

INTRODUCTION

As part of its investment fund management, BCV has established a voting policy relating to Swiss companies. Under this policy, BCV uses the recommendations of ETHOS SERVICES SA ("Ethos") to determine its position on each of the items submitted to a vote at the general meetings of Swiss companies.

1. RESPONSIBLE OWNERSHIP

As a responsible shareholder, BCV undertakes to exercise its voting rights for investee companies in order to promote best practices in incorporating environmental, social, and governance (ESG) criteria. In line with the goal of carbon neutrality, BCV wishes to support proposals that aim to combat climate change. It also undertakes to address governance issues involving potential risks to the company and its shareholders. In addition, BCV undertakes to support proposals relating to respect for human rights along the company's entire value chain. BCV's voting policy is thus rooted in a long-term perspective in keeping with its [socially responsible investment \(SRI\) policy](#).

2. PURPOSE

This document sets out governance directives for exercising BCV's voting rights for Swiss companies whose stocks are directly held by BCV investment funds, within the scope of application in section 3.

It defines the scope of application and sets forth the process for arriving at voting decisions for items on the agenda of those companies' general meetings.

3. SCOPE

The voting policy described below only applies to shares of Swiss companies held by the following BCV investment funds:

- BCV Swiss Equity ESG
- BCV Swiss Small & Mid Caps Equity ESG
- BCV Swiss Equity Dividend Select ESG
- BCV Systematic Premia Swiss Equity ESG
- BCV SPI 20
- BCV SPI 20 Indexed Fund
- BCV SPI Indexed Fund
- Fonds d'allocation d'actifs:
 - BCV Stratégie Revenu ESG
 - BCV Stratégie Équ pondéré ESG

4. PRINCIPLES AND DECISION-MAKING PROCESSES

Ethos's proxy voting guidelines and governance principles are primarily based on the main national and international texts that set out best practices in the area of corporate governance, as well as on Ethos's Charter. The Charter places an emphasis on sustainable development, which for companies entails taking into account ESG criteria in addition to financial criteria. Ethos's approach is thus firmly guided by a long-term vision for companies.

The agenda items of each general meeting fall under two categories:

Principle-based items

Ethos's [proxy voting guidelines](#), which are based on clear principles, provide voting recommendations for agenda items relating to the following topics:

- accounts and discharge (annual report, discharge of the board of directors, etc.)
- board of directors (election of directors, chairperson, committees, etc.)
- audit firm (election/re-election)
- board and executive remuneration (remuneration systems, reports, amounts, employment contracts, etc.)
- amendments to the articles of association (board size, length of mandates of directors, etc.)
- shareholder resolutions
- sustainability
- other business (resolutions not on the agenda and independent representative).

For these items, BCV will follow Ethos's recommendations without conducting further analysis if the recommendations are the same as the proposals made by the board of directors. If Ethos's recommendations differ from the board of directors' proposals, BCV Equity fund managers will conduct an additional analysis of the issue.

Voting decisions will be taken as follows:

- If the board of directors' proposals align with Ethos's recommendations, the vote will follow the recommendations.
- If this is not the case, and the results of the BCV fund managers' analysis:
 - are the same as Ethos's recommendation, the vote will not be subject to further approval
 - differ from Ethos's recommendation, the heads of BCV's Asset Management Department and Asset Management & Trading Division will decide how to vote based on the fund managers' recommendation.

Specific items

For items that are considered specific and relate to the following topics:

- dividends
- capital structure and shareholder rights (change in the capital structure, rights issue, capital reduction, new share class, limit on voting rights, opting out or opting up clause, anti-takeover provisions) and any corresponding amendments to the articles of associations
- mergers, acquisitions, demergers, and relocations,

BCV Equity fund managers will conduct an analysis on the basis of the following aspects:

- Ethos's recommendation
- the strategic aim of the item up for vote (directly related to value creation for the company)
- the implications of the item up for vote (based on financial analysis, valuation, understanding of the company's strategy, familiarity with upper management, etc.).

Voting decisions will be taken as follows:

- If the results of the analysis:
 - are the same as Ethos's recommendation, the vote will not be subject to further approval
 - differ from Ethos's recommendation, the heads of BCV's Asset Management Department and Asset Management & Trading Division will decide how to vote based on the fund managers' recommendation.

5. CALENDAR FOR EXERCISING VOTING RIGHTS

A calendar for the decision-making process for exercising voting rights is set out in BCV's internal documents. This calendar includes the materials to be provided and the deadlines to be met by each stakeholder, including:

- Ethos, which provides voting recommendations in line with its internal directives
- BCV, which decides how to vote at the general meetings of the companies in its portfolio
- Institutional Shareholder Services Inc. ("ISS"), which is a proxy-voting service provider contracted by BCV to work with custodians and issuers to carry out the final stages of the voting process.

6. THE BCV SHARE

BCV's Executive Board has decided that voting rights will not be exercised for the BCV share in order to avoid any potential conflict of interest.

7. REPORTING VOTING DECISIONS

BCV will publish a comprehensive report on its voting decisions at least once per year, at the latest by 30 April for the previous year.

This report will include explanatory notes for all voting decisions taken by BCV on items submitted to a vote at general meetings that differ from:

- the proposal of the company's board of directors
- Ethos's recommendation on the item concerned.

1st of January, 2024

Important legal information

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