

MAINFIRST



# Voting Policy

MAINFIRST SICAV

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# Voting Policy – MainFirst SICAV

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## 1 Introduction

“MainFirst”, SICAV (the **Company**) is an investment company with variable capital (*société d’investissement à capital variable, SICAV*) under part I of the law of 17 December 2010, as amended (the **2010 Law**). The Company furthermore takes the form of an umbrella-fund under Article 181 of the 2010 Law and currently comprises eleven (11) sub-funds as further set out in Appendix 1. The Company has appointed a management company authorised according to chapter 15 of the 2010 Law and under the on-going supervision of the Luxembourg authority for the supervision of the financial sector *Commission de surveillance du secteur financier* – CSSF (the **Management Company**).

The present voting policy pursued by the Company shall abide by the provisions of CSSF Regulation 10-04 (Article 23), Circular 11/508 (point III.2) and CSSF Circular 18/698 in respect of UCITS. In compliance with Article 48(1) of the 2010 Law the Company may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

The present voting policy has the purpose of setting procedures for participation in the shareholders’ meeting of companies subject to investment by the Company. We point out that the participation in the shareholders’ meetings is one of the means which managers can use to positively affect management results, in the interest of shareholders of the Company.

The board of directors of the Company (the **Board**) in principle is entitled to exercise the function of investment management of the Company and have to that end approved the following voting policy (the **Policy**).

The Company has the ultimate responsibility with respect to the casting of votes relating to the portfolio securities held by the Company. The Company may request information from the investment managers appointed for the sub-funds (each an **Investment Manager**) and who are performing the investment management of the Company because the Company believes they have access to all relevant information putting the Company in the best position to cast votes in the most beneficial way possible for the Company.

If and to the extent, the Company delegates the function of vote casting for portfolio securities held by the Company to the Management Company and in case the Management Company sub-delegates this function to the Investment Managers appointed for the sub-funds the following applies: The Policy then applies to the Management Company or the respective Investment Manager managing the respective sub-funds of the Company (as further specified in Appendix 1) and any reference below to the Company or Board shall be read to refer to the Management Company or respective Investment Manager or the board of directors of the Management Company or the respective Investment Manager to the extent applicable:

## 2 General principles

In exercising the voting rights by or for the account of the Company, the Company will always comply with the following principles:

- The Company will act in the exclusive interest of its investors.
- The Company will ensure that the voting rights are exercised in accordance with the investment objectives and policy of the Company.

## 3 Scope

This voting right policy will apply in respect of any instrument carrying voting rights held by the Company. For the avoidance of doubt, this will also apply to the shares of intermediary holding companies of the Company.

## 4 Voting

A decision to vote and how to vote will be taken by the Board. In respect of the decisions listed below, the Company will exercise the voting rights as follows:

a) Amendments to the articles of association

Any amendment to the articles of association must be made in the exclusive interest of the Company and its investors.

b) Approval of financial statements and allocation of income

The approval of the financial statements is subject to the following criteria:

- completeness of the financial statements;
- accessibility, consistency and continuity of financial information;
- legibility and stability of the company's strategy;
- comprehensive and immediate presentation of financial risks, off-balance sheet commitments and disputes pending resolution;
- presentation by the relevant underlying company of its non-financial risks;
- compliance with any applicable legal and regulatory requirements.

c) Appointment and removal of management bodies

The appointment and removal of management bodies is subject to the following criteria:

- the appointment of directors must comply with usual practice and must fulfil conditions of eligibility in terms of competence and experience;

- corporate officers' fixed and variable remuneration must be explicitly disclosed, and the overall amounts paid must be in line with the market;
  - severance packages and pension commitments for corporate officers must comply with good corporate governance.
- d) Voting rights must be exercised with full respect for internal, transparent ESG standards, encompassing the following specific factors:
- (i) Solid corporate governance is an essential factor for increasing the value of any company.
    - (A) We understand the necessity for major shareholders to actively participate in the development of a company.
  - (ii) We have an active role in fostering progress within the companies towards profitable and sustainable value creation.
    - (A) We are major stakeholders in many companies. We therefore attend Annual General Meetings and other meetings and seek regular dialogue with company representatives as part of our commitment.
  - (iii) We observe a wide range of financial and non-financial performance indicators, which have to be tracked and monitored on a regular basis – also including many ESG-related issues.
    - (A) These include, in particular: General principles for good Corporate Governance (accountability and competence of the Board of Directors and Supervisory Board, share ownership, independence, conflicts of interest, diversity, appointment procedures, remuneration and incentive programmes, audits, transparency of decision-making).
    - (B) Capital structure: (disclosure, capital allocation policy, approval of corporate actions and public offerings, equal treatment of shareholders)
  - (iv) ESG factors have an impact on a company's value and reputation and on the ability to achieve long-term returns.
    - (A) We therefore want our companies to be aware of the relevant social and environmental risk factors, including them in their medium- to long-term strategies.
    - (B) We support proposals to the General Meeting aiming to improve environmental footprint and reduce ESG risks.
    - (C) Our voting rights need to be used to promote ESG risk avoidance and improve corporate transparency (e.g., on climate change, water consumption, diversity,

human rights abuses and corporate governance, business ethics, code of conduct, environmental and social practices).

- (D) We can vote against the re-election or discharge of the Board of Directors or Supervisory Board, e.g., as a result of inadequate avoidance of ESG risks.

To the extent, the above principles will be respected, the Company will in general vote as suggested by the relevant agenda of the respective shareholder meeting.

## 5 Conflicts of interest

In accordance with regulatory requirements, the Company has established a conflicts of interest policy in order to identify, prevent and manage conflicts of interest. In implementing this voting policy, the Company will ensure that it complies with the principles set out in the conflicts of interest policy.

## 6 Recordkeeping and disclosure

This voting policy will be made available to the investors of the Company (i) on the following website: [www.mainfirst.com](http://www.mainfirst.com) as well as (ii) free of charge upon request. Any material changes to the policy will be made available to investors of the Company in the same manner.

The Company will record all voting events and will make such information available to the investors free of charge upon request.

## 7 Review and update

This Policy will be regularly reviewed and updated by the Board. Appendix 1 will be updated at such frequency as (i) new sub-funds will be launched or (ii) existing sub-funds closed.

For the Board

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Thomas Bernard

Chairman of the Board of Directors of MainFirst, SICAV

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Marc-Antoine Bree

Member of the Board of Directors of MainFirst, SICAV

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Skender Kurtovic

Member of the Board of Directors of MainFirst, SICAV

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Dirk Leuk

Member of the Board of Directors of MainFirst, SICAV

## 8 Appendix 1 – Current Sub-Funds (10. March 2021)

**MainFirst Affiliated Fund Managers (Deutschland) GmbH, Frankfurt am Main, Germany,** acting as Investment Manager:

- (1) MainFirst – Euro Value Stars
- (2) MainFirst – Top European Ideas Fund
- (3) MainFirst – Germany Fund
- (4) MainFirst – Global Equities Fund
- (5) MainFirst – Absolute Return Multi Asset
- (6) MainFirst – Contrarian Opportunities
- (7) MainFirst – Global Dividend Stars
- (8) MainFirst – Global Equities Unconstrained Fund

**MainFirst Affiliated Fund Managers (Switzerland) AG, Zurich, Switzerland** acting as Investment Manager:

- (1) MainFirst – Emerging Markets Corporate Bond Fund Balanced
- (2) MainFirst – Emerging Markets Credit Opportunities Fund

**ETHENEA Independent Investors S.A., Munsbach, Luxembourg** acting as Investment Manager:

- (1) MainFirst – Total Return European Equity Fund