage by AUM  |
|--|--|
| <input checked="" type="checkbox"/> Policy setting out your overall approach<br><input checked="" type="checkbox"/> Formalised guidelines on environmental factors<br><input checked="" type="checkbox"/> Formalised guidelines on social factors<br><input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors<br><input type="checkbox"/> Fiduciary (or equivalent) duties<br><input type="checkbox"/> Asset class-specific RI guidelines<br><input type="checkbox"/> Sector specific RI guidelines<br><input checked="" type="checkbox"/> Screening / exclusions policy<br><input type="checkbox"/> Engagement policy<br><input type="checkbox"/> (Proxy) voting policy<br><input type="checkbox"/> Other, specify (1)<br><input type="checkbox"/> Other, specify(2) | <input type="radio"/> Applicable policies cover all AUM<br><input checked="" type="radio"/> Applicable policies cover a majority of AUM<br><input type="radio"/> Applicable policies cover a minority of AUM |

**SG 01.3**

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

**SG 01.4**

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

**METROPOLE Gestion specialises in the selection of undervalued stocks (Value Investing)** with the potential of reducing the discount in the share price (upside potential) within a reasonable time frame, i.e. 18 to 24 months. This concept is based on a simple principle: by purchasing a stock at a discount, investors are able to minimize the risks and maximize profitability in the medium term. This process is strictly applied by all managers within the framework of collective management and has proven its efficiency over the medium term in all market climates and over a complete market cycle.

**Our ESG approach relies on a 360° analytical approach to the company**, taking into account three aspects: extra-financial analysis, financial analysis, balance sheet analysis.

**It is a Best-in-class/Best Effort multi-sector approach** that encourages companies to improve in three key extra-financial areas: Environment/Social/Governance.

**Our ESG approach is based on engaging with companies:**

- by exercising the voting rights attached to securities held in the portfolio, as part of a voting policy published on our website.
- by direct dialogue with issuers as a means of detecting ESG risks and influencing the strategy of companies analysed.

**SG 01.5**

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

Since 2009, METROPOLE Gestion has been keen to establish a methodological basis independent of the major ESG rating agencies by establishing an academic collaboration with the University of Auvergne in order to produce an in-house company rating system proprietary to METROPOLE Gestion.

**1. The reference framework:**

The frame of reference is the architecture of the rating system. It is organised into 4 orthogonal pillars:

- Environment
- Social
- Governance
- Stakeholders

**2. Quantitative analysis: data metrics and aggregation:**

- We use Eikon (Thomson Reuters), one of the largest extra-financial databases (5000 companies worldwide), which provides stable data over time, combining official corporate data (annual reports, sustainable development reports) and details of any controversies sourced from press agencies.
- Using this data, we build 150 indicators to measure each element of our standards, favoring outcomes over drivers deployed (75% - 25%).
- Each pillar is equally weighted.
- Best in Class rating: each company is rated in relation to its sector to obtain a Best in Class rating.
- Best Effort rating (1 to 5 stars): this takes into account the change in extra-financial rating over the past four years, with additional weighting given to the last year.
- Ratings are reviewed annually.

### 3. Qualitative analysis:

The quantitative rating is verified and completed by the qualitative analysis. It is based on the following elements:

#### Consideration of current controversies

All the controversies relating to stocks held in the portfolio are fed back and monitored weekly.

On new companies studied, controversies are analysed over the last three years in addition to the quantitative score.

#### Analysis of specific sector risks

We also pay close attention to identifying specific ESG risks. We include these risks in our analysis for all companies in the same sector.

#### Dialogue with the companies

The dialogue with companies is through interviews with CSR managers and company managers (at least once a year for portfolio companies), which provide the opportunity to look in greater detail at the identified risks, pinpoint unidentified risks during the rating process and develop the company's strategy.

### 4. Our Responsible Value Investment policy:

Our SRI approach is in phase with our Value management process: breaking free of short-termism to generate outperformance. This approach covers almost all our AuM.

METROPOLE Gestion Responsible Value Investing is a global, integrated management process.

#### Selection of securities:

- discounted against their industrial value,
- in sound financial health commensurate with their activity and the economic cycle,
- demonstrating strong extra-financial conviction: companies rated above or equal to BBB- (Investment grade) may be selected with no Best effort condition; companies rated below or equal to BB+ may be selected subject to a minimum +++ Best effort rating; companies rated in the CCC bucket are ruled out.

#### Adjusted according to:

- financial catalysts,
- extra-financial catalysts: new controversies or changes in extra-financial rating.

#### Exit from the portfolio or lower the weighting in the event of:

- downgrading of the extra-financial analysis (significant controversies or rating downgrade),
- disappearance of catalysts,
- decrease in financial discount.

**Exclusion of companies linked directly or indirectly to the financing of controversial weapons**, as provided for by international conventions and the French Defence Code (Code de la Défense) and applied across our entire range.

**Are also excluded mining companies that generate more than 30% of their revenue through coal production, energy-producing companies more than 30% of whose production comes from coal, companies linked to tobacco production and companies linked to pornography.**

**We maintain an average ESG rating for the portfolio above that of Eurozone listed companies with a market capitalisation in excess of €5 billion (some 280 companies), after deduction of 20% of the lowest ratings.**

No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

| SG 01 CC | Voluntary | Public | Descriptive | General |
|----------|-----------|--------|-------------|---------|
|----------|-----------|--------|-------------|---------|

|                       |   |  |  |  |
|-----------------------|---|--|--|--|
| <b>SG 01.6<br/>CC</b> | Indicate the climate-related risks and opportunities that have been identified and factored into the investment strategies and products, within the organisation's investment time horizon. |  |  |  |
|-----------------------|---|--|--|--|

Within our ESG framework (150 indicators), the following indicators include an appraisal of risks and opportunities related to climate change:

- Emission Reduction/ Monitoring (outcome): percentage of company sites or subsidiaries that are certified with any environmental management system.
- Emission Reduction/ Greenhouse Gas Emissions: Total CO2 and CO2 equivalents emission in tonnes divided by net sales or revenue in US dollars.
- Emission Reduction/ Environmental Expenditures: Total amount of environmental expenditures. Does the company report on making proactive environmental investments or expenditures to reduce future risks or increase future opportunities?
- Emission Reduction/ Transportation Impact Reduction: does the company report on initiatives to reduce the environmental impact of transportation used for its staff?
- Emission Reduction/ Improvements: has the company set targets or objectives to be achieved on emission reduction?
- Emission Reduction/ Implementation: does the company have a policy to improve emission reduction?
- Emission Reduction/ Innovative Production: does the company report on its participation in any emissions trading initiative?
- Emission Reduction/ Monitoring (outcome): percentage of company sites or subsidiaries that are certified with any environmental management system.
- Emission Reduction/ Cement CO2 Emissions: Total CO2 and CO2 equivalents emission in tonnes per tonne of cement produced.
- Emission Reduction/ Ozone Depleting Substances: Total amount of ozone depleting (CFC-11 equivalents) substances emitted in tonnes divided by sales or revenue in US dollars.
- Emission Reduction/ Self-Reported Environmental Provisions: Environmental fines as reported by the company divided by net sales or revenue in US dollars
- Emission Reduction/ Fleet CO2 Emissions: Total fleet's average CO2 and CO2 equivalent emissions in g/km divided by net sales or revenue in US dollars
- Resource Reduction/ Monitoring: Does the company conduct surveys of the environmental performance of its suppliers?
- Resource Reduction/ Implementation: Does the company have an environmental management team? Does the company train its employees on environmental issues?
- Resource Reduction/ Environmental Supply Chain Management: Does the company use environmental criteria (ISO 14000, energy consumption, etc.) in the selection process of its suppliers or sourcing partners? Does the company report or show to be ready to end a partnership with a sourcing partner, if environmental criteria are not met? Does the company have a policy to include its supply chain in the company's efforts to lessen its overall environmental impact?
- Resource Reduction/ Energy Efficiency Initiatives: does the company make use of renewable energy?
- Emission Reduction/ Environmental Partnerships: does the company report on partnerships or initiatives with specialized NGOs, industry organizations, governmental or supra-governmental organizations, which are focused on improving environmental issues?
- Resource Reduction/ Implementation (outcome): does the company claim to have an ISO 14000 or EMS certification? Percentage of company sites or subsidiaries that are certified with any environmental management system.

- Emission Reduction/ Environmental Management Systems: percentage of company sites or subsidiaries that are certified with any environmental management system.
- Product Innovation/ Environmental R&D Expenditures: Total amount of environmental R&D costs (without clean up and remediation costs) divided by net sales.

|                             |  |
|-----------------------------|--|
| <b>SG 01.7</b><br><b>CC</b> | Indicate whether the organisation has assessed the likelihood and impact of these climate risks? |
|-----------------------------|--|

Yes

|                             |   |
|-----------------------------|---|
| <b>SG 01.8</b><br><b>CC</b> | Indicate the associated timescales linked to these risks and opportunities. |
|-----------------------------|---|

Risks and opportunities' timescales are systematically assessed through the dialogue with companies.

No

|                             |   |
|-----------------------------|---|
| <b>SG 01.9</b><br><b>CC</b> | Indicate whether the organisation publicly supports the TCFD? |
|-----------------------------|---|

Yes

No

|  |                       |
|--|-----------------------|
|  | Explain the rationale |
|--|-----------------------|

Support to the TCFD is currently under consideration (in 2019).

|                              |   |
|------------------------------|---|
| <b>SG 01.10</b><br><b>CC</b> | Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities. |
|------------------------------|---|

Yes

No

|                              |   |
|------------------------------|---|
| <b>SG 01.11</b><br><b>CC</b> | Describe how and over what time frame the organisation will implement an organisation-wide strategy that manages climate-related risks and opportunities. |
|------------------------------|---|

In 2019, one of our engagement themes relates to the climate change. The following topics will systematically be addressed (including the time frame).

|                             |   |
|-----------------------------|---|
| <b>SG 1.12</b><br><b>CC</b> | Indicate the documents and/or communications the organisation uses to publish TCFD disclosures. |
|-----------------------------|---|

- Public PRI Climate Transparency Report
- Annual financial filings
- Regular client reporting
- Member communications
- Other



**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

|                |  |
|----------------|--|
| <b>SG 02.1</b> | Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document. |
|----------------|--|

- Policy setting out your overall approach

|  |                |
|--|----------------|
|  | URL/Attachment |
|--|----------------|

- URL

|  |     |
|--|-----|
|  | URL |
|--|-----|

<http://www.metropolegestion.com/England/about/of/sri-approach-4>

- Attachment (will be made public)
- Formalised guidelines on environmental factors
- Formalised guidelines on social factors
- Formalised guidelines on corporate governance factors
- Screening / exclusions policy

|  |                |
|--|----------------|
|  | URL/Attachment |
|--|----------------|

- URL

|  |     |
|--|-----|
|  | URL |
|--|-----|

<http://www.metropolegestion.com/England/about/of/responsible-value-investing-34>

- Attachment (will be made public)
- We do not publicly disclose our investment policy documents

|                |   |
|----------------|---|
| <b>SG 02.2</b> | Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document. |
|----------------|---|

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments

|  |                |
|--|----------------|
|  | URL/Attachment |
|--|----------------|

- URL

URL

<http://www.metropolegestion.com/England/about/of/responsible-value-investing-34>

- Attachment
- Time horizon of your investment
- ESG incorporation approaches

URL/Attachment

- URL

URL

<http://www.metropolegestion.com/England/about/of/sri-approach-4>

- Attachment
- Active ownership approaches

URL/Attachment

- URL

URL

<http://www.metropolegestion.com/England/about/of/engagement-policy-101>

- Attachment
- Reporting

URL/Attachment

- URL

URL

<http://www.metropolegestion.com/England/about/of/sri-approach-4>

- Attachment
- We do not publicly disclose any investment policy components

|       |           |        |               |         |
|-------|-----------|--------|---------------|---------|
| SG 03 | Mandatory | Public | Core Assessed | General |
|-------|-----------|--------|---------------|---------|

|         |   |
|---------|---|
| SG 03.1 | Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process. |
|---------|---|

- Yes

**SG 03.2**

Describe your policy on managing potential conflicts of interest in the investment process.

Possible conflicts of interest directly concerning the financial management business:

This type of conflict of interest has been identified and is managed by means of the system for processing stock market orders (for investment or divestment purposes) placed with financial intermediaries, requiring:

- The systematic pre-allocation of orders in the management application/transmission of orders (sent to brokers),
- The drafting of an incident report when a trading error is recognised,
- The prohibition of transactions arbitrating positions (buy-sell) between funds and between funds and mandates, when their sole purpose is to ensure sufficient liquidity for one of the counterparties.

To this end, the company has an operational procedure for allocating and monitoring orders and a procedure for transactions between managed portfolios.

As part of its third-party asset management business, METROPOLE Gestion must always serve the best interests of its principals or of the shareholders [or unit holders] of the funds under management, ensuring that principals and shareholders are treated equally.

 No

|              |                  |               |                    |                |
|--------------|------------------|---------------|--------------------|----------------|
| <b>SG 04</b> | <b>Voluntary</b> | <b>Public</b> | <b>Descriptive</b> | <b>General</b> |
|--------------|------------------|---------------|--------------------|----------------|

**SG 04.1**

Indicate if your organisation has a process for identifying and managing incidents that occur within portfolio companies.

 Yes No**SG 04.2**

Describe your process on managing incidents

In the event that any anomalies or incidents are detected, the following procedure is applied:

**1-Information of the operational manager and prior analysis**

The person who caused or detected an incident covered by the scope of the procedure immediately informs his/her operational manager. Together, they decide whether or not an incident report form should be opened for the problem.

**2-Incident report form**

The incident report form is created. It is identified by a number that chronologically lists incidents. The standardised report form particularly contains the identity and function of the person (the "author") who detected the incident, the date the problem was detected, the type of incident, the details thereof, the date(s) of reminder(s) and the corrective measure(s) taken. This report form is signed by the author and his/her operational manager.

**3-Categorisation and retention of incident report forms**

In an incident life cycle, a report form may have the following statuses:

- in progress: the incident is being investigated with a view to its resolution;
- solved: a solution has been found and normal service is restored. As soon as the incident has been solved, the author must close it by indicating the resolution date on the report form together with any further information about the corrective measures taken. Once signed, report forms are saved on the network in a dedicated directory with any relevant document (email, order ticket, etc.).

**4-Communication of the incident**

The author must inform Management and the permanent control team by email quoting the incident reference number as soon an incident report form is created ("in progress" status) and again once it is solved ("solved" status).

**5-Lead-times**

Resolution lead-times are determined based on the priority of incidents. 6-Incident follow-up If within 5 working days of opening an incident report form, the problem is still unsolved, the report form author informs his/her operational manager and the permanent control team by email. Within 10 working days of opening the incident report form, if the problem is still pending, the CCO notifies Management by drafting a memo explaining why the problem is still not solved. The CCO reads the incident report forms and reports to Management on a monthly basis on incidents that

occurred during the month. Incidents are recorded in the incident database monitored by the permanent control team and are analysed to improve internal processes.

## Objectives and strategies

|       |           |        |                       |         |
|-------|-----------|--------|-----------------------|---------|
| SG 05 | Mandatory | Public | Gateway/Core Assessed | General |
|-------|-----------|--------|-----------------------|---------|

### SG 05.1

Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not set/reviewed

|       |           |        |             |         |
|-------|-----------|--------|-------------|---------|
| SG 06 | Voluntary | Public | Descriptive | General |
|-------|-----------|--------|-------------|---------|

### SG 06.1

List the main responsible investment objectives that your organisation set for the reporting year.

#### Responsible investment processes

- Provide training on ESG incorporation

#### Key performance indicator

Investment and sales team members have been trained on ESG incorporation during the reporting year.

#### Progress achieved

Ongoing. All the investment team members take part in company visits / interviews on ESG topics and reinforce their knowledge on this occasion. The funding of the research chair of University of Auvergne makes it possible for all investment team members to get sound knowledge of ESG issues and methodologies.

- Provide training on ESG engagement

#### Key performance indicator

Investment and sales team members have been trained on our engagement policy during the reporting year.

Progress achieved

Ongoing. All the investment team members take part in company visits / interviews on ESG topics and reinforce their knowledge on this occasion. The funding of the research chair of University of Auvergne makes it possible for all investment team members to get sound knowledge of ESG issues and methodologies.

- Improved communication of ESG activities within the organisation

Key performance indicator

All the ESG and SRI documents are updated and made available to the staff.

Progress achieved

The related ESG / SRI web pages containing these documents have been refreshed.

- Improved engagement to encourage change with regards to management of ESG issues

Key performance indicator

Minutes of the ESG interviews with companies are drafted.

Progress achieved

All the investment team members take part in company visits / interviews on ESG topics and reinforce their knowledge on this occasion. The funding of the research chair of University of Auvergne makes it possible for all investment team members to get sound knowledge of ESG issues and methodologies.

- Improved ESG incorporation into investment decision making processes

Key performance indicator

Extension of integration of ESG criteria, best-in-class and best effort ratings, and carbon footprint to all our equity funds.

Progress achieved

ESG criteria and carbon footprint calculated for all equity funds.

- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

Financial performance of investments

- Increase portfolio performance by consideration of ESG factors
- Other, specify (1)

other description (1)

Our ESG approach is a risk-reduction approach.

- Other, specify (2)
- Other, specify (3)
- None of the above

ESG characteristics of investments

- Over or underweight companies based on ESG characteristics
- Improve ESG ratings of portfolio
- Setting carbon reduction targets for portfolio
- Other, specify (1)

Other description (1)

Having a best-in-class / best effort approach, our engagement aims to incite companies to make progress in the implementation of CSR practices.

Key performance indicator

No KPI as this is not quantifiable.

- Other, specify (2)
- Other, specify (3)
- None of the above

Other activities

- Joining and/or participation in RI initiatives

Key performance indicator

Adherence to the CDP (Carbon Disclosure Project) and to the Montreal Carbon Pledge in 2018.

- Encouraging others to join a RI initiative
- Documentation of best practice case studies
- Using case studies to demonstrate engagement and ESG incorporation to clients

Key performance indicator

Engagement report showing effective results / investment cases.

Progress achieved

2018 Engagement report already available to the public on our website.

- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

## Governance and human resources

SG 07

Mandatory

Public

Core Assessed

General

SG 07.1

Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.

Roles

- Board members or trustees
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Internal Roles (triggers other options)

Select from the below internal roles

- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- Investor relations
- Other role, specify (1)
- Other role, specify (2)
- External managers or service providers

**SG 07.2**

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

All our portfolio managers (who are also financial analysts) are responsible for implementing SRI investment. The investment team works according to a collegiate organisation. Portfolio managers have the ability to manage all the funds (including SRI fund) and they have been trained to our ESG approach. The CIO (and co-CIO), who are also board members, have oversight and accountability for responsible investment.

Regarding our external ESG database, we ask the provider to adapt the data, to provide additional explanations if discrepancies are noted as compared to our internal research.

**SG 07.3**

Indicate the number of dedicated responsible investment staff your organisation has.

Number

9

I confirm I have read and understood the Accountability tab for SG 07

I confirm I have read and understood the Accountability tab for SG 07

**SG 07 CC**

Voluntary

Public

Descriptive

General



|                       |   |
|-----------------------|---|
| <b>SG 07.5<br/>CC</b> | Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues. |
|-----------------------|---|

|  |                           |
|--|---------------------------|
|  | Board members or trustees |
|--|---------------------------|

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues
- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues
- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues
- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

|              |                  |               |                            |                |
|--------------|------------------|---------------|----------------------------|----------------|
| <b>SG 08</b> | <b>Voluntary</b> | <b>Public</b> | <b>Additional Assessed</b> | <b>General</b> |
|--------------|------------------|---------------|----------------------------|----------------|

|                |   |
|----------------|---|
| <b>SG 08.1</b> | Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element. |
|----------------|---|

|  |                                 |
|--|---------------------------------|
|  | Board members/Board of trustees |
|--|---------------------------------|

|                 |   |
|-----------------|---|
| <b>SG 08.1b</b> | RI in personal development and/or training plan |
|-----------------|---|

- Responsible investment included in personal development and/or training plan

|                |   |
|----------------|---|
| <b>SG 08.2</b> | Describe any activities undertaken during the reporting year to develop and maintain Board members' skills and knowledge in relation to responsible investment. |
|----------------|---|

All the board members with operational responsibilities have been trained to our Value Responsible approach (ESG framework, Value Responsible Investment process, CSR policy etc.). In addition to that, please note that 2 of the board members (the CIO and co-CIO) take part in company visits / interviews on ESG topics and reinforce their knowledge on this occasion. The funding of the research chair of University of Auvergne makes it possible for them to get sound knowledge of ESG issues and RI methodologies.

- None of the above

|                 |   |
|-----------------|---|
| <b>SG 08.1a</b> | RI in objectives, appraisal and/or reward |
|-----------------|---|

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- None of the above

**SG 08.1b** RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

**SG 08.1a** RI in objectives, appraisal and/or reward

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- None of the above

**SG 08.1b** RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

**SG 08.1a** RI in objectives, appraisal and/or reward

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- None of the above

**SG 08.1b** RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

**Promoting responsible investment**

**SG 09**

**Mandatory**

**Public**

**Core Assessed**

**PRI 4,5**

**SG 09.1**

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

**Select all that apply**

- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AFIC – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- CDP Forests

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- CDP Water

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify  
Value and Corporate Social Responsibility Research Chair of the University of Auvergne

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Our academic collaboration with the University of Auvergne paves the way for developing a long-term response to the dichotomy between corporate social responsibility and valuation. This collaboration was enhanced with the launch in 2012 of the "Value and Corporate Social Responsibility" Research Chair. METROPOLE Gestion is a founding partner of the new Chair with Michelin and Caisse d'Epargne d'Auvergne et Limousin, and la Maif.

Other collaborative organisation/initiative, specify

Montréal Pledge

Your organisation's role in the initiative during the reporting year (see definitions)

Basic

Moderate

Advanced

Other collaborative organisation/initiative, specify

Other collaborative organisation/initiative, specify

|       |           |        |               |       |
|-------|-----------|--------|---------------|-------|
| SG 10 | Mandatory | Public | Core Assessed | PRI 4 |
|-------|-----------|--------|---------------|-------|

**SG 10.1**

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

**SG 10.2**

Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.

Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)

Provided financial support for academic or industry research on responsible investment

| Description |
|-------------|
|-------------|

Research collaboration with the University of Auvergne from 2010 to 2012 to establish our own proprietary standards and ESG rating system.

Sponsorship programme with the University of Auvergne Foundation to launch the Value and Corporate Social Responsibility Research Chair from 2012 to 2016, extended for a further 4 years in 2016 (2016-2020), financing research grants.

#### Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- Provided input and/or collaborated with academia on RI related work
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry

#### Description

This is done during company visits as per our engagement Policy and also through our proxy voting Policy.

#### Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- Spoke publicly at events and conferences to promote responsible investment

#### Description

Participation in the SRI day of the Research Chair (Valeur et RSE).

#### Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- Wrote and published in-house research papers on responsible investment

#### Description

We issue an SRI newsletter, which is sent to our clients / prospects and also made available on our website.

Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- Encouraged the adoption of the PRI

Description

This is done during meetings and interviews with companies, METROPOLE Gestion encourages them to adopt the UN PRI.

Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)
  - Wrote and published articles on responsible investment in the media
  - A member of PRI advisory committees/ working groups, specify
  - On the Board of, or officially advising, other RI organisations (e.g. local SIFs)
  - Other, specify
- No

|              |                  |               |                            |                  |
|--------------|------------------|---------------|----------------------------|------------------|
| <b>SG 11</b> | <b>Voluntary</b> | <b>Public</b> | <b>Additional Assessed</b> | <b>PRI 4,5,6</b> |
|--------------|------------------|---------------|----------------------------|------------------|

**SG 11.1** Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or regulators in support of responsible investment in the reporting year.

Yes

If yes

- Yes, individually
- Yes, in collaboration with others

**SG 11.2** Select the methods you have used.

- Endorsed written submissions to governments, regulators or public policy-makers developed by others
- Drafted your own written submissions to governments, regulators or public-policy markers
- Participated in face-to-face meetings with government members or officials to discuss policy
- Other, specify

**SG 11.3** Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.

- Yes, publicly available
- No
- No

**SG 11.4** Provide a brief description of the main topics your organisation has engaged with public policy-makers or regulators on.

Opportunities and ways to transform existing funds into SRI funds.

## Outsourcing to fiduciary managers and investment consultants

**SG 12**

**Mandatory**

**Public**

**Core Assessed**

**PRI 4**

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**SG 12.1** Indicate whether your organisation uses investment consultants.

- Yes, we use investment consultants
- No, we do not use investment consultants.

## ESG issues in asset allocation

**SG 13**

**Mandatory**

**Public**

**Descriptive**

**PRI 1**

**SG 13.1** Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, to assess future ESG factors
- Yes, to assess future climate-related risks and opportunities
- No, not to assess future ESG/climate-related issues

**SG 14 CC**

**Voluntary**

**Public**

**General**

**SG 14.6 CC** Please provide further details on these key metric(s) used to assess climate related risks and opportunities.



| Metric Type                              | Coverage  | Purpose | Metric Unit | Metric Methodology |
|--|---|---------|-------------|--------------------|
| <b>Climate-related targets</b>           | <input type="checkbox"/> All assets<br><input type="checkbox"/> Majority of assets<br><input type="checkbox"/> Minority of assets |         |             |                    |
| <b>Weighted average carbon intensity</b> | <input type="checkbox"/> All assets<br><input type="checkbox"/> Majority of assets<br><input type="checkbox"/> Minority of assets |         |             |                    |
| <b>Carbon footprint (scope 1 and 2)</b>  | <input type="checkbox"/> All assets<br><input type="checkbox"/> Majority of assets<br><input type="checkbox"/> Minority of assets |         |             |                    |
| <b>Portfolio carbon footprint</b>        | <input type="checkbox"/> All assets<br><input type="checkbox"/> Majority of assets<br><input type="checkbox"/> Minority of assets |         |             |                    |
| <b>Total carbon emissions</b>            | <input type="checkbox"/> All assets<br><input type="checkbox"/> Majority of assets<br><input type="checkbox"/> Minority of assets |         |             |                    |
| <b>Carbon intensity</b>                  | <input type="checkbox"/> All assets<br><input type="checkbox"/> Majority of assets<br><input type="checkbox"/> Minority of assets |         |             |                    |
| <b>Exposure to carbon-related assets</b> | <input type="checkbox"/> All assets<br><input type="checkbox"/> Majority of assets<br><input type="checkbox"/> Minority of assets |         |             |                    |

SG 14.7  
CC

Describe in further detail the key targets.

| Targettype  | Time Frame | Description | Attachments |
|---|------------|-------------|-------------|
| <input type="checkbox"/> Absolute target<br><input type="checkbox"/> Intensity target |            |             |             |
| <input type="checkbox"/> Absolute target<br><input type="checkbox"/> Intensity target |            |             |             |
| <input type="checkbox"/> Absolute target<br><input type="checkbox"/> Intensity target |            |             |             |
| <input type="checkbox"/> Absolute target<br><input type="checkbox"/> Intensity target |            |             |             |
| <input type="checkbox"/> Absolute target<br><input type="checkbox"/> Intensity target |            |             |             |

**SG 14.8**  
**CC** Indicate whether climate-related risks are integrated into overall risk management and explain the risks management processes for identifying, assessing, and managing climate-related risks.

- Process for climate-related risks is integrated into overall risk management

Please describe

Climate risk indicators are integrated into our ESG framework, which is comprised of 150 indicators.

- Process for climate-related risks is not integrated into our overall risk management

**SG 14.9**  
**CC** Indicate whether the organisation undertakes active ownership activities to encourage TCFD adoption.

- Yes
- No, we do not engage

|              |  |               |                    |              |
|--------------|--|---------------|--------------------|--------------|
| <b>SG 15</b> | <b>Mandatory to Report Voluntary to Disclose</b> | <b>Public</b> | <b>Descriptive</b> | <b>PRI 1</b> |
|--------------|--|---------------|--------------------|--------------|

**SG 15.1** Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

- Yes
- No

## Innovation

|              |                  |               |                    |                |
|--------------|------------------|---------------|--------------------|----------------|
| <b>SG 18</b> | <b>Voluntary</b> | <b>Public</b> | <b>Descriptive</b> | <b>General</b> |
|--------------|------------------|---------------|--------------------|----------------|

|                |  |
|----------------|--|
| <b>SG 18.1</b> | Indicate whether any specific features of your approach to responsible investment are particularly innovative. |
|----------------|--|

- Yes
- No

**Communication**

|              |                  |               |                      |                 |
|--------------|------------------|---------------|----------------------|-----------------|
| <b>SG 19</b> | <b>Mandatory</b> | <b>Public</b> | <b>Core Assessed</b> | <b>PRI 2, 6</b> |
|--------------|------------------|---------------|----------------------|-----------------|

|                |   |
|----------------|---|
| <b>SG 19.1</b> | Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information. |
|----------------|---|

**Caution! The order in which asset classes are presented below has been updated in the online tool to match the Reporting Framework overview.**  
 If you are transferring data from an offline document, please check your response carefully.

Listed equity - Incorporation

Do you disclose?

- We do not proactively disclose it to the public and/or clients/beneficiaries
- We disclose to clients/beneficiaries only.
- We disclose it publicly

The information disclosed to clients/beneficiaries is the same

- Yes
- No

|                                     |  |
|-------------------------------------|--|
| <b>Disclosure to public and URL</b> |  |
| Disclosure to public and URL        | <input type="radio"/> Broad approach to ESG incorporation<br><input checked="" type="radio"/> Detailed explanation of ESG incorporation strategy used  |
| Frequency                           | <input type="checkbox"/> Quarterly or more frequently<br><input type="checkbox"/> Biannually<br><input checked="" type="checkbox"/> Annually<br><input type="checkbox"/> Less frequently than annually<br><input type="checkbox"/> Ad-hoc/when requested |
| URL                                 | <a href="http://www.metropolegestion.com/England/about/of/responsible-value-investing-34">http://www.metropolegestion.com/England/about/of/responsible-value-investing-34</a>  |

Listed equity - Engagement

Do you disclose?

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

The information disclosed to clients/beneficiaries is the same

- Yes
- No

|                                     |  |
|-------------------------------------|--|
| <b>Disclosure to public and URL</b> |  |
| Disclosure to public and URL        | <input checked="" type="checkbox"/> Details on the overall engagement strategy<br><input type="checkbox"/> Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals<br><input checked="" type="checkbox"/> Number of engagements undertaken<br><input checked="" type="checkbox"/> Breakdown of engagements by type/topic<br><input type="checkbox"/> Breakdown of engagements by region<br><input type="checkbox"/> An assessment of the current status of the progress achieved and outcomes against defined objectives<br><input checked="" type="checkbox"/> Examples of engagement cases<br><input checked="" type="checkbox"/> Details on eventual escalation strategy taken after the initial dialogue has been unsuccessful (i.e. filing resolutions, issuing a statement, voting against management, divestment etc.)<br><input type="checkbox"/> Details on whether the provided information has been externally assured<br><input checked="" type="checkbox"/> Outcomes that have been achieved from the engagement<br><input type="checkbox"/> Other information |
| Frequency                           | <input type="checkbox"/> Quarterly or more frequently<br><input type="checkbox"/> Biannually<br><input checked="" type="checkbox"/> Annually<br><input type="checkbox"/> Less frequently than annually<br><input type="checkbox"/> Ad-hoc/when requested   |
| URL                                 | <a href="http://www.metropolegestion.com/England/about/of/engagement-policy-101">http://www.metropolegestion.com/England/about/of/engagement-policy-101</a>  |
| URL                                 | <a href="http://doc.metropolegestion.fr/pdf/Engagement%20report%202018.pdf">http://doc.metropolegestion.fr/pdf/Engagement%20report%202018.pdf</a>  |

**Listed equity – (Proxy) Voting**

**Do you disclose?**

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

The information disclosed to clients/beneficiaries is the same

Yes

No

|  |  |
|--|--|
| <b>Disclosure to public and URL</b>  |  |
| <b>Disclosure to public and URL</b>  |  |
| <input type="radio"/> Disclose all voting decisions<br><input type="radio"/> Disclose some voting decisions<br><input checked="" type="radio"/> Only disclose abstentions and votes against management   |  |
| <b>Frequency</b>   |  |
| <input type="checkbox"/> Quarterly or more frequently<br><input type="checkbox"/> Biannually<br><input checked="" type="checkbox"/> Annually<br><input type="checkbox"/> Less frequently than annually<br><input type="checkbox"/> Ad hoc/when requested |  |
| <b>URL</b>   |  |
| <a href="http://www.metropolegestion.com/England/about/of/regulatory-information-9">http://www.metropolegestion.com/England/about/of/regulatory-information-9</a>  |  |

# METROPOLE Gestion

## Reported Information

### Public version

### Direct - Listed Equity Incorporation

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## ESG incorporation in actively managed listed equities

### Implementation processes


|        |           |        |         |       |
|--------|-----------|--------|---------|-------|
| LEI 01 | Mandatory | Public | Gateway | PRI 1 |
|--------|-----------|--------|---------|-------|

**LEI 01.1**


Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies (+/- 5%)

#### ESG incorporation strategy (select all that apply)

- Screening alone (i.e. not combined with any other strategies)

|   |  |
|---|--|
| Percentage of active listed equity to which the strategy is applied | <br>95.4 |
|---|--|

- Thematic alone (i.e. not combined with any other strategies)
- Integration alone (i.e. not combined with any other strategies)
- Screening and integration strategies

|   |   |
|---|---|
| Percentage of active listed equity to which the strategy is applied | <br>4.6 |
|---|---|

- Thematic and integration strategies
- Screening and thematic strategies
- All three strategies combined
- We do not apply incorporation strategies

Total actively managed listed equities

100%

**LEI 01.2**

Describe your organisation's approach to incorporation and the reasons for choosing the particular ESG incorporation strategy/strategies.

This ESG incorporation strategy matches the steps of our Responsible Value Investment process.

We adopt a 360° analytical approach to the company, taking into account three aspects: extra-financial analysis, financial analysis, balance sheet analysis. We follow a Best in Class/Best Effort multi-sector approach that encourages companies to improve in the following key extra-financial areas: Environment/Social/Governance/Stakeholders.

METROPOLE Gestion has engaged with ESG since 2008 and launched the METROPOLE Value SRI strategy in July 2008, which incorporated ESG criteria and an SRI approach into the management.



As ESG considerations gained momentum over time, we decided to extend the use of our ESG reference framework to the other funds / strategies, so as to cover all the investable universe in European equities.

**LEI 01.3**

If assets are managed using a combination of ESG incorporation strategies, briefly describe how these combinations are used. [Optional]

**LEI 02**

**Voluntary**

**Public**

**Additional Assessed**

**PRI 1**

**LEI 02.1**

Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.

**Type of ESG information**

- Raw ESG company data

**Indicate who provides this information**

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager

- Company-related analysis or ratings

**Indicate who provides this information**

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager

- Sector-related analysis or ratings

**Indicate who provides this information**

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager

- Country-related analysis or ratings

- Screened stock list

**Indicate who provides this information**

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- ESG issue-specific analysis or ratings

**Indicate who provides this information**

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Other, specify

|                 |  |
|-----------------|--|
| <b>LEI 02.2</b> | Indicate if you incentivise brokers to provide ESG research. |
|-----------------|--|

- Yes
- No

|               |                  |               |                            |              |
|---------------|------------------|---------------|----------------------------|--------------|
| <b>LEI 03</b> | <b>Voluntary</b> | <b>Public</b> | <b>Additional Assessed</b> | <b>PRI 1</b> |
|---------------|------------------|---------------|----------------------------|--------------|

|                 |   |
|-----------------|---|
| <b>LEI 03.1</b> | Indicate if your organisation has a process through which information derived from ESG engagement and/or (proxy) voting activities is made available for use in investment decision-making. |
|-----------------|---|

- Engagement
  - We have a systematic process to ensure the information is made available.
  - We occasionally make this information available.
  - We do not make this information available.
- (Proxy) voting
  - We have a systematic process to ensure the information is made available.
  - We occasionally make this information available.
  - We do not make this information available.

**(A) Implementation: Screening**

|               |                  |               |                    |              |
|---------------|------------------|---------------|--------------------|--------------|
| <b>LEI 04</b> | <b>Mandatory</b> | <b>Public</b> | <b>Descriptive</b> | <b>PRI 1</b> |
|---------------|------------------|---------------|--------------------|--------------|

|                 |  |
|-----------------|--|
| <b>LEI 04.1</b> | Indicate and describe the type of screening you apply to your internally managed active listed equities. |
|-----------------|--|

**Type of screening**

- Negative/exclusionary screening

**Screened by**

- Product
- Activity
- Sector
- Country/geographic region
- Environmental and social practices and performance
- Corporate governance

| Description |
|-------------|
|-------------|

METROPOLE Gestion excludes any companies directly or indirectly linked to the financing of controversial weapons, as provided for by international conventions. Are also excluded mining companies that generate more than 30% of their revenue through coal production, energy-producing companies more than 30% of whose production comes from coal, companies linked to tobacco production and companies linked to pornography.

This exclusion policy applies to all our funds.

- Positive/best-in-class screening

**Screened by**

- Product
- Activity
- Sector
- Country/geographic region
- Environmental and social practices and performance
- Corporate governance

| Description |
|-------------|
|-------------|

Our SRI approach is a multi-sector approach, Best-in-Class and Best Effort approach. We encourage companies to improve in the extra-financial areas: environment, social, governance and stakeholders.

- Norms-based screening

| LEI 04.2 | Describe how you notify clients and/or beneficiaries when changes are made to your screening criteria. |
|----------|--|
|----------|--|

Since 2009, METROPOLE Gestion has been keen to establish a methodological basis independent of the major ESG rating agencies by establishing an academic collaboration with the University of Auvergne in order to produce an in-house company rating system.

The framework is the architecture of the screening system and it is laid out across two axes which define four orthogonal pillars (Internal - External / Human Resources - Public assets and capital) which are then broken down into items comprehensively reviewed:

- Environment: measures the impact of the company's activities on the ecosystem
- Social: measures the impact of the company's activities on its human resources
- Governance: measures the quality of relations between Management, shareholders and the Board of Directors
- Stakeholders: measures the quality of relations with stakeholders

Our ESG approach is a 360° analytical approach to the company, taking into account three aspects: extra-financial analysis, financial analysis, balance sheet analysis.

The screening combines quantitative and qualitative analysis.

As for the quantitative analysis, the screening is based on our extra-financial database which provides stable data over time, combining official corporate data (annual reports, sustainable development reports) and details of any controversies sourced from press agencies. Using this data, we build 150 indicators to measure each element of our standards, favoring outcomes over drivers deployed (75% - 25%).

- Each pillar is equally weighted.
- Best in Class rating: each company is rated in relation to its sector to obtain a Best in Class rating.
- Best Effort rating (1 to 5 stars): this takes into account the change in extra-financial rating over the past four years, with additional weighting given to the last year.
- Ratings are reviewed annually.

The quantitative analysis is supplemented by a qualitative analysis:

- Taking into account any ongoing controversies:

- all controversies regarding stocks held in the portfolio are reported and monitored on a weekly basis.
- in the case of new companies under consideration, in addition to the quantitative rating, controversies are analysed over the last three years.

- Analysis of sector-specific risks.

- Dialogue with companies through interviews with CSR managers and senior management (at least once a year for companies in the portfolio), designed to explore in depth the risks identified, to detect any risks not identified during the rating process to influence company strategy.

Policies and procedures are updated when changes are effective and the documentation is made available to the clients on our website.

|        |           |        |               |       |
|--------|-----------|--------|---------------|-------|
| LEI 05 | Mandatory | Public | Core Assessed | PRI 1 |
|--------|-----------|--------|---------------|-------|

|          |  |
|----------|--|
| LEI 05.1 | Indicate which processes your organisation uses to ensure screening is based on robust analysis. |
|----------|--|

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- Third-party ESG ratings are updated regularly to ensure that portfolio holdings comply with fund policies.
- Trading platforms blocking / restricting flagged securities on the black list
- A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Review and evaluation of external research providers
- Other, specify
- None of the above

|                 |   |
|-----------------|---|
| <b>LEI 05.2</b> | Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your ESG screening strategy. |
|-----------------|---|

- <10%
- 10-50%
- 51-90%
- >90%

|                 |                                    |
|-----------------|------------------------------------|
| <b>LEI 05.5</b> | Additional information. [Optional] |
|-----------------|------------------------------------|

Best-in-class / best effort ratings are reviewed annually but controversies are reviewed weekly.

|               |                  |               |                            |              |
|---------------|------------------|---------------|----------------------------|--------------|
| <b>LEI 06</b> | <b>Voluntary</b> | <b>Public</b> | <b>Additional Assessed</b> | <b>PRI 1</b> |
|---------------|------------------|---------------|----------------------------|--------------|

|                 |   |
|-----------------|---|
| <b>LEI 06.1</b> | Indicate which processes your organisation uses to ensure fund criteria are not breached. |
|-----------------|---|

- Systematic checks are performed to ensure that stocks meet the funds' screening criteria.
- Automated IT systems prevent investment managers from investing in excluded stocks or those that do not meet positive screening criteria.
- Audits of fund holdings are undertaken regularly by internal audit function
- Periodic auditing/checking of the organisations RI funds by external party
- Other, specify
- None of the above




|                 |  |
|-----------------|--|
| <b>LEI 06.2</b> | If breaches of fund screening criteria are identified - describe the process followed to correct those breaches. |
|-----------------|--|

Rules and criteria are input into the Front Office system, which checks compliance with regulatory and statutory ratios and approves investment decisions in real time. The ratios are monitored at all times both by the investment team and by the control functions (compliance, risk management and internal control officers).

### (C) Implementation: Integration of ESG factors

|               |                  |               |                      |              |
|---------------|------------------|---------------|----------------------|--------------|
| <b>LEI 08</b> | <b>Mandatory</b> | <b>Public</b> | <b>Core Assessed</b> | <b>PRI 1</b> |
|---------------|------------------|---------------|----------------------|--------------|

|                 |   |
|-----------------|---|
| <b>LEI 08.1</b> | Indicate the ESG factors you systematically research as part of your investment analysis and the proportion of actively managed listed equity portfolios that is impacted by this analysis. |
|-----------------|---|

| ESG issues           | Proportion impacted by analysis   |
|----------------------|---|
| Environmental        |  <p>Environmental</p> <p> <input type="radio"/> &lt;10%<br/> <input type="radio"/> 10-50%<br/> <input type="radio"/> 51-90%<br/> <input checked="" type="radio"/> &gt;90% </p>        |
| Social               |  <p>Social</p> <p> <input type="radio"/> &lt;10%<br/> <input type="radio"/> 10-50%<br/> <input type="radio"/> 51-90%<br/> <input checked="" type="radio"/> &gt;90% </p>               |
| Corporate Governance |  <p>Corporate Governance</p> <p> <input type="radio"/> &lt;10%<br/> <input type="radio"/> 10-50%<br/> <input type="radio"/> 51-90%<br/> <input checked="" type="radio"/> &gt;90% </p> |

|        |           |        |               |       |
|--------|-----------|--------|---------------|-------|
| LEI 09 | Mandatory | Public | Core Assessed | PRI 1 |
|--------|-----------|--------|---------------|-------|

**LEI 09.1** Indicate which processes your organisation uses to ensure ESG integration is based on a robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Third-party ESG ratings are updated regularly.
- A periodic review of the internal research is carried out
- Structured, regular ESG specific meetings between responsible investment staff and the fund manager or within the investments team
- ESG risk profile of a portfolio against benchmark
- Analysis of the impact of ESG factors on investment risk and return performance
- Other, specify
- None of the above

**LEI 09.2**

Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your integration strategy.

- <10%
- 10-50%
- 51-90%
- >90%

**LEI 09.4**

Indicate how frequently you review internal research that builds your ESG integration strategy.

- Quarterly or more frequently
- Bi-Annually
- Annually
- Less frequently than annually

**LEI 09.5**

Describe how ESG information is held and used by your portfolio managers.

- ESG information is held within centralised databases or tools and it is accessible by all relevant staff
- ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- Systematic records are kept that capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above

**LEI 10****Mandatory to Report Voluntary to Disclose****Public****Core Assessed****PRI 1**

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**LEI 10.1**

Indicate which aspects of investment analysis you integrate material ESG information into.

- Economic analysis
- Industry analysis

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 10-50%
- 51-90%
- >90%
- Quality of management

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 10-50%
- 51-90%
- >90%

Analysis of company strategy

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 10-50%
- 51-90%
- >90%

Portfolio weighting

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 10-50%
- 51-90%
- >90%

Sensitivity and/or scenario analysis

Fair value/fundamental analysis

Other, specify

We follow a 360° analytical approach to the company. Fundamental analysis is completed with ESG quantitative and qualitative analyses.

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 10-50%
- 51-90%
- >90%

**LEI 10.3**

Describe how you integrate ESG information into portfolio weighting.

In our SRI fund, we maintain an average ESG rating for the portfolio above that of Eurozone listed companies with a market capitalisation in excess of €5 billion (some 280 companies), after deduction of 20% of the lowest ratings, which is key for determining portfolio weighting.

When ratings are updated, weightings may be reviewed at the same time.

In addition to that, when reviewing controversies, portfolio weightings may be adjusted.

**Outputs and outcomes**



|        |           |        |             |       |
|--------|-----------|--------|-------------|-------|
| LEI 12 | Voluntary | Public | Descriptive | PRI 1 |
|--------|-----------|--------|-------------|-------|

|          |   |
|----------|---|
| LEI 12.1 | Indicate how your ESG incorporation strategies have influenced the composition of your portfolio(s) or investment universe. |
|----------|---|

Screening

|   |
|---|
| Describe any reduction in your starting investment universe or other effects. |
|---|

The investment universe is built from:

1/ Best-in-Class rating (from AAA+ to CCC-): each company is rated relative to its sector in obtaining a Best-in-Class rating (from AAA+ to CCC-).

2/ Best-effort rating (from 1 start to 5): this takes into account trends in extra-financial ratings over the past four years, with the latest year overweighted.

We select shares presenting:

- a discount in relation to their industrial value
- sound financial health in line with their activity and the economic cycle
- demonstrating strong extra-financial conviction: companies rated above or equal to BBB- (Investment grade) may be selected with no Best effort condition; companies rated below or equal to BB+ may be selected subject to a minimum +++ Best effort rating; companies rated in the CCC bucket are ruled out.

For the METROPOLE Euro SRI fund, we maintain an average ESG rating for the portfolio above that of Eurozone listed companies with a market capitalisation in excess of €5 billion (some 280 companies), after deduction of 20% of the lowest ratings.

|   |
|---|
| Specify the percentage reduction (+/- 5%) |
|---|

|   |
|---|
| % |
|---|

20

Integration of ESG factors

|  |
|--|
| Select which of these effects followed your ESG integration: |
|--|

- Reduce or prioritise the investment universe
- Overweight/underweight at sector level
- Overweight/underweight at stock level
- Buy/sell decisions
- Engagement / Voting
- Other, specify
- None of the above

# METROPOLE Gestion

## Reported Information

### Public version

#### Direct - Listed Equity Active Ownership

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Overview

LEA 01

Mandatory

Public

Core Assessed

PRI 2

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

LEA 01.1

Indicate whether your organisation has an active ownership policy.

Yes

LEA 01.2

Attach or provide a URL to your active ownership policy.

Attachment provided:

URL provided:

URL

<http://www.metropolegestion.com/England/about/of/engagement-policy-101>

LEA 01.3

Indicate what your active engagement policy covers:

General approach to active ownership

- Conflicts of interest
- Alignment with national stewardship code requirements
- Assets/funds covered by active ownership policy
- Expectations and objectives
- Engagement approach

Engagement

- ESG issues
- Prioritisation of engagement
- Method of engagement
- Transparency of engagement activities
- Due diligence and monitoring process
- Insider information
- Escalation strategies
- Service Provider specific criteria
- Other specify;
- (Proxy) voting approach

## Voting

- ESG issues
  - Prioritisation and scope of voting activities
  - Methods of voting
  - Transparency of voting activities
  - Regional voting practice approaches
  - Filing or co-filing resolutions
  - Company dialogue pre/post-vote
  - Decision-making processes
  - Securities lending processes
  - Other specify;
  - Other
  - None of the above
- No

**LEA 01.4** Do you outsource any of your active ownership activities to service providers?

- Yes
- No

**LEA 01.6** Additional information [optional]

Our approach to engaging with companies is carried out:

- by exercising the voting rights attached to securities held in the portfolio, as part of a voting policy published on our website.
- by direct dialogue with issuers as a means of detecting ESG risks and influencing the strategy of companies analysed.

## Engagement

**LEA 02**

**Mandatory**

**Public**

**Core Assessed**

**PRI 1,2,3**

**LEA 02.1** Indicate the method of engagement, giving reasons for the interaction.

| Type of engagement                      | Reason for interaction  |
|---|---|
| Individual / Internal staff engagements | <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues<br><input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure<br><input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management<br><input type="checkbox"/> We do not engage via internal staff |
| Collaborative engagements               | <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues<br><input type="checkbox"/> To encourage improved/increased ESG disclosure<br><input type="checkbox"/> To gain an understanding of ESG strategy and/or management<br><input checked="" type="checkbox"/> We do not engage via collaborative engagements            |
| Service provider engagements            | <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues<br><input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure<br><input type="checkbox"/> To gain an understanding of ESG strategy and/or management<br><input type="checkbox"/> We do not engage via service providers                    |

**LEA 02.2**

Indicate whether your organisation plays a role in the engagement process that your service provider conducts.

- Yes  
 No

**LEA 03**

**Mandatory**

**Public**

**Core Assessed**

**PRI 2**

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**LEA 03.1**

Indicate whether your organisation has a formal process for identifying and prioritising engagements.

- Yes  
 No

**LEA 04**

**Mandatory**

**Public**

**Core Assessed**

**PRI 2**

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**LEA 04.1**

Indicate whether you define specific objectives for your organisation's engagement activities.

|                                   |  |
|-----------------------------------|--|
| Individual / Internal engagements | <input checked="" type="radio"/> All engagement activities<br><input type="radio"/> Majority of engagement activities<br><input type="radio"/> Minority of engagement activities<br><input type="radio"/> We do not define specific objectives for engagement activities carried out by internal staff.        |
| Service provider engagements      | <input type="radio"/> All engagement activities<br><input type="radio"/> Majority of engagement activities<br><input type="radio"/> Minority of engagement activities<br><input checked="" type="radio"/> We do not define specific objectives for engagement activities carried out by our service providers. |

|        |           |        |               |       |
|--------|-----------|--------|---------------|-------|
| LEA 05 | Mandatory | Public | Core Assessed | PRI 2 |
|--------|-----------|--------|---------------|-------|

**LEA 05.1** Indicate if you monitor and/or review engagement outcomes.

|                                   |  |
|-----------------------------------|--|
| Individual / Internal engagements | <input checked="" type="radio"/> Yes, in all cases<br><input type="radio"/> Yes, in majority of cases<br><input type="radio"/> Yes, in a minority of cases<br><input type="radio"/> We do not monitor, or review engagement outcomes carried out by our internal staff.  |
| Service provider engagements      | <input type="radio"/> Yes, in all cases<br><input type="radio"/> Yes, in majority of cases<br><input checked="" type="radio"/> Yes, in minority of cases<br><input type="radio"/> We do not monitor, or review engagement outcomes carried out by our service providers. |

**LEA 05.2** Indicate if you do any of the following to monitor and review the progress of engagement activities.

|   |  |
|---|--|
| Individual / Internal staff engagements | <input type="checkbox"/> Define timelines/milestones for your objectives<br><input checked="" type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs<br><input checked="" type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met<br><input checked="" type="checkbox"/> Revisit and, if necessary, revise objectives on continuous basis<br><input type="checkbox"/> Other; specify  |
| Service provider engagements            | <input type="checkbox"/> Define timelines/milestones for your objectives<br><input type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs<br><input type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met<br><input type="checkbox"/> Revisit and, if necessary, revise objectives on continuous basis<br><input checked="" type="checkbox"/> Other; specify<br>Review of key service provider's CSR and/or engagement Policy |

|               |                  |               |                            |                |
|---------------|------------------|---------------|----------------------------|----------------|
| <b>LEA 06</b> | <b>Mandatory</b> | <b>Public</b> | <b>Additional Assessed</b> | <b>PRI 2,4</b> |
|---------------|------------------|---------------|----------------------------|----------------|

**LEA 06.1** Indicate whether your organisation has an escalation strategy when engagements are unsuccessful.

- Yes
- No

|               |                  |               |                            |                |
|---------------|------------------|---------------|----------------------------|----------------|
| <b>LEA 07</b> | <b>Voluntary</b> | <b>Public</b> | <b>Additional Assessed</b> | <b>PRI 1,2</b> |
|---------------|------------------|---------------|----------------------------|----------------|

**LEA 07.1** Indicate whether insights gained from your organisation's engagements are shared with investment decision-makers.

| Type of engagement                             | Insights shared   |
|--|---|
| <b>Individual / Internal staff engagements</b> | <input checked="" type="radio"/> Yes, systematically<br><input type="radio"/> Yes, occasionally<br><input type="radio"/> No |
| <b>Service provider engagements</b>            | <input type="radio"/> Yes, systematically<br><input checked="" type="radio"/> Yes, occasionally<br><input type="radio"/> No |

**LEA 07.2** Indicate the practices used to ensure information and insights collected through engagements are shared with investment decision-makers.

- Involving investment decision-makers when developing engagement programme
- Holding investment team meetings and/or presentations
- Using IT platforms/systems that enable data sharing
- Internal process that requires portfolio managers to re-balance holdings based on interaction and outcome levels
- Other; specify
- None

**LEA 07.3** Indicate whether insights gained from your organisation's engagements are shared with your clients/beneficiaries.

| Type of engagement                           | Insights shared   |
|--|---|
| <b>Individual/Internal staff engagements</b> | <input checked="" type="radio"/> Yes, systematically<br><input type="radio"/> Yes, occasionally<br><input type="radio"/> No |
| <b>Service provider engagements</b>          | <input type="radio"/> Yes, systematically<br><input checked="" type="radio"/> Yes, occasionally<br><input type="radio"/> No |

**LEA 08** **Mandatory** **Public** **Gateway** **PRI 2**

**LEA 08.1** Indicate if you track the number of your engagement activities.

| Type of engagement                             | Tracking engagements   |
|--|--|
| <b>Individual / Internal staff engagements</b> | <input checked="" type="radio"/> Yes, we track the number of our engagements in full<br><input type="radio"/> Yes, we partially track the number of our engagements<br><input type="radio"/> We do not track |
| <b>Service provider engagements</b>            | <input type="radio"/> Yes, we track the number of our engagements in full<br><input type="radio"/> Yes, we partially track the number of our engagements<br><input checked="" type="radio"/> We do not track |

**Outputs and outcomes**

**LEA 09** **Mandatory to Report Voluntary to Disclose** **Public** **Core Assessed** **PRI 2**

**LEA 09.1** Indicate the proportion of companies from your listed equities portfolio with which your organisation engaged with during the reporting year.



|   |   |  |   |
|---|---|--|---|
|   | <b>We did not complete any engagements in the reporting year.</b> | <b>Number of companies engaged</b><br>(avoid double counting, see explanatory notes) | <b>Proportion of companies engaged with, out of total listed equities portfolio</b> |
| Individual / Internal staff engagements | <input type="checkbox"/>  | 62   | 100   |

**LEA 09.2**

Indicate the proportion breakdown of engagements conducted within the reporting year by the number of interactions (including interactions made on your behalf)

| <b>No. of interactions with a company</b> | <b>% of engagements</b>  |
|---|--|
| <b>One interaction</b>                    | <input checked="" type="radio"/> >76%<br><input type="radio"/> 51-75%<br><input type="radio"/> 11-50%<br><input type="radio"/> 1-10%<br><input type="radio"/> None |
| <b>2 to 3 interactions</b>                | <input type="radio"/> >76%<br><input type="radio"/> 51-75%<br><input type="radio"/> 11-50%<br><input checked="" type="radio"/> 1-10%<br><input type="radio"/> None |
| <b>More than 3 interactions</b>           | <input type="radio"/> >76%<br><input type="radio"/> 51-75%<br><input type="radio"/> 11-50%<br><input checked="" type="radio"/> 1-10%<br><input type="radio"/> None |
| <b>Total</b>                              | <b>100%</b>  |

|               |                  |               |                            |              |
|---------------|------------------|---------------|----------------------------|--------------|
| <b>LEA 10</b> | <b>Voluntary</b> | <b>Public</b> | <b>Additional Assessed</b> | <b>PRI 2</b> |
|---------------|------------------|---------------|----------------------------|--------------|

**LEA 10.1**

Indicate which of the following your engagement involved.

- Letters and emails to companies
  - In a minority of cases
  - In a majority of cases
  - In all cases
- Meetings and/or calls with board/senior management
  - In a minority of cases
  - In a majority of cases
  - In all cases
- Meetings and/or calls with the CSR, IR or other management
  - In a minority of cases
  - In a majority of cases
  - In all cases
- Visits to operations
- Visits to the supplier(s) from the 'company's supply chain
- Participation in roadshows
  - In a minority of cases
  - In a majority of cases
  - In all cases
- Other

**LEA 11****Voluntary****Public****Descriptive****PRI 2****LEA 11.1**

Provide examples of the engagements that your organisation or your service provider carried out during the reporting year.

- Add Example 1

|                   |  |
|-------------------|--|
| ESG Topic         | <p><b>Executive Remuneration</b></p> <input checked="" type="checkbox"/> Executive Remuneration<br><input type="checkbox"/> Climate Change<br><input type="checkbox"/> Human rights<br><input type="checkbox"/> Company leadership issues<br><input type="checkbox"/> Pollution<br><input type="checkbox"/> General ESG<br><input type="checkbox"/> Diversity<br><input type="checkbox"/> Shareholder rights<br><input type="checkbox"/> Health and Safety<br><input type="checkbox"/> Sustainability reporting<br><input type="checkbox"/> Water risks<br><input type="checkbox"/> Labour practices and supply chain management<br><input type="checkbox"/> Anti-bribery and corruption<br><input type="checkbox"/> Deforestation<br><input type="checkbox"/> Aggressive tax planning<br><input type="checkbox"/> Cyber security<br><input type="checkbox"/> Other governance<br><input type="checkbox"/> Plastics<br><input type="checkbox"/> Other  |
| Conducted by      | <input checked="" type="checkbox"/> Individual / Internal<br><input type="checkbox"/> Service provider   |
| Objectives        | <p>For 2018, we decided to concentrate on executive pay, and particularly the inclusion of ESG criteria in the determination of variable executive compensation.</p> <p>While we certainly see the inclusion of extra-financial criteria in the determination of executive pay as an essential component of effective governance, the weighting given to these criteria is just as crucial. We believe that the weighting should be significant, given that it reflects the importance the company attaches to CSR issues.</p> <p>As a result of our engagement with companies, 76% now include extra-financial criteria when determining the variable component of executive pay.</p> <p>Our impact was once again demonstrated in the case of Italian bank Intesa Sanpaolo, the target of repeated reminders from us of the importance of factoring extra-financial criteria into executive pay. In 2018, the company informed us that the topic had been included on the agenda of the Compensation Committee, which had reached an agreement in principle.</p> |
| Scope and Process | <p>The scope of this indicator (e.g. inclusion of ESG criteria in the determination of executive variable pay) includes all the companies we engaged with.</p> <p>In the course of our ESG interviews with companies in our portfolios, we systematically asked the following two questions:</p> <ul style="list-style-type: none"> <li>- Is variable executive pay dependent on extra-financial criteria?</li> <li>- What proportion of variable pay is dependent on these criteria?</li> </ul>   |

|          |  |
|----------|--|
| Outcomes | <input checked="" type="checkbox"/> Company changed practice<br><input type="checkbox"/> Company committed to change<br><input type="checkbox"/> Disclosure / report published<br><input type="checkbox"/> Divestment<br><input type="checkbox"/> Failed/no outcome<br><input type="checkbox"/> Increased understanding / information<br><input type="checkbox"/> Invested in company<br><input type="checkbox"/> Ongoing<br><input type="checkbox"/> Voting<br><input type="checkbox"/> Other |
|----------|--|

Add Example 2

|                   |   |
|-------------------|---|
| ESG Topic         | <p><b>Diversity</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Executive Remuneration</li> <li><input type="checkbox"/> Climate Change</li> <li><input type="checkbox"/> Human rights</li> <li><input type="checkbox"/> Company leadership issues</li> <li><input type="checkbox"/> Pollution</li> <li><input type="checkbox"/> General ESG</li> <li><input checked="" type="checkbox"/> Diversity</li> <li><input type="checkbox"/> Shareholder rights</li> <li><input type="checkbox"/> Health and Safety</li> <li><input type="checkbox"/> Sustainability reporting</li> <li><input type="checkbox"/> Water risks</li> <li><input type="checkbox"/> Labour practices and supply chain management</li> <li><input type="checkbox"/> Anti-bribery and corruption</li> <li><input type="checkbox"/> Deforestation</li> <li><input type="checkbox"/> Aggressive tax planning</li> <li><input type="checkbox"/> Cyber security</li> <li><input type="checkbox"/> Other governance</li> <li><input type="checkbox"/> Plastics</li> <li><input type="checkbox"/> Other</li> </ul>  |
| Conducted by      | <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Individual / Internal</li> <li><input type="checkbox"/> Service provider</li> </ul>  |
| Objectives        | <p>On the Social front, we push companies to abolish discrimination in all its forms and to promote both gender parity and diversity.</p> <p>While all the companies voice their support for this message, not all are as far advanced as others on these issues. Service industries such as banking or insurance tend to report women as making up over 40% of their headcounts, while industrial companies generally trail far behind at below 25%. While there is certainly a historical explanation for the discrepancy, we make every effort to encourage companies to narrow the gap, and a number of measures have been taken. Several companies, including Telefonica, have established a Diversity Committee to address these issues. Philips has set aside a seat on its Sustainable Development Committee for its Inclusion and Diversity Officer. Along with many companies employing a high proportion of engineers, Nokia is faced with a shortage of female talents and so has set up partnerships with schools to attract more women students into engineering, in addition to its own internal pro-diversity programmes.</p> |
| Scope and Process | <p>The scope of this indicator (e.g. gender parity, % of women managers...) includes all the companies we engaged with.</p>   |
| Outcomes          | <ul style="list-style-type: none"> <li><input type="checkbox"/> Company changed practice</li> <li><input checked="" type="checkbox"/> Company committed to change</li> <li><input type="checkbox"/> Disclosure / report published</li> <li><input type="checkbox"/> Divestment</li> </ul>   |

|  |   |
|--|---|
|  | <input type="checkbox"/> Failed/no outcome<br><input type="checkbox"/> Increased understanding / information<br><input type="checkbox"/> Invested in company<br><input type="checkbox"/> Ongoing<br><input type="checkbox"/> Voting<br><input type="checkbox"/> Other |
|--|---|

- Add Example 3
- Add Example 4
- Add Example 5
- Add Example 6
- Add Example 7
- Add Example 8
- Add Example 9
- Add Example 10

**(Proxy) voting and shareholder resolutions**

|        |           |        |             |       |
|--------|-----------|--------|-------------|-------|
| LEA 12 | Mandatory | Public | Descriptive | PRI 2 |
|--------|-----------|--------|-------------|-------|

**LEA 12.1** Indicate how you typically make your (proxy) voting decisions.

**Approach**

- We use our own research or voting team and make voting decisions without the use of service providers.

**Based on**

- our own voting policy
- our clients' requests or policies
- other, explain
- We hire service provider(s) who make voting recommendations and/or provide research that we use to guide our voting decisions.
- We hire service provider(s) who make voting decisions on our behalf, except for some pre-defined scenarios where we review and make voting decisions.
- We hire service provider(s) who make voting decisions on our behalf.

**LEA 12.2** Provide an overview of how you ensure your voting policy is adhered to, giving details of your approach when exceptions to the policy are made.

METROPOLE Gestion believes that exercising voting rights is an essential part of the relationship between a listed company and its shareholders. We are in a position to exercise voting rights in all companies in our portfolio.

Our voting policy sets out the principles applied by METROPOLE Gestion when exercising voting rights. It does not cover every situation that may arise. We examine all proposed resolutions and decide how we will vote, in the sole interest of our clients and in line with the principles and recommendations issued by the AFG (French asset management association) or locally accepted best practice. We then vote using the ISS voting service.

As a signatory of the UN PRI (United Nations' Principles for Responsible Investment), we ensure that our voting policy is consistent with the environmental, social and governance criteria set out in our Transparency Code, which is available on our website.

We reserve the right not to vote in certain specific cases, when voting would not be in our clients' interest. For example, when shares would be blocked for a long period of time if we exercised our voting rights, restricting fund managers' freedom of movement.

When requested, we inform clients how we have exercised voting rights. As required by the AMF's General Regulation, we draw up an annual report within four months of the end of each financial year, which describes voting during the previous year. This report can be viewed on our website or at the registered office.

It is our philosophy to support the management teams of the companies in which we have invested.

We actively analyse all resolutions put to the vote.

|        |           |        |             |       |
|--------|-----------|--------|-------------|-------|
| LEA 15 | Mandatory | Public | Descriptive | PRI 2 |
|--------|-----------|--------|-------------|-------|

|          |  |
|----------|--|
| LEA 15.1 | Indicate the proportion of votes where you or the service providers acting on your behalf have raised concerns with companies ahead of voting. |
|----------|--|

- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- Neither we nor our service provider(s) raise concerns with companies ahead of voting

|          |  |
|----------|--|
| LEA 15.2 | Indicate the reasons for raising your concerns with these companies ahead of voting. |
|----------|--|

- Vote(s) for selected markets
- Vote(s) for selected sectors
- Vote(s) relating to certain ESG issues
- Vote(s) on companies exposed to controversy on specific ESG issues
- Vote(s) for significant shareholdings
- On request by clients
- Other

|        |           |        |               |       |
|--------|-----------|--------|---------------|-------|
| LEA 16 | Mandatory | Public | Core Assessed | PRI 2 |
|--------|-----------|--------|---------------|-------|

**LEA 16.1**

Indicate the proportion of votes participated in within the reporting year in which, you and/or the service provider(s) acting on your behalf, have communicated to companies the rationale for abstaining or voting against management recommendations.

- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers do not abstain or vote against management recommendations

**LEA 16.2**

Indicate the reasons your organisation would communicate to companies, the rationale for abstaining or voting against management recommendations.

- Votes for selected markets
- Votes for selected sectors
- Votes relating to certain ESG issues
- Votes on companies exposed to controversy on specific ESG issues
- Votes for significant shareholdings
- On request by clients
- Other

Explain

We communicate the rationale upon company request or in the context of our engagement Policy (systematically).

**LEA 16.3**

In cases where your organisation does communicate the rationale for the abstention or the vote against management recommendations, indicate whether this rationale is made public.

- Yes
- No

**LEA 17****Mandatory****Public****Core Assessed****PRI 2****LEA 17.1**

For listed equities where you and/or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

- We do track or collect this information

Votes cast (to the nearest 1%)

%

98



Specify the basis on which this percentage is calculated

- of the total number of ballot items on which you could have issued instructions
- of the total number of company meetings at which you could have voted
- of the total value of your listed equity holdings on which you could have voted
- We do not track or collect this information

**LEA 17.2** Explain your reason(s) for not voting on certain holdings




- Shares were blocked
- Notice, ballots or materials not received in time
- Missed deadline
- Geographical restrictions (non-home market)
- Cost
- Conflicts of interest
- Holdings deemed too small
- Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
- Client request
- Other

|               |                  |               |                            |              |
|---------------|------------------|---------------|----------------------------|--------------|
| <b>LEA 18</b> | <b>Voluntary</b> | <b>Public</b> | <b>Additional Assessed</b> | <b>PRI 2</b> |
|---------------|------------------|---------------|----------------------------|--------------|

**LEA 18.1** Indicate if you track the voting instructions that you and/or your service provider on your behalf have issued.

- Yes, we track this information

**LEA 18.2** Of the voting instructions that you and/or third parties on your behalf issued, indicate the proportion of ballot items that were:

| Voting instructions                           | Breakdown as percentage of votes cast  |
|---|--|
| For (supporting) management recommendations   | <br>85 |
| Against (opposing) management recommendations | <br>15 |
| Abstentions                                   | <br>0  |

100%

No, we do not track this information

|                 |   |
|-----------------|---|
| <b>LEA 18.3</b> | In cases where your organisation voted against management recommendations, indicate the percentage of companies you have engaged. |
|-----------------|---|

100

|               |                  |               |                      |              |
|---------------|------------------|---------------|----------------------|--------------|
| <b>LEA 19</b> | <b>Mandatory</b> | <b>Public</b> | <b>Core Assessed</b> | <b>PRI 2</b> |
|---------------|------------------|---------------|----------------------|--------------|

|                 |  |
|-----------------|--|
| <b>LEA 19.1</b> | Indicate whether your organisation has a formal escalation strategy following unsuccessful voting. |
|-----------------|--|

Yes

No

|               |                  |               |                    |              |
|---------------|------------------|---------------|--------------------|--------------|
| <b>LEA 20</b> | <b>Voluntary</b> | <b>Public</b> | <b>Descriptive</b> | <b>PRI 2</b> |
|---------------|------------------|---------------|--------------------|--------------|

|                 |   |
|-----------------|---|
| <b>LEA 20.1</b> | Indicate if your organisation directly or through a service provider filed or co-filed any ESG shareholder resolutions during the reporting year. |
|-----------------|---|

Yes

No

|               |                  |               |                    |              |
|---------------|------------------|---------------|--------------------|--------------|
| <b>LEA 21</b> | <b>Voluntary</b> | <b>Public</b> | <b>Descriptive</b> | <b>PRI 2</b> |
|---------------|------------------|---------------|--------------------|--------------|

|                 |   |
|-----------------|---|
| <b>LEA 21.1</b> | Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year. |
|-----------------|---|

Add Example 1

|                   |  |
|-------------------|--|
| ESG Topic         | <p>Executive Remuneration, Company leadership issues, Other governance</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Executive Remuneration</li> <li><input type="checkbox"/> Climate Change</li> <li><input type="checkbox"/> Human rights</li> <li><input checked="" type="checkbox"/> Company leadership issues</li> <li><input type="checkbox"/> Pollution</li> <li><input type="checkbox"/> General ESG</li> <li><input type="checkbox"/> Diversity</li> <li><input type="checkbox"/> Shareholder rights</li> <li><input type="checkbox"/> Health and Safety</li> <li><input type="checkbox"/> Sustainability reporting</li> <li><input type="checkbox"/> Water risks</li> <li><input type="checkbox"/> Labour practices and supply chain management</li> <li><input type="checkbox"/> Anti-bribery and corruption</li> <li><input type="checkbox"/> Deforestation</li> <li><input type="checkbox"/> Aggressive tax planning</li> <li><input type="checkbox"/> Cyber security</li> <li><input type="checkbox"/> Political spending / lobbying</li> <li><input checked="" type="checkbox"/> Other governance</li> <li><input type="checkbox"/> Plastics</li> <li><input type="checkbox"/> Other</li> </ul>  |
| Conducted by      | <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Individual/Internal</li> <li><input type="checkbox"/> Service provider</li> </ul>   |
| Objectives        | <p>Since our approach is designed to encourage companies to improve their practices, we also engage with them ahead of General Meetings in order to address, and even influence, the content of resolutions to appear on the agenda. In this way we can ensure that this content is aligned with minority shareholder interests and complies with our principles of governance.</p> <p>Capgemini example: as part of the succession plan for Group Chairman and CEO Paul Hermelin, Capgemini decided to appoint two Chief Operating Officers (Aiman Ezzat and Thierry Delaporte) for a period of three years, only one of whom would be confirmed in the role at the end of this period. To insure against the unsuccessful candidate departing immediately to a rival firm, the Group invited shareholders to vote on a severance package in return for a non-compete clause. We took issue with the company on:</p> <p>The dual succession plan, which we considered less than optimal.</p> <p>The conditions for the granting of the severance package, which lacked transparency.</p> <p>Our dialogue with the company provided us with a clearer understanding of the Group's motivations and justifications. Ultimately, we voted in favour of this controversial resolution at the shareholder meeting.</p> |
| Scope and Process | <p>Discussion ahead of General Meetings in order to address, and even influence, the content of resolutions to appear on the agenda.</p>   |
| Outcomes          | <ul style="list-style-type: none"> <li><input type="checkbox"/> Company changed practice</li> </ul>  |

|   |
|---|
| <input type="checkbox"/> Company committed to change<br><input type="checkbox"/> Disclosure / report published<br><input type="checkbox"/> Divestment<br><input type="checkbox"/> Failed/no outcome<br><input checked="" type="checkbox"/> Increased understanding / information<br><input type="checkbox"/> Invested in company<br><input type="checkbox"/> Ongoing<br><input type="checkbox"/> Voting<br><input type="checkbox"/> Other |
|---|

Add Example 2

|                   |   |
|-------------------|---|
| ESG Topic         | <p>Company leadership issues, General ESG</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Executive Remuneration</li> <li><input type="checkbox"/> Climate Change</li> <li><input type="checkbox"/> Human rights</li> <li><input checked="" type="checkbox"/> Company leadership issues</li> <li><input type="checkbox"/> Pollution</li> <li><input checked="" type="checkbox"/> General ESG</li> <li><input type="checkbox"/> Diversity</li> <li><input type="checkbox"/> Shareholder rights</li> <li><input type="checkbox"/> Health and Safety</li> <li><input type="checkbox"/> Sustainability reporting</li> <li><input type="checkbox"/> Water risks</li> <li><input type="checkbox"/> Labour practices and supply chain management</li> <li><input type="checkbox"/> Anti-bribery and corruption</li> <li><input type="checkbox"/> Deforestation</li> <li><input type="checkbox"/> Aggressive tax planning</li> <li><input type="checkbox"/> Cyber security</li> <li><input type="checkbox"/> Political spending / lobbying</li> <li><input type="checkbox"/> Other governance</li> <li><input type="checkbox"/> Plastics</li> <li><input type="checkbox"/> Other</li> </ul> |
| Conducted by      | <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Individual/Internal</li> <li><input type="checkbox"/> Service provider</li> </ul>  |
| Objectives        | <p>Since our approach is designed to encourage companies to improve their practices, we also engage with them ahead of General Meetings in order to address, and even influence, the content of resolutions to appear on the agenda. In this way we can ensure that this content is aligned with minority shareholder interests and complies with our principles of governance.</p> <p>Total example: we held discussions with Total on a number of resolutions that caught our attention (see details in the scope and process section).</p>   |
| Scope and Process | <p>We held discussions with Total on a number of resolutions that caught our attention:</p> <p>Reappointment of Patrick Pouyanné as Chairman and CEO: the company argued that a single individual with combined powers constituted an advantage in the strategic negotiations characteristic of the sector, and emphasised the presence of a senior independent director. We therefore voted in favour of this resolution.</p> <p>Capital increase by private placement: we made clear to the Group, as to any other company submitting a similar resolution, our opposition in principle, since such measures are dilutive for existing shareholders. We therefore voted against this resolution.</p> <p>Change in the rules for election of the employee representative (shareholder resolution): this proposal limited the rights of any employee to stand for election to this position. We therefore voted against this resolution.</p>  |
| Outcomes          | <ul style="list-style-type: none"> <li><input type="checkbox"/> Company changed practice</li> </ul>   |

|   |
|---|
| <input type="checkbox"/> Company committed to change<br><input type="checkbox"/> Disclosure / report published<br><input type="checkbox"/> Divestment<br><input type="checkbox"/> Failed/no outcome<br><input type="checkbox"/> Increased understanding / information<br><input type="checkbox"/> Invested in company<br><input type="checkbox"/> Ongoing<br><input checked="" type="checkbox"/> Voting<br><input type="checkbox"/> Other |
|---|

- Add Example 3
- Add Example 4
- Add Example 5
- Add Example 6
- Add Example 7
- Add Example 8
- Add Example 9
- Add Example 10