

# Voting Policy

Updated on February 7<sup>th</sup>, 2020

## Scope of the voting policy

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In accordance with the requirements of Articles 314-100 and following of the AMF General Regulations, Moneta Asset Management has established a voting policy, updated as necessary, which sets out the conditions under which it intends to exercise the voting rights attached to the securities held by the funds it manages.

Moneta Asset Management manages the following three funds: Moneta Micro Entreprises (MME), Moneta Multi Caps (MMC) and Moneta Long Short (MLS).

## Moneta Asset Management Organisation

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The managers and analysts of Moneta Asset Management follow the companies closely in which they invest. They are therefore in the best position to examine and analyse the resolutions submitted and to decide on the votes to be cast.

In this context, direct monitoring of each of the companies in the portfolio is assigned to an analyst or manager of Moneta Asset Management, who is responsible for deciding on votes at the meetings of the companies for which he or she is directly responsible.

## Cases in which Moneta Asset Management intends to exercise its voting rights

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To ensure the best interests of unitholders, Moneta Asset Management has identified three cases in which it exercises its voting rights:

(i) where the holdings of the UCITS managed exceed 2.5% of the voting rights of the company concerned with regard to the consolidation of the fund portfolios. The presence of the portfolio management company is thus considered significant to require a vote on its part, it being specified that most of the companies in which Moneta Asset Management is a shareholder have a controlling shareholder.

(ii) When at least one of the proposed resolutions is flagrantly deemed contrary to the interests of the unitholders of the UCITS or to the principle of fairness in the light of press reports, contacts with the financial community and any recommendations made by proxies (ISS and Proxinvest). The portfolio management company intends to show its disagreement in particular by means of a vote in a meeting.

(iii) When participation in a vote at a meeting is explicitly requested by a company, either for reasons of quorum, or because the company has declared itself sensitive to the effective participation of Moneta Asset Management.

## **Principles relating to the exercise of voting rights**

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The principle that guides Moneta Asset Management in voting resolutions is that of safeguarding the long-term interests of the holders of the UCITS it manages.

As such, in particular,

- for decisions entailing an amendment to the Articles of Association: the vote cast depends on the consequences that these amendments will have on the interests of unitholders;
- For the approval of the accounts and the allocation of the result: the vote cast depends on the quality of the documents presented by the managers and the position of the statutory auditors; Regarding the allocation of the result, the vote cast mainly depends on the balance sheet structure and the company's development prospects.
- for the appointment and removal of corporate bodies: the vote cast depends on whether the decision is in the corporate interest (i.e. indirectly in the interest of the holders);
- for regulated agreements: the approval of regulated agreements depends on the level of precision and justification of the economic conditions of said agreements;
- for share issue and buyback programmes: the vote issued depends on a study of the terms of the operation and the objectives pursued;
- for the appointment of statutory auditors: the vote depends on the analysis of the elements relating to the auditors' independence.

## **Conflict of interest prevention and management**

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In accordance with Moneta Asset Management's conflict of interest prevention and management procedure, each Front Office member in a conflict of interest situation that could affect the free exercise of voting rights must notify the Compliance Officer by e-mail. The latter then determined the appropriate measure, which may result in the non-exercise of the right to vote.

It should however be recalled that Moneta Asset Management is owned by natural persons whose professional activity is exclusively dedicated to the portfolio management company, whose sole activity is the management of UCITS. Furthermore, to its knowledge, none of the holders of the funds managed by the portfolio management company is a listed company. The risks of conflict of interest in this case are therefore very low, if not non-existent by the nature of Moneta Asset Management's organization.

## **Method of exercising Moneta Asset Management's voting rights**

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The use of postal voting is the portfolio management company's privileged mean of participating in meetings, as Moneta Asset Management regularly meets the managers of the main companies in which it invests at public meetings ("analyst" meetings) or private meetings on the portfolio management company's premises or those of the company.

## Provision of information concerning the votes cast on each resolution

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In accordance with Article 321-134 of the AMF General Regulations, Moneta Asset Management makes available to unitholders the information needed to assess the implementation of the voting policy. Requests can be sent to Moneta Asset Management | 36 rue Marbeuf 75008 Paris. In accordance with AMF recommendation position 2005-19, a failure to respond within one month should be understood as a vote in accordance with the requested voting policy.

## Exercise of voting rights 2019

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In total, voting rights were exercised for approximately 26% of the assets under management.

A list of votes to be cast was drawn up and highlighted that 14 companies met the voting criteria. Within this scope, the participation rate was 86%. Note that these are often among the smallest capitalizations of our portfolios.

Additionally votes were placed in companies that it was not deemed necessary according to the criteria as defined above. Here is the final list of the 47 companies for which Moneta exercised its voting rights in 2019:

Alten SA	InsideE Secure
Applus Services	Jacquet Metal
Arcadis	Leroy Seafood Group
Assystem	Maisons France Confort
Atos	Neoen
Ceconomy	Orange
Coface	Parrot
Covestro	Pierre et Vacances
Electricite de Strasbourg	Rothschild & Co.
Environnement SA / Envea	Safran
ERYTech Pharma	Scor
Eurofins Scientific	Sif Holding
FFP	SIPH
Fnac	Soitec
Focus Home Interactive	Talanx
Generix	Tele Columbus
Gestamp Automocion	Telekom Austria
HeidelbergCement	Teleperformance
HiPay	Tessi
Iliad	Valeo
Infotel	Wavestone
Ingenico Group	Wirecard

No conflict of interest were detected during the 2019 financial year. We have not departed from the principles set out in the voting policy