



## **Shareholder engagement policy**

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This document describes the principles of the voting rights policy associated with the holdings of funds or companies managed by Ekkio Capital. Our shareholder engagement policy is guided by our investors' interests.

This policy is centered around the environmental, social and governance issues that our management company promotes. We believe that ESG analysis and management, in addition to active financial management, help make better investment decisions and reduce investment risks in the short and long term.

1. **Monitoring strategy, financial and non-financial performance, risks, capital structure, social and environmental impact and corporate governance:**

The Team build a strong partnership with the management of companies, which is key for a successful investment operation. For this reason, we emphasize on sharing views with management and other shareholders on company development strategy.

The Team strives to be a true partner of the company and its management, whether it be strategic thinking, best practices in corporate governance, reinforced for example by the appointment of independent directors, the adaptation of the managerial organization, the quality of reporting tools, or the creation of value through internal or external growth, with the identification and negotiation of targets.

2. **Dialogue with the companies held:**

As an active majority shareholder, Ekkio Capital supports its portfolio companies to accelerate their transformation by providing financial resources and expertise.

In addition to our financial expertise, we have developed a close relationship with our holdings through periodic meetings with the management as well as meetings of the corporate bodies and/or general meetings.

Finally, the Management Company discusses the ESG criteria of their companies at least once a year with the managers of the holdings in order to review their progress. The Management Company assists them should difficulties arise by making proposals based in particular on the actions implemented by other holdings.

3. **Exercise of voting rights :**

Ekkio Capital exercises its voting rights on behalf of the funds managed in the interest of the stakeholders. More specifically, for the following resolutions, Ekkio Capital refers to the following principles:

- Decisions impacting company statutes:

The vote cast will depend on the consequences that these amendments will have on the interests of the unit holders.

- Issue or redemption of equity securities:

The direction of the votes is determined after studying the terms of the operation and the objectives pursued.

- Approval of the accounts and allocation of the result:

The vote taken will depend on the quality of the documents presented by the directors and the position of the statutory auditors.

- Appointment of the statutory auditors :

Ekkio Capital generally votes in favour unless there are concerns about the independence of the auditors.

- Appointment and dismissal of corporate bodies:

Ekkio Capital generally votes in favour of the appointment of managers, except when legal action is taken against the manager whose nomination is proposed or when the appointment is contrary to the company's interest (and therefore indirectly to the interest of holders).

- Executive remuneration:

The direction of the vote takes into account (i) the adequacy of the amount of the remuneration envisaged and the general performance of the company, (ii) best industry practices.

The approval of regulated agreements will depend on the level of detail and rationale of the economic conditions of the agreement. Any regulated agreement that is poorly informed, not quantified, not well justified, or that does not allow the resolution to be evaluated with full knowledge of the facts will be rejected.

- Environmental, social and governance resolutions :

The filing of environmental, social and governance resolutions is not a common initiative for companies, each one having a different level of ESG maturity. Ekkio Capital supports environmental, social and governance resolutions.

**4. The method of exercising voting rights**

Physical participation in the General Meeting is preferred.

If a member of the investment team is unable to attend the meeting in person, Ekkio Capital will exercise his or her right to vote either by correspondence or by giving a proxy to the manager or another shareholder, specifying the direction of the vote.

Finally, in the case of unanimous acts expressly authorised by the company's articles of association, this voting policy is also respected.

**5. Principles for determining the cases in which the Company intends to exercise its voting rights**

In order to best ensure the preservation of the interest of the unitholders, the principle adopted is that voting rights are systematically exercised unless the documents have been requested by the investment team within a reasonable period of time and have not been received or are received less than 3 days before the meeting.

**6. Cooperation with other shareholders:**

As a long-term investor, Ekkio Capital regularly exchanges with other shareholders and seeks to foster dialogue. The Management Company strives to exchange throughout the duration of the investment (new round of financing, at General Meetings and during a proposed sale).

Upon receipt of the agenda of the General Meeting, and if particular points arise (anticipated disagreement or unusual points), the Management Company take the initiative to exchange views before the Meeting and makes its position known.

Cooperation with other shareholders has taken the form of decisions taken within the bodies of our holdings.

**7. Prevention and management of actual or potential conflicts of interest:**

The Code of Ethics sets out the system in place within Ekkio Capital for the prevention and management of conflicts of interest.

Ekkio Capital never had to deal so far with conflicts of interest when exercising the voting rights attached to the securities held by the funds it manages.

**8. Communication with relevant stakeholders**

We interact with a number of stakeholders to conduct ESG analysis and shareholder engagement at Ekkio Capital. These include

- Financial management bodies (France Invest, AMF...)
- NGOs
- The media
- ESG data providers
- Investors
- Shareholders

**9. Reporting on shareholder engagement policy**

Ekkio Capital draft an annual report on its shareholder engagement policy. This report is available on request by email to [esg@ekkiio.fr](mailto:esg@ekkiio.fr).

It includes the following information:

- A general description of how voting rights were exercised
- An explanation of the choices made on the most important votes
- Information on the possible use of services provided by voting advisors
- The orientation of votes cast during general meetings, which may exclude votes that are insignificant because of their purpose or the size of the holding in the company