



Press release
Paris, 24 July 2023

LBP AM: a look back at an engaged season of general meetings

As part of its responsible investment policy, LBP AM¹ expects companies to implement healthy governance practices and to integrate environmental and social challenges in their strategies and operations. Exercising voting rights at general meetings (GMs) is essential to expressing these expectations. In addition to the engaged exercising of its voting rights at French companies' 2023 general meetings, LBP AM exercised all its other shareholder rights, such as putting questions to management, submitting agenda items and resolutions, and taking active part in industry initiatives.

An ambitious goal: to exercise all its voting rights

LBP AM actively exercises its voting rights at general meetings (GMs) on the basis of its [voting policy](#). Between January and July 2023, it voted against 29.4% of the resolutions submitted by management, a high rate compared to financial industry practices.

For 2023, LBP AM set a goal of voting on resolutions covering about 98% of its assets under management in equities. To this end, in the first half of 2023, LBP AM exercised its voting rights at 876 general meetings in 33 countries. As exercising voting rights is an essential lever of its shareholder engagement strategy, LBP AM has announced plans to raise its level of participation in GMs to the exercise of 100% of its voting rights by 2025.

“Throughout the year and during the GM season, through its shareholder engagement, LBP AM expresses the conviction that when companies integrate ESG challenges into their strategies and practices, that benefits their own long-term sustainability”, said H el ena Charrier, Head of LBP AM's SRI Solutions team.

2023: Close up on climate and biodiversity challenges

As its portfolios' environmental performance is one of its priorities, LBP AM has established a voting policy containing precise criteria on energy and environmental transition strategies via say-on-climate and say-on-nature resolutions, a policy that it expanded in 2023. While implementing it in the first half of the year, LBP AM had the opportunity to express its views formally on 14 of these “say-on” resolutions, opposing six of them, which did not meet its expectations. This year again, LBP AM voted against all say-on-climate resolutions of oil & gas companies that were put to a vote.

The GM season is a highlight of [shareholder engagement](#). It provides opportunities to discuss issues with invested companies, in order to explain our shareholder expectations and, where applicable, to exercise our shareholder rights in defence of our convictions. In fact, **LBP AM took active part in all**

¹ All information and figures on the exercising of voting rights presented in this press release involve LBP AM and its Tocqueville Finance subsidiary.



GMs of French companies that came under collective action by minority shareholders regarding the environment:

- LBP AM co-submitted a resolution and took part in adding an agenda item at the 2023 GM of Engie (whose 2030 targets have been certified by the Science Based Targets initiative as consistent with a trajectory well below 2°C); LBP AM had a dual objective: to stress that a growing number of investors want the company hold a regular non-binding say-on-climate vote, in order to obtain sufficient information to assess its strategy with a 1.5°C scenario. The resolution was supported by 24.38% of shareholders and Engie's board pledged to continue constructive dialogue with its shareholders.
- LBP AM pursued its shareholder engagement approach with TotalEnergies in taking part in submitting a non-binding resolution on whether the company should align its greenhouse gas (GHG) reduction targets (on scope 3 emissions by 2030) with the Paris Agreement on climate. This resolution was submitted by European investors, assisted by FollowThis, a Dutch association. It obtained 30.4% of TotalEnergies' shareholder votes, a broad rate of support.
- LBP AM also took part in adding an agenda item at Carrefour's 2023 GM, as limits had been identified in the perimeter of the objective to reduce scope 3 emissions, as well as in the GHG emissions report. The board of directors took these requests on board in pledging to supplement its emissions reporting and to establish an action plan on emissions of franchise stores, beginning 2024. In accordance with its biodiversity policy, LBP AM asked for more information on Carrefour's policy to combat deforestation within its supply chain.

Painstaking analysis of all external ESG resolutions

In the first half of 2023, LBP AM supported about 77% of external ESG resolutions on which it voted. These included 12 resolutions on biodiversity and it voted in favour of all of them.

Generally speaking, LBP AM supports ESG-type shareholder resolutions, depending on the importance and relevance of the challenges compared to the company's sector of activity. It did so from the viewpoint of double materiality: it considers the proposal's impact on the company's financial situation and the company's impact on its stakeholders, in order to ensure its ability to create long-term value; LBP AM also assessed the measures the company has already taken to address the issue raised.

In 2023, LBP AM has thus had the opportunity to express its views on social issues, dealing with workers' rights in extra-European jurisdictions. To cite one example, LBP AM supported a resolution submitted at the GM of Starbucks Corporation, asking the board of directors to order an independent assessment on the respect of freedom of assembly and its workers' collective bargaining rights. We did so after allegations made by many workers that Starbucks had trampled on these rights. This resolution was passed by a majority of shareholders, and Starbucks pledged to have an independent audit carried out².

* * * * *

About LBP AM (www.lbpam.com)

LBP AM is owned 75% by La Banque Postale and 25% by Aegon Asset Management. As a key player in multi-specialist conviction-based management and sustainable finance, LBP AM capitalises on its own capabilities and

² Source : Reuters - <https://www.reuters.com/business/retail-consumer/starbucks-shareholders-approve-review-labor-union-practices-2023-03-29/#:~:text=The%20proposal%20won%2052%25%20of,union%20employees%2C%20among%20other%20allegations>



those of its subsidiaries Tocqueville Finance and La Financière de l'Echiquier (LFDE), to offer a broad range of open-ended funds, dedicated solutions and mandates to its clients, institutional investors, insurance companies, mutual insurance companies, large companies and external distributors. LBP AM has five investment divisions: real & private assets; multi-assets & absolute return; quantitative solutions, equity management via Tocqueville Finance; and collective & private management via LFDE. As of 30 June 2023, consolidated AuM of LBP AM and its subsidiaries came to 70 billion euros of managed and distributed assets.

Media contacts:

Yohann HENDRICE – yohann.hendrice@lbpam.com – +33 (0)7 85 59 01 32

Kristell LE NADAN – kristell.lenadan@citigatedewerogerson.com – +33 (0)6 98 49 22 27

Charlotte LATRON – charlotte.latron@citigatedewerogerson.com – +33 (0)7 60 90 89 18