

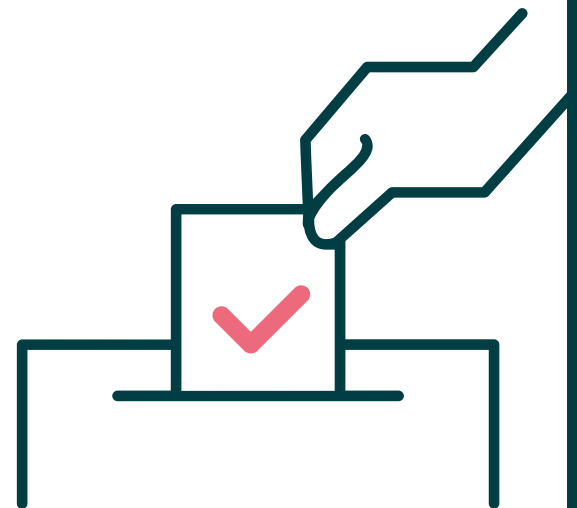
# REPORT ON VOTING RIGHTS EXERCISED IN 2024

March 2025

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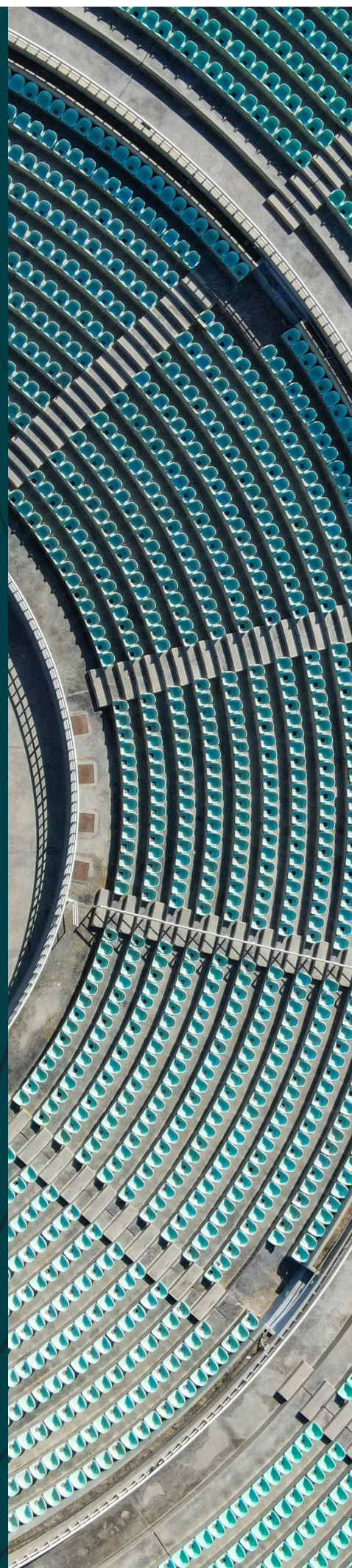







# GENERAL FRAMEWORK

Voting rights exercised by  
Ostrum Asset Management



# 1. GENERAL FRAMEWORK

As a management company acting on behalf of third parties, Ostrum Asset Management considers that its responsibility and duty of care to unitholders encompasses monitoring changes in the value of their investments and exercising the non-economic rights attached to the securities held in the portfolios it manages. Therefore, Ostrum Asset Management votes in the exclusive interest of unitholders.




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### Voting policy

Ostrum Asset Management set out a voting policy in 1998<sup>1</sup> stipulating its guiding principles when exercising voting rights at shareholder meetings. The principles set out in the voting policy establish the framework under which Ostrum Asset Management conducts an independent analysis of the proposals submitted and determine how it exercises voting rights in an informed manner in the exclusive interest of unitholders. We revise these principles on a yearly basis to take account of applicable corporate governance practices, as well as changes in regulation throughout the year.

[Link to voting policy](https://www.ostrum.com/en/statutory-documents#commitments-with-regard-to-voting-policy-)  
<https://www.ostrum.com/en/statutory-documents#commitments-with-regard-to-voting-policy->

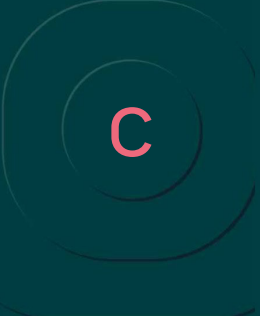


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### Ostrum Asset Management’s organisation for exercising voting rights

The exercise of voting rights is structured on the basis of two separate activities:

- Analysis of resolutions: conducted with the support of Ostrum Asset Management’s analysts-fund managers and a voting service provider in accordance with the principles set out in Ostrum Asset Management’s voting policy, which is approved by its Executive Committee.
- The exercise of voting rights: votes are cast by Ostrum Asset Management’s Middle Office department, which is also in charge of relations with service providers and custodians.



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### Breakdown of votes at shareholder meetings

Ostrum Asset Management has a platform, accessible from its website, that presents in detail all votes cast by Ostrum Asset Management on the resolutions presented at the general meetings of companies held by the funds that cast votes.

[Link](https://vds.issgovernance.com/vds/#/MTEyODk=)  
<https://vds.issgovernance.com/vds/#/MTEyODk=>

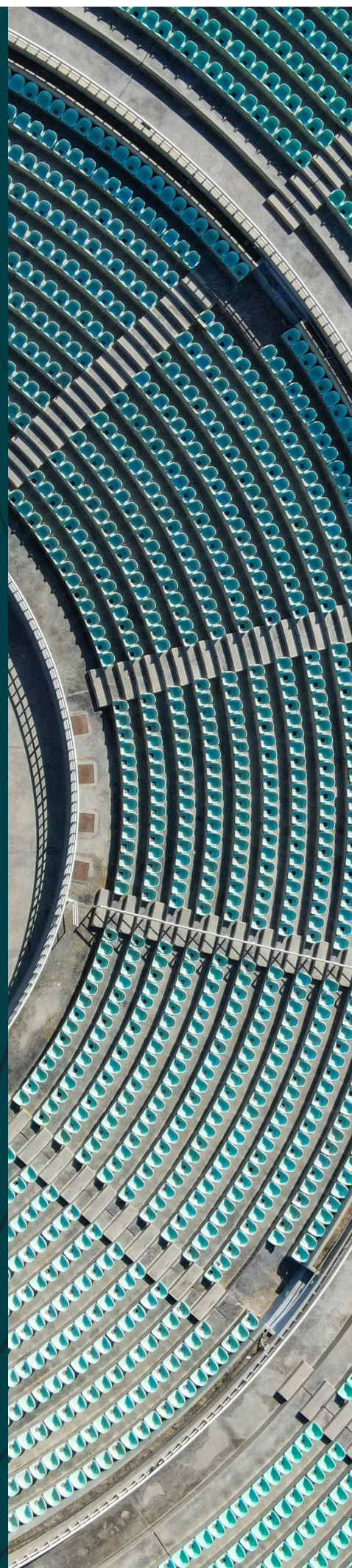
<sup>1</sup> Ostrum Asset Management was created by the separation of Ostrum Asset Management’s fixed-income and equity investment management operations into a separate subsidiary on 1 October 2018 (registered on the Paris Trade and Companies Register under number 329 450 738, previously Natixis Asset Management). Natixis Asset Management was created by the merger of two leading French asset managers in June 2007, Natixis Asset Management and Ixis Asset Management. Natixis Asset Management was the Banque Populaire Group’s asset management firm and was set up in 1998. Ixis Asset Management was the Caisse d’Epargne Group’s asset management company and was founded in 1984.



# 2

## OUTCOME OF VOTES

Voting rights exercised by  
Ostrum Asset Management



## 2. OUTCOME OF VOTES

### 2.1. Voting scope in 2024

In accordance with the AMF regulations on the exercise of voting rights by management companies [Article 319-22 of the General Regulation] and in accordance with the principles defined in its voting policy, Ostrum Asset Management exercised the voting rights attached to the securities held in the funds and mandates it manages for which it held voting rights.

The voting scope in 2024 covered 1,358 securities held in 48 mandates and UCIs.

In this voting scope, Ostrum Asset Management exercised its voting rights at 1,433 general meetings, with a participation rate of 97%.



**97%**



Participation rate at  
general meetings

#### Breakdown of votes by geographical area (number of shareholder meetings)

Country	No.	%
Americas	658	46
Europe	538	38
Asia	231	16
Oceania	6	0
<b>Total</b>	<b>1,433</b>	<b>100</b>

SOURCE: OSTRUM AM – ISS GOVERNANCE





## 2.2. Overall statistics

Of the 1,433 general meetings at which confirmed votes were cast, Ostrum Asset Management voted on 21,033 resolutions.



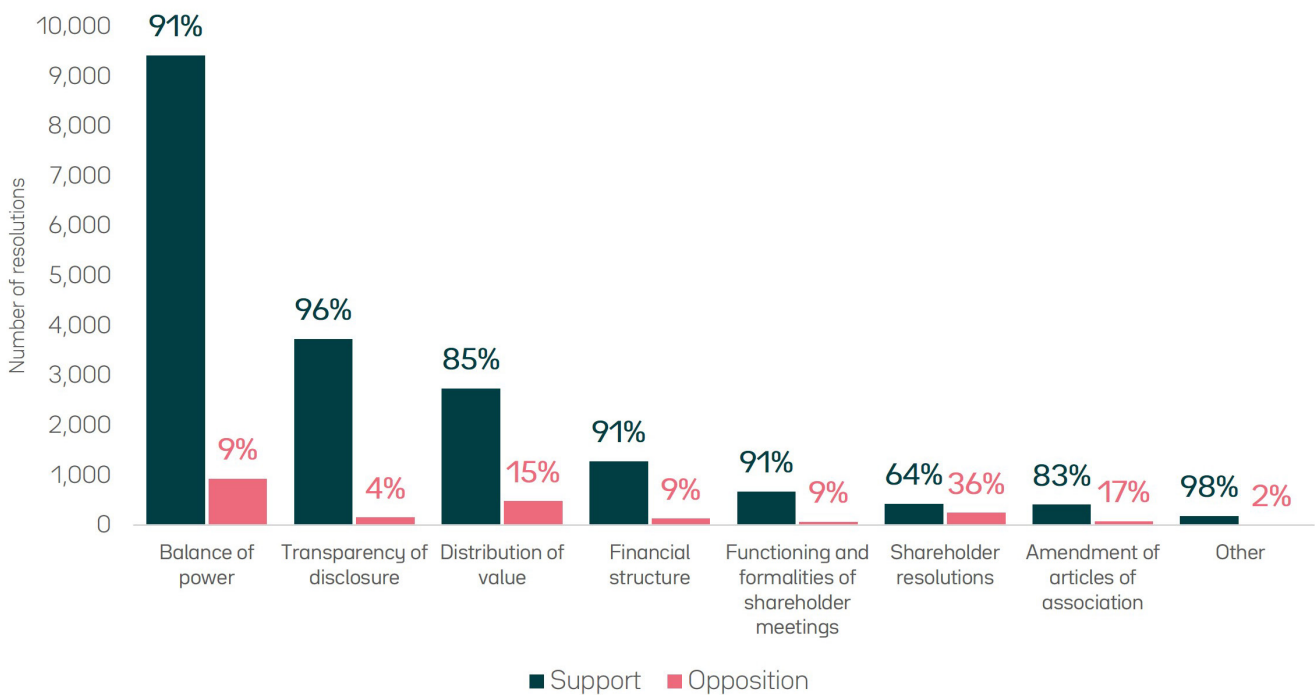
At 49% of general meetings, Ostrum Asset Management voted against at least one resolution.

The opposition rate is substantially higher for the European continent. Indeed, for management strategy reasons, around a hundred stocks are subject to fundamental internal analysis, where the managers analyse and validate the voting recommendations proposed by a voting service provider. As regards the rest of the companies, the votes follow the recommendations proposed by Ostrum Asset Management's voting service provider, according to its policy, in line with Ostrum Asset Management's approach.

Breakdown of votes by geographical area (breakdown vote/continent)						
Country	For	% For	Against	% Against	Abstention	% Abstention
Europe	9,400	88%	1,046	10%	169	2%
Americas	7,412	92%	448	5%	207	3%
Asia	2,150	93%	157	7%	0	0%
Oceania	42	95%	2	5%	0	0%
<b>Total</b>	<b>19,004</b>		<b>1,653</b>		<b>376</b>	

SOURCE: OSTRUM AM - ISS GOVERNANCE

### BREAKDOWN OF VOTES BY ISSUE



SOURCE: OSTRUM AM - ISS GOVERNANCE

Aside from shareholder resolutions, resolutions on the distribution of value and amendments to the articles of association met with the highest levels of opposition (15% and 17% respectively), in line with the requirements set out in Ostrum Asset Management’s voting policy.

### 2.3. Analysis of Ostrum Asset Management’s voting priorities at shareholder meetings

Ostrum Asset Management places particular emphasis on **the robustness of the governance bodies** within the portfolio companies.

We addressed questions of governance by considering the quality of corporate **incentive and remuneration programs** proposed by boards of directors. Ostrum Asset Management paid much greater attention to the composition of these plans with a view to aligning the management teams’ interests with those of other company stakeholders.

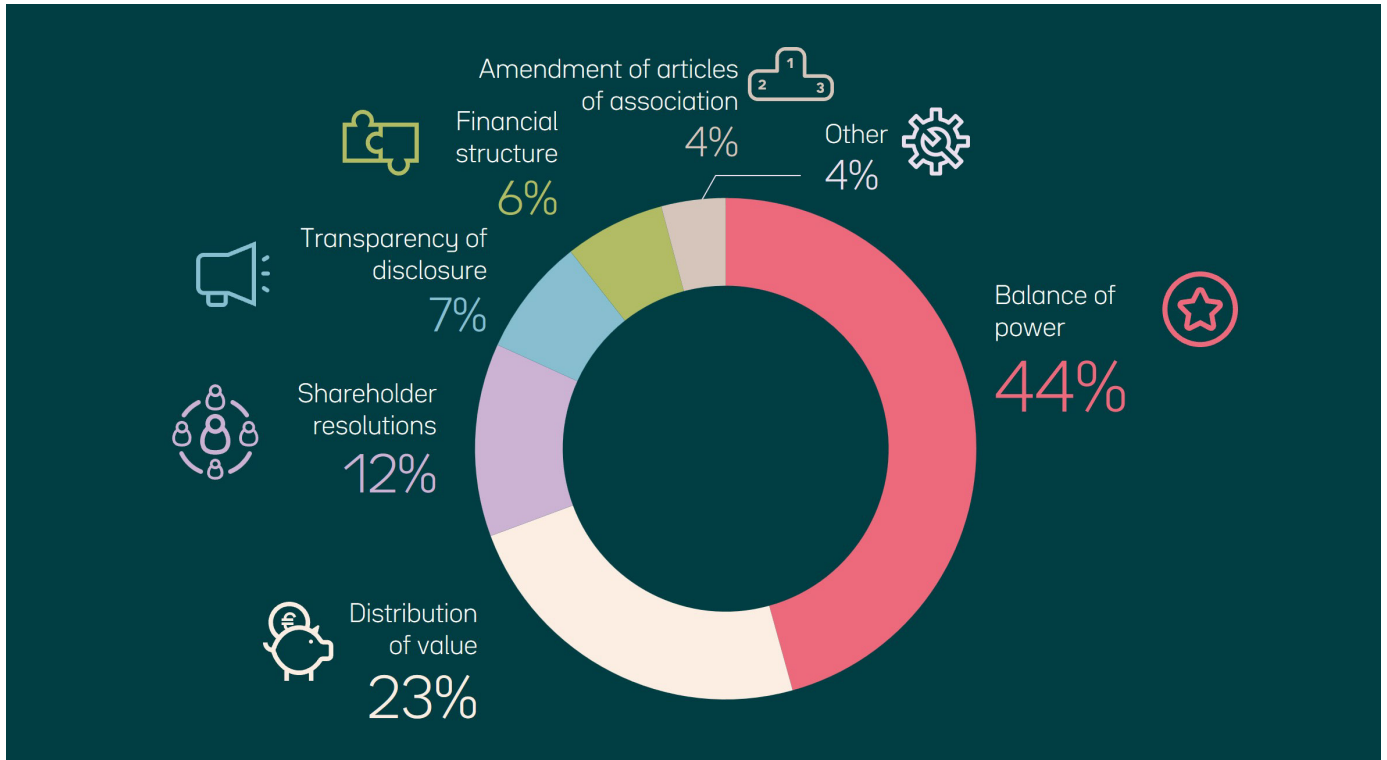
We actively analysed **data transparency, requirements in relation to objectives, integration of non-financial aspects and assessed whether amounts paid out were reasonable.**

Ostrum Asset Management maintained its shareholder engagement strategy in line with **its sector policies**, particularly with regard to climate strategy issues related to the oil & gas and coal sectors.



## 2.4. Analysis of factors justifying negative votes

The breakdown of opposition (vote against and abstention) on all resolutions put to shareholder vote was as follows:



SOURCE: OSTRUM AM - ISS GOVERNANCE



### BALANCE OF POWER

Resolutions on the balance of power accounted for **44%** of our overall against and abstention votes, with an average opposition rate of **9%**.

**9%**

- Votes against director election resolutions

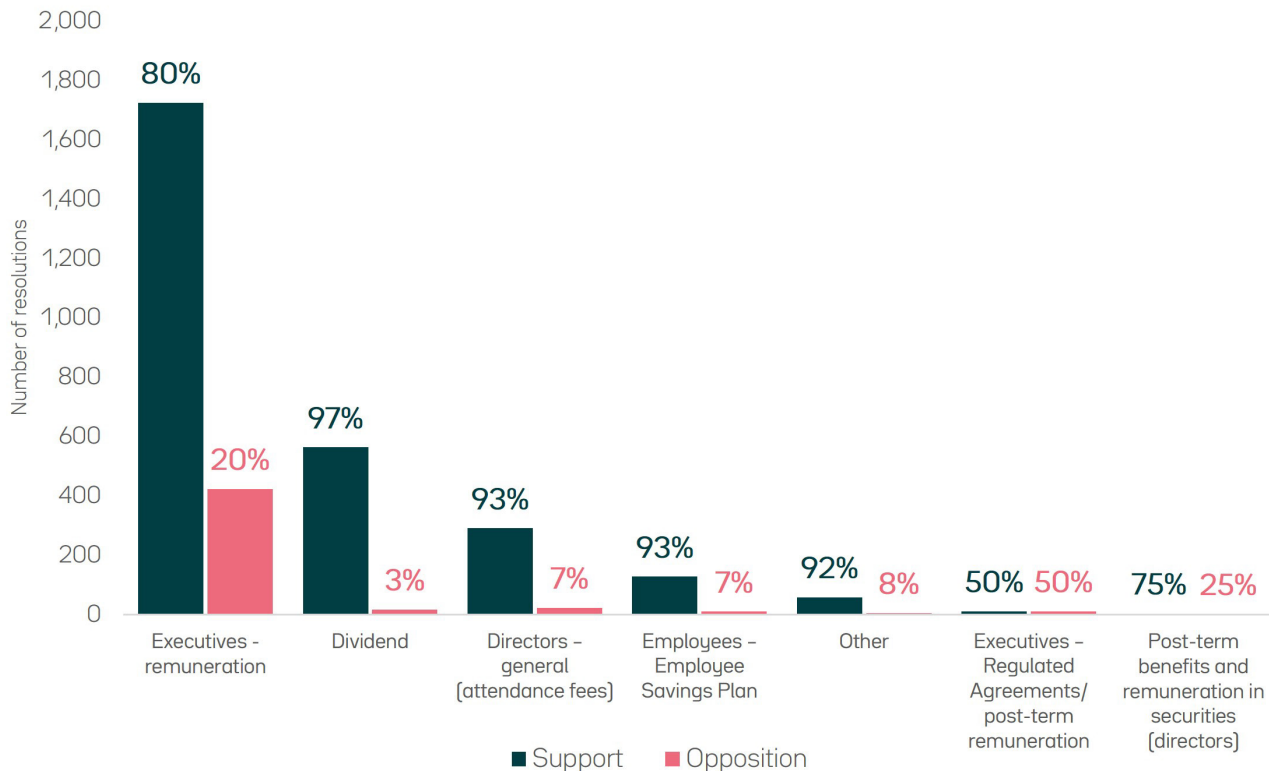
Resolutions concerning the election of directors accounted for nearly all resolutions on this issue. Our proportion of against or abstention votes on this point remained stable compared to 2023 at **9%** despite increased requirements in view of the change in our voting policy on boards' skills, availability (stricter policy on number of corporate offices held), independence and diversity (requirement that women comprise at least **40%** of the board).



## DISTRIBUTION OF VALUE

Distribution of value accounted for **23%** of our overall against and abstention votes, with an average opposition rate of **15%**.

### DISTRIBUTION OF VALUE



SOURCE: OSTRUM AM - ISS GOVERNANCE

**20%** • Votes against Say on Pay resolutions

Ostrum Asset Management applies its voting policy with a view to ensuring that executive remuneration is attractive, offers an incentive and promotes social cohesion in the company.

On remuneration issues, Ostrum Asset Management focused, in particular, on the approval of executive remuneration policies and reports. In accordance with our voting policy, Ostrum Asset Management voted against resolutions when transparency fell well short of market best practices and did not establish a clear connection between remuneration paid out and value creation, when remuneration policy and practices reflected an insufficient correlation with the company’s actual performance and in the event of excessive remuneration gaps with peers and staff in the company.

Looking to long-term remuneration, the **main reason for our against votes and abstentions was an insufficient correlation with long-term value creation** e.g. payout of all or part of financial instruments with no related performance criteria. Another area of concern was the lack of clear and precise information on applicable performance conditions (if they exist).

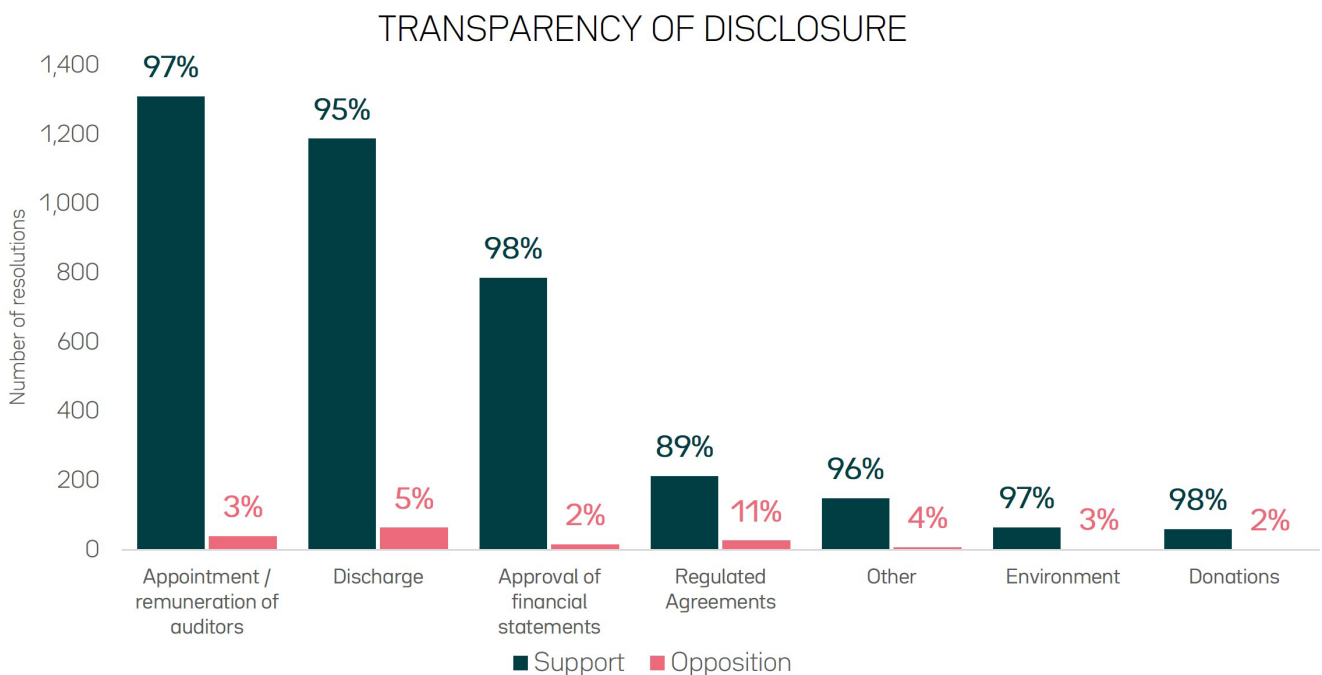
Regarding directors' remuneration, Ostrum Asset Management systematically opposed payment in the form of variable instruments indexed to the company's stock market performance. Aligning directors' interests with the company's stock market performance presents a potential risk of conflicts of interest in the exercise of their duties. With regard to their remuneration, Ostrum Asset Management's approach aimed to sanction excessive and unjustified increases in the overall budget.

Lastly, Ostrum Asset Management strongly encourages initiatives that enable employees to take a stake in their company and benefit from its results. We therefore supported all resolutions on employee savings schemes and opposed them only in the few cases in which employee savings could be used by the company to control voting rights.



## TRANSPARENCY OF FINANCIAL DISCLOSURE

Issues of transparency of disclosure accounted for **7%** of overall against votes and abstentions, with an average opposition rate of **4%**



SOURCE: OSTRUM AM - ISS GOVERNANCE



Ostrum Asset Management paid particular attention to the appointment and remuneration of statutory auditors within this theme.

Our votes against and abstentions on the appointment and remuneration of statutory auditors primarily involved situations where there was a doubt over their independence as fees paid for non-audit related tasks were the equivalent of more than 100% of the amount paid for audits.

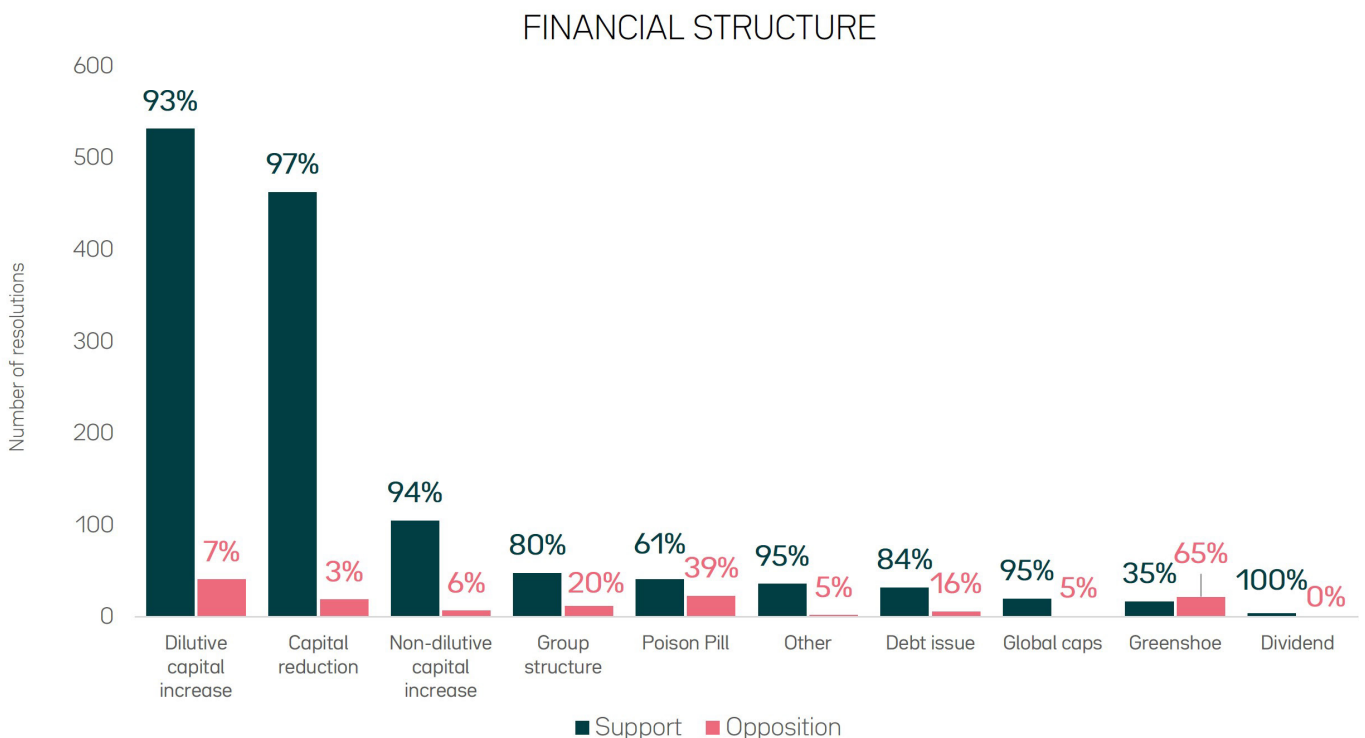
With respect to regulated agreements, negative votes were cast primarily in cases where insufficiently transparent information prevented determining whether these contracts were proper (settlements, provision of services, additional remuneration for corporate officers).

With regard to the granting of discharges, the level of opposition is primarily due to Ostrum Asset Management’s refusal to vote in favour of such resolutions in countries where such a vote undermines shareholders’ ability to subsequently initiate legal proceedings. This practice continues to be applied in several European countries despite the objection of investors.



## FINANCIAL STRUCTURE

Resolutions on financial structure accounted for **6%** of total against votes and abstentions, with an average opposition rate of **9%**.



SOURCE: OSTRUM AM – ISS GOVERNANCE

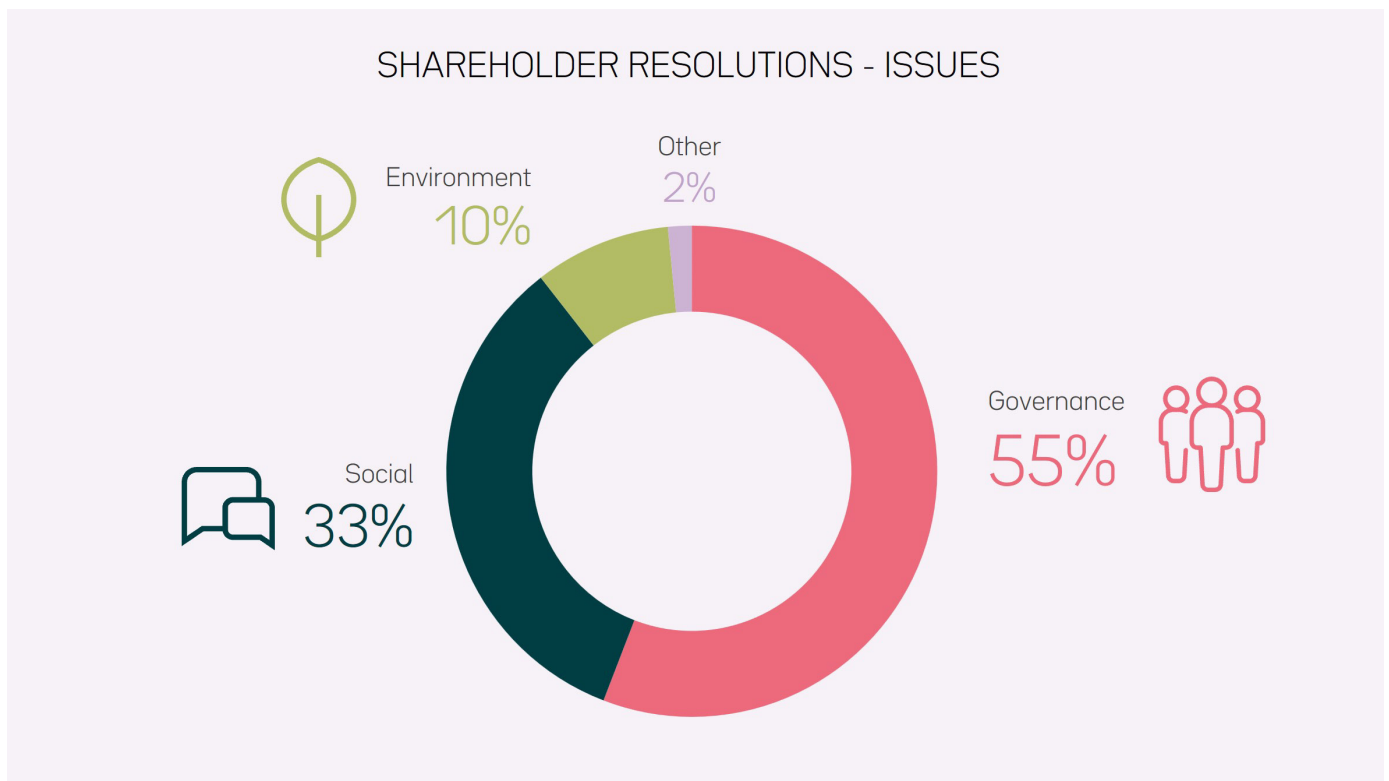
We **voted against a significant number** of financial authorisations [**39%**] that can be used as anti-takeover protection measures, known as Poison Pills. Resolutions on these issues are very specific to the European markets. Although Ostrum Asset Management has opted for a rather pragmatic approach on this issue, the opposition rate shows that the governance structure often does not provide sufficient guarantees to ensure that these arrangements will be used in the company’s long-term interest.

Resolutions relating to Greenshoe options during capital increases were voted against, depending on the type of capital increase involved i.e. dilution, removal of preferential subscription rights, anti-takeover measures, etc.



## SHAREHOLDER RESOLUTIONS

Shareholder resolutions accounted for **12%** of our total against votes and abstentions. Of the 677 proposed resolutions, Ostrum Asset Management voted in favour of 436 [**64%**]. They covered the following topics:



SOURCE: OSTRUM AM - ISS GOVERNANCE

## CLIMATE RESOLUTIONS (Say on Climate and shareholder resolutions)

A detailed consistency analysis was carried out on climate resolutions, in particular on the following elements:

- the presence of short-, medium- and long-term objectives for relevant scopes;
- a clear strategy to achieve these objectives with, where possible, a quantified action plan (capex);
- transparency of information needed to understand the company’s challenges and progress;
- governance designed to achieve these climate goals: competence of the board of directors, dialogue with the company’s stakeholders, accountability and executive incentives.

### A. Say on Climate

In 2024, the number of **Say on Climate** resolutions amounted to 26 proposals worldwide (of which 16 within the voting scope of Ostrum Asset Management), compared with 23 last year. It is interesting to note that no **Say on Climate** resolution was proposed by North American companies, in a context of rejection of certain climate themes, and more broadly ESG. The support rate for this type of resolution remained stable at 87%. Ostrum Asset Management supported 81% of them.



**19%**

• **Votes against Say on Climate resolutions**

Brief review of four **Say on Climate** resolutions on which Ostrum Asset Management has expressed an opinion:

SAY ON CLIMATE		
Shareholder meeting	Sector	Comment
<b>EDP</b>	Utilities	Ostrum Asset Management supports the company in its climate transition plan as no particular concerns have been identified in the company's implementation of its climate transition plan.
<b>Unilever</b>	Food	Support for Unilever’s Say on Climate serves as an encouragement for the company, even as its climate policy and strategy appear to be largely improvable.
<b>Icade</b>	Real estate	Climate issues are fully integrated into the company's strategy. The company is currently on track with the targets it has set itself. It has also worked on its climate reporting methodology.
<b>TotalEnergies</b>	Energy	As TotalEnergies is clearly committed to improving its emissions impact, as illustrated by its high rating with most extra-financial agencies, its vision of achieving carbon neutrality by 2050 seems credible. However, the company does not currently meet all of our key Oil & Gas policy objectives.





## A CLOSER LOOK AT SOME EXAMPLES OF SUPPORT FOR OR REJECTION OF SAY ON CLIMATE RESOLUTIONS

### SUPPORT



#### EDP

Ostrum Asset Management's support is based on the commitment that EDP will present its progress towards its climate transition plan to shareholders on an annual basis.

No particular concerns have been identified in the company's implementation of its climate transition plan.

In 2023, the company achieved its GHG emissions reduction targets and is working towards achieving key milestones to become a coal-free business by 2025 and a 100% renewable energy supplier by 2030.

In 2019, EDP committed to reducing its Scope 1 and 2 intensity by 98% by 2030, plus a 50% reduction in absolute Scope 3 emissions by 2030 (compared to 2015 levels), a commitment recognised by the Science Based Targets initiative (SBTi) as being aligned with the scientific trajectory needed to limit the increase in the global average temperature to 1.5°C.

In 2022, EDP raised its ambition by committing to achieving carbon neutrality across the entire value chain by 2040, with medium-term targets to be achieved by 2030 (from a reference year set for 2020). The overall target is, by 2040, to reduce scope 1, 2 and 3 emissions by 90% compared to 2020, with short-term targets to be achieved by 2030. These targets were approved by the SBTi under the Net Zero Standard in early 2023.

### SUPPORT



#### Unilever

Ostrum Asset Management's support for Unilever's Say on Climate is an encouragement for the company to continue its efforts, while its climate policy and strategy appear to be largely improvable.

Indeed, although Unilever has announced its target of achieving carbon neutrality by 2039, this commitment does not take into account indirect emissions from the use of its products, which account for 47% of total scope 3 emissions. These targets, currently being validated by a third party for scope 3, do not include a third of the emissions calculated according to the carbon neutrality ambition.

Nevertheless, the company has set clear targets for 2030 and has put in place a detailed plan to achieve them.

## SUPPORT



### Icade

The real estate sector is one of the largest emitters of greenhouse gases (GHG) in France, with the construction of new buildings accounting for 70% of a building's carbon footprint over a lifespan of 50 years.

Icade presents a detailed plan regarding the reduction of greenhouse gas emissions to be achieved by division for the period 2019-2030, as well as the progress made between 2019 and 2023. While we commend the level of detail in the targets for the 2019-2030 period, which should enable a reduction of 144,000 tons of CO2 equivalent (or 28% compared to 2019 levels), we have limited information regarding the targets for 2030 and 2050. The goal of reducing GHG emissions by 90% for scopes 1, 2, and 3 is, however, commendable.

Although Icade provides detailed information on investments related to greening its real estate division, the group offers little information regarding the promotion segment, which is a significant source of greenhouse gas emissions.

However, the company submits a Say on Climate for the third consecutive year, which is very reassuring for monitoring the action plan. This is also why we support Icade's project.

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## ABSTENTION



### TotalEnergies

TotalEnergies is making a clear and significant contribution to the development of a new carbon-free energy system, while aiming to facilitate a just, orderly and equitable transition away from fossil fuels.

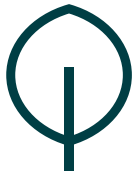
Its ambition regarding gas, a transitional energy source, at the expense of oil, as well as its considerable efforts to eliminate methane emissions from its fossil fuel production process, must also be taken into account.

Nevertheless, while it is clearly committed to improving its emissions impact, both in absolute terms and in comparison with its peers, as evidenced by its high ratings from most extra-financial agencies and its credible vision of achieving carbon neutrality by 2050, the company does not currently meet all of the key objectives outlined in our Oil & Gas policy.

For this reason, Ostrum Asset Management was unable to support TotalEnergies' project.

## B. Shareholder climate resolutions

The number of external climate resolutions (proposed by shareholders) remained strong at the global level, with around 200 resolutions proposed, **123** of which within Ostrum Asset Management's voting scope, stable compared with 2023 (200 resolutions). Over the past two years, however, the rate of support has tended to decline. From 22% support in 2021 and 2022, the rate fell to 16% in 2023 and was only at 14% in 2024. Ostrum Asset Management, which is very committed to this theme, supported **81%** of the resolutions.



**81%**



Support rate for shareholder climate resolutions

There are various reasons for the decrease observed at the global level:

- the many resolutions and repeated filing from year to year of the same resolutions by the same groups has tended to dilute their scope for the shareholder;
- as shareholder resolutions are more frequent in the United States, for legal reasons, the low priority of, if not hostility to ESG issues has led to a reduction in the rate of support for these resolutions.

The trend is downward in the United States, from 20% to 18% between 2023 and 2024.

Finally, contrary to the almost unanimous vote on the **Say on Climate** resolutions proposed by boards of directors (which had an average approval rate of 87%), climate resolutions proposed by shareholders had an approval rate of only 14% in 2024.

## 2.5. Conflict of interest situations

Ostrum Asset Management, which is part of the BPCE Group, exercises voting rights in the sole interest of unitholders and does not participate in Shareholder Meetings held by entities of the BPCE Group or its subsidiaries/holdings whose securities are publicly traded. Some other stocks may also be excluded after analysis by the Compliance department.





## DISCLAIMER

### Ostrum Asset Management

A *société anonyme* (limited company) with share capital of €50,938,997

An asset management company accredited under No. GP-18000014

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Under Ostrum Asset Management's social responsibility policy, and in accordance with the treaties signed by the French government, the funds directly managed by Ostrum Asset Management do not invest in any company that manufactures, sells or stocks anti-personnel mines and cluster bombs.



### Ostrum Asset Management

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