



# **UNIGESTION CORPORATE SUSTAINABILITY POLICY**

June 2020

Signatory of:





# CONTENTS

<b>INTRODUCTION.....</b>	<b>3</b>
<b>1. CORPORATE GOVERNANCE.....</b>	<b>4</b>
Ownership Structure .....	4
Our Own Corporate Governance .....	5
Our Approach to Soft Commissions .....	6
Our Valuation Policy .....	6
<b>2. HUMAN CAPITAL DEVELOPMENT.....</b>	<b>8</b>
To align our people with the needs of our stakeholders.....	8
Focus on attracting, developing and retaining talent.....	9
Encouraging diversity .....	10
Enhancing the employee experience .....	12
<b>3. RESPONSIBILITY TOWARDS THE ENVIRONMENT.....</b>	<b>13</b>
Energy efficiency .....	13
Paper consumption .....	13
Plastic reduction and recycling .....	14
Travelling to work .....	14
<b>4. PRODUCT GOVERNANCE .....</b>	<b>15</b>
<b>IMPORTANT INFORMATION .....</b>	<b>16</b>



## INTRODUCTION

Asset managers have a major role to play in helping solve some of the most pressing problems the world currently faces. As a link between the providers of funding and those who need it, we are in a privileged position to improve the world we live in, as well as grow the value of our clients' assets.

At Unigestion, we focus on creating long-term, sustainable value for our clients, our stakeholders and for society. We also want to practice what we preach. Our goal is to align our organisation with the standards we encourage through engagement with our portfolio companies.

We believe that integrating ESG criteria about more than simply providing responsible investment services – it's our deeply held conviction that we need to act responsibly in everything we do.

Our Corporate Sustainability Report covers those topics that matter most to our stakeholders; our clients, employees, shareholders, portfolio companies, and regulatory partners.



# 1. CORPORATE GOVERNANCE

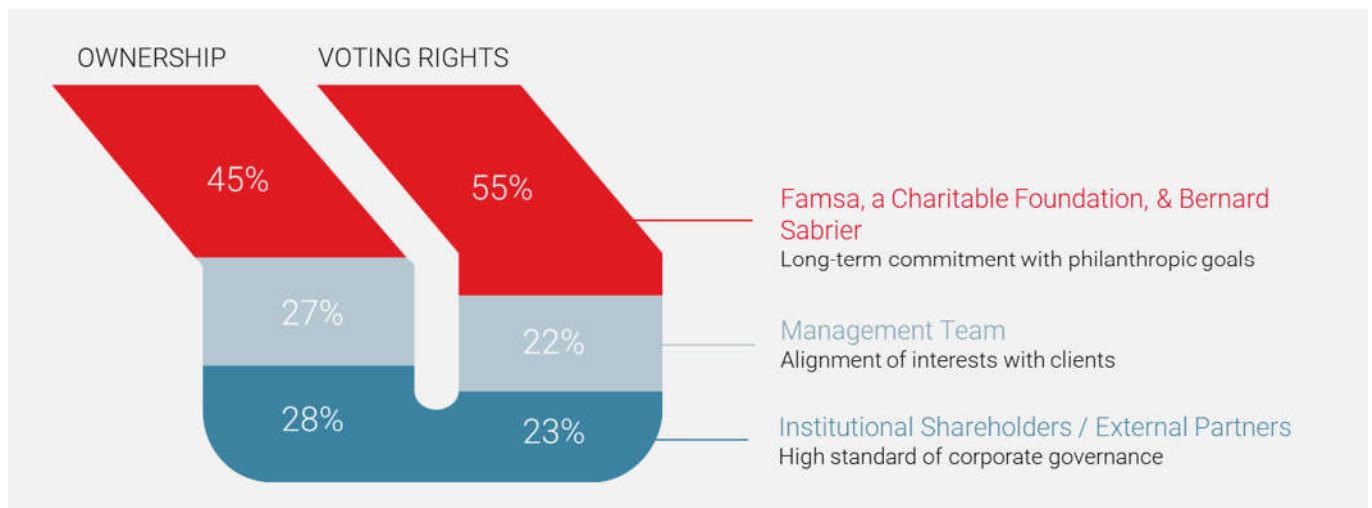
Unigestion is an independent, specialist asset manager providing innovative, tailored solutions for investors worldwide. Since our creation in 1971, we have stayed true to our conviction that intelligent risk-taking is key to delivering consistent returns over time. Today, we are responsible for USD 22.9bn in assets under management across our four areas of expertise – equities, private equity, liquid alternatives and multi asset. (Source: Unigestion. All data as at 31.12.2019)

We are convinced that good corporate governance provides long-term shareholder value, sustainable partnerships with our clients, resilience of our business, responsible long-term development of our human talent pool and respectful relations with other stakeholders.

## Ownership Structure

Our ownership structure is designed to ensure our long-term stability and independence, as well as align our interests with those of our clients.

We believe that being an independent investment management group focusing solely on asset management considerably minimises the potential for conflicts of interest. Furthermore, we demonstrate the alignment of our interests with those of our clients by investing Unigestion’s proprietary capital, majority-owned by the firm’s senior management, in the same products we manage for our clients.



Source: Unigestion, as at 31.12.2019.

Our ownership is composed of three components to create an equilibrium between stakeholders:

Our largest shareholder is the Famsa foundation, which was established by our Chairman, Bernard Sabrier in 2011. Its goal is to act as a strategic long-term shareholder for the benefit of all stakeholders, while enabling us to make a real difference to society. Famsa makes substantial contributions to a wide range of projects in the charitable, educational, cultural and medical fields.

Our management team and key employees form a group of Unigestion’s shareholders organised under a partnership model, known as Unipartners. The significant holdings of the Unipartners illustrate the entrepreneurial nature of the firm and ensure a long-term mind-set. Unipartners are also responsible for embodying and promoting the Unigestion culture and its core values across the firm. This portion of our capital structure has grown over the years and now comprises around 20 partners.

Having well regarded institutional investors within the ownership structure ensures the firm’s long-term strategy is aligned with the evolving needs of our clients. The minority stakes held by our external shareholders are also a positive element of our capital structure as they bring different perspectives and experience to enrich Unigestion’s strategy, vision and network.



## Our Own Corporate Governance

---

Unigestion is committed to meeting high standards of corporate governance, with the aim of guiding the firm to further success. With entities regulated in various jurisdictions, we further uphold the requirements that these regulations imply.

We believe that the key to good corporate governance is a balance of distance and transparency between the Board of Directors, Senior Management and the shareholders. We have implemented a robust governance structure which provides effective cooperation between the Board of Directors, Senior Management, compliance and external audit.

Unigestion's governance is structured through a number of committees:

1. Board of Directors
2. Audit and Risk Committee
3. Compensation Committee
4. Strategic Committee
5. Group Executive Committee
6. Investment Committees
7. Responsible Investment Committee
8. Risk Committee

The roles and responsibilities of these committees are described in detail below:

### 1. Board of Directors

The Board of Directors ('the Board') is responsible for the overall direction of the company and supervision of the management team. All Board members are independent and non-executive directors, with the exception of the Chairman of the Board, Mr. Bernard Sabrier, who holds an executive position. This provides good balance of separation and transparency between the Board, the management, and shareholders.

The Board has ultimate decision-making authority for Unigestion Holding SA ('the Group'), except for those decisions reserved for the shareholders.

The position of Chairman and Chief Executive Officer is divided into two separate roles to provide a balance of responsibilities.

Directors are elected to terms of office on a rolling one-year basis by shareholders at the Annual General Meeting.

### 2. Audit and Risk Committee

The Audit and Risk committee, acts on behalf of Unigestion's Board of Directors and is responsible for oversight of the firm's internal controls. The Audit and Risk Committee has approved the internal risk management framework for Unigestion which comprises three lines of defence: the first line covers the controls in place within each team, the second line consists of controls carried out by the Risk Management and Compliance teams, and the third line comprises controls implemented by the internal audit function. We believe that this organisation provides a comprehensive framework of internal controls for the firm's activities. The chairman of the Audit and Risk Committee is an independent board member.

### 3. Compensation Committee

The Compensation Committee supports the Board of Directors in its duties regarding global compensation policies and programmes for the firm. The Compensation Committee is composed of the Group Chairman, Group Deputy Chairman as well as two independent board members. The Board of Directors is nevertheless ultimately responsible and retains all responsibilities defined by law, the Articles of Association and internal regulations.

### 4. Strategic Committee

The Strategic Committee, comprising the Group CEO, Group Deputy CEO, the Group Chairman and Group Deputy Chairman, is responsible for defining the long-term strategy of the firm. It is the link between the Executive Committee and the Board of Directors. The Strategic Committee develops strategies and strategic plans for approval by the Board of Directors. The Group Chairman and the Group Deputy Chairman act as a sounding board to the Group CEO and Group Deputy CEO and give them advice in order to proceed to implementation.

### 5. Group Executive Committee

The Group Executive Committee is responsible for implementation of the Group's strategy, as defined by the Strategic Committee. The Group Executive Committee comprises senior leaders from each business unit within the Group. Members of



the Group Executive Committee have a dual role: they are in charge of their specific activities within the Group and they share the responsibility to do what is best for the Group as a whole.

## 6. Investment Committees

Unigestion's investment decision-making is based upon a collegial approach rather than around one "star manager". As such, the various Investment Committees are the ultimate decision-making bodies. The Investment Committees meet monthly and their agendas include a formal review of the performance and risk characteristics of each portfolio; the pro-active assessment of current and forward-looking portfolio risks, including macroeconomic, market, company fundamentals and ESG evaluation, overseeing the implementation of new research projects and enhancements of the investment processes.

## 7. Responsible Investment Committee

Our Responsible Investment Committee meets monthly and is tasked with building, enhancing and transparently sharing Unigestion's ESG policies and practices.

The Committee has set a Responsible Investment RoadMap that plots out our strategic objectives as well as the annual milestones that lead to the achievement of this vision.

The Responsible Investment Committee is sponsored by Fiona Frick, Group CEO, and chaired by Sara Razmpa, Head of Responsible Investment. Membership is drawn from across the business and includes:

- ▶ Head of Investment Teams (or delegated senior investment team representative)
- ▶ Head of Business Development
- ▶ Cross-firm ESG specialists

## 8. Risk Committee

The Risk Committee has been tasked with reviewing the global risk exposures of Unigestion and making recommendations to the business for actions to be taken to manage such exposures.

It monitors the risks, both direct and indirect, to which Unigestion and its clients are exposed, within the realm of the mandates signed with them.

The Risk Committee meets on a monthly basis, chaired by the Chief Risk Officer, and is comprised of delegates of all Investment Lines and support functions, as well as the CEO and the Deputy CEO. The Risk Committee validates the Company's internal limits to be applied to products and mandates and on the credit quality of counterparties.

Cybersecurity risk is also governed by the Risk Committee. IT security risks are calculated, measured, and addressed within the enterprise risk map. Operational metrics provide management with measures of effectiveness and independent audits provide objective metrics.

## Our Approach to Soft Commissions

---

In compliance with MiFID II, Unigestion absorbs all investment research costs on its own P&L. This approach is in line with Unigestion's value of transparency, as it ensures transparency of costs and charges for our funds and mandates. Using this model also safeguards our clients from any potential conflicts of interests in providing best execution. This will not result in any change in our management fees and we are fully committed to continue delivering value for money for all of our clients.

## Our Valuation Policy

---

Considering the high heterogeneity of the investment, legal and operational set-up of Unigestion's liquid investment solutions, we can present the below valuation standards which apply to all our products:

- ▶ Sources of price information shall be as independent as possible, as long as the timeliness and reliability of prices cannot be challenged;
- ▶ Whatever method and source of pricing is approved by all parties involved in a pooled fund management, it must be consistently applied;
- ▶ Whenever an external valuation agent or an administrator has been appointed by the pooled fund, this third party, or its Board if applicable, will be responsible, as much as possible and in accordance with its local regulatory environment, for the independent gathering of prices, the assessment of their pertinence and accuracy of the final valuation of the fund based on those prices. In absence of such external valuation agent, the investment manager of the pooled fund takes on this responsibility.



As the investment manager of our liquid investment solutions, Unigestion has created a Valuation Committee which meets monthly and which role is:

- ▶ To challenge the valuations provided by the external valuation agent, when the externally proposed value of assets and the internally expected value differ significantly. A divergence in valuation can be brought to the Committee by the investment team or any support functions;
- ▶ To challenge and validate the valuations provided by the investment teams managing the fund's underlying assets if no external valuation agent has been appointed.

The Valuation Committee is composed of the CFO who chairs the meetings, a member of the Operations team (voting), a member of the Risk Management team (voting), a member of the investment team involved (non-voting). The company's General Counsel shall serve as legal counsel to the Committee; the Compliance Officer, as a compliance advisor.



## 2. HUMAN CAPITAL DEVELOPMENT

A company's most important asset is its people. We seek to provide a working environment built on trust, respect, support and empowerment in which our employees can thrive and achieve their full potential. Our commitment to ongoing research and innovation helps create a dynamic environment where new ideas are welcomed and developed and learning never stops.

1. At Unigestion we have implemented our Human Capital Development around 4 pillars: To align our people with the needs of our other stakeholders
2. To focus on attracting, developing and retaining talent
3. To encouraging diversity
4. To enhance the employee experience.

All employees are stakeholders of this strategy. The HR team implements initiatives, policies and systematic processes to shape our Human Capital Development practises over time. In addition, our Head of HR sits on the Executive Committee to ensure proper implementation and consistency across the company. Establishing and monitoring Human Capital Development metrics is an important function supporting the sustainability of an organisation. We use socio-demographic tools including diversity indicators to monitor statistics on a monthly basis. For more than a decade, an annual Social Report analysing the evolution of all socio-demographic indicators has been produced by the HR department and presented to the Board of Directors.

### To align our people with the needs of our stakeholders

#### ► Fostering Unigestion values as a common compass

With around 230 employees located in 6 countries, one of the keys to building strong relationships with staff is to share common values. For nearly 50 years, our values have been deeply rooted in our behaviour, our culture and our way of conducting business. They act as the 'compass' which guides each and every one of us to deliver sustainable growth. Our strategies may change, but our values remain constant.

Our corporate values define our culture and articulate concisely who we are and how we do things. They are embedded in the employee journey at induction and subsequently taken into consideration annually in performance appraisals. Finally our corporate values are used by our Line Managers as a natural framework to guide their teams.

Our first value is **Engagement**. We foster engagement toward our clients, our mission to perform and our quest to innovate. Our ultimate aim is to help our clients reach their goals by delivering performance over the long-term and providing the best service possible. This mind-set permeates every aspect of what we do and focuses the mind of every colleague within the organisation.

Our second value is **Conviction**. Unigestion was founded by passionate free thinkers and entrepreneurs who have successfully guided the company through several market crashes and numerous bouts of volatility, thanks to a relentless focus on client needs and an emphasis on new ideas. Our independence enables us to consider our clients and colleagues as partners embarked on a journey for the long run. We have the responsibility to our stakeholders, as well as to society, to behave in a way that respects and promotes societal, environmental and economic welfare.



Our third value is **Ownership**. We believe that everyone in the organisation, from the most junior colleague to the CEO, should seize accountability and seek responsibility.

Our staff are empowered to take decisions and to solve problems for our clients and partners. Every employee at Unigestion is in charge of their own destiny and contributes to our collective success.

#### ► Engaging and Developing Our Managers

Line Managers are the corner stone of any organisation. They face several challenges such as managing multigenerational teams spread over multi geographical locations. They are the main driver to convey internal key messages, corporate values and culture. Last but not least as a matter of organisational efficiency it is critical to have them aligned on common shared best practices.

Line Managers have an annual team review with HR which provides support and a forum to exchange views and advice on all topics related to the management of their team including career management plans for direct reports. These meetings form the basis of the firm's annual review of the Learning and Development budget, succession plan and talent pool. SIn 2018 we established a training programme for all Line Managers with the aim of providing them with the tools to develop their





management skills. Such tools include coaching sessions on a variety of topics covering Management & Leadership, Organisational Citizenship behaviours, Performance Review, Guiding through shared values, Communication and Recruitment.

### ► Establishing clear goals, metrics and reporting

Establishing clear and measurable goals for individuals which are aligned with team and organisational goals is a key element to monitoring a collective effort. Furthermore they should be established within a clearly defined timeframe and should be a key driver in individual engagement. At Unigestion, goals are established for each team within the company. Achievement of these goals is measured by Key Performance Indicators (KPIs) and metrics which are based on the firm's vision of success built on the following pillars; Performance and service we deliver to our clients, Sustainable growth for the company and our Contribution to Society. Department heads then break down these KPIs for their team members as appropriate to their roles.

An example of the KPI metrics for investment managers is provided below:

- **Quantitative KPIs:** a portion of Portfolio Managers' bonuses is tied to the investment results of our clients' accounts. The criteria are equally weighted and take into account both long-term and short-term investment horizons of performance as well as downside risk.
- **Qualitative KPIs;**
  1. Ensuring client satisfaction.
  2. Improving strategies and processes, developing new solutions. Raising Unigestion's profile through Research & Innovation.
  3. Implementation of our ESG Roadmap.
  4. Effective risk management.

## Focus on attracting, developing and retaining talent

---

### ► Attracting talent

Unigestion's recruitment and talent selection procedure is based on profile requirements and individuals' suitability to the role being filled. Selection methods, including interviews, are conducted in accordance with standardised procedures. The objective is to make each appointment on the grounds of selecting the most suitable candidate for the position. Thanks to our company profile and employer brand, we have access through our recruitment policy to the full range of talent with many different backgrounds– from experienced industry professionals to young people on our university graduate scheme.

We also aim to inspire the next generation of new research talent by offering internships and academic prizes. Over the years, we have developed strong partnerships with leading Universities such as Imperial College London, École Polytechnique Fédérale de Lausanne (EPFL) and Université de Paris-Dauphine. Our annual research internship scheme offers an exciting opportunity for Masters and PhD students to kick-start their careers in asset management. This research-led programme focuses on applying scientific theory to create commercially driven investment solutions. We offer interns guidance and support from our highly experienced team, as well as the opportunity to make a tangible difference. Outstanding performance as a research intern can lead to an offer of full-time employment upon graduation, depending on internal needs. In recent years, many of our research interns have joined us on a permanent basis after completing the programme.

### ► Developing talent

Unigestion invests in the development of staff throughout their careers. We offer Learning and Development (L&D) programs tailored to individual needs to support our employees' professional development and help in realising their true potential. We also invest to ensure that Line Managers across the organisation mentor promising candidates for future leadership roles. They are engaged in an internal L&D program to develop their skillset. Between 2014 and 2019 we spent in our L&D budget an average of 2,156 USD by employee per year. While training has a leading role to play, development also encompasses areas such as mentoring, peer-to-peer communication, experience in the field, and regular feedback from management.

Internal talent mobility is also part of our organic growth. As soon as a new role is created or available, we first assess our internal talent pool to identify new career paths across the company. Open opportunities are published internally and staff are encouraged to explore and apply for alternative roles within the company.



### ► Providing a stimulating and evolving working environment

We have established an onboarding programme for our new employees in order to foster organisational integration. Furthermore, we have a “buddy program” which pairs new joiners with an experienced colleague to help them rapidly build an understanding of our organisation and culture.

We seek to foster a working environment where employees have the opportunity and support to empower themselves and reach their full potential. Our commitment to ongoing research and innovation helps create a dynamic environment where new ideas are welcomed and developed.

Research is an integral part of working at Unigestion. We set an annual research agenda and all investment professionals are assessed and rewarded based on their contribution to it. We also organise internal seminars, led by external practitioners and academics, to inspire debate and support professional development. This stimulating and challenging research environment helps us to retain and hire knowledgeable experts. This also enables the company and our employees to keep pace in a rapidly changing and increasingly competitive world.

### ► Rewarding success

Unigestion’s arrangements for determining employees’ salaries are based on the principle of rewarding an individual’s merit and of providing equity of pay and reward for all employees. Pay review mechanisms are designed to ensure that remuneration is based on objective criteria, is free from discrimination and has due regard to the principle of equal pay for work of equal value

We aim to ensure that our employees are rewarded for their efforts and achievements, with success being based on merit and measurable objectives. We aim to clearly communicate Unigestion’s strategy to all employees and how they can contribute to the ongoing success of the company.

We have put in place a year round continuous feedback mechanism around the Key Performance Indicators and the skillsets which are needed by our employees to succeed in their role. There is a formal performance review process that takes place twice a year. The compensation of our employees is linked to the results of these performance reviews. We want to reward success through a highly competitive compensation and benefits package, which we regularly review against industry benchmarks.

## Encouraging diversity

---

Unigestion is an equal opportunities employer and we believe that our success is a direct result of the experience and quality of our employees. We are therefore committed to focusing our employment procedure and practices on maximising the potential of each unique individual. We believe this is best achieved by developing our employees’ talents whilst recognising their differences.

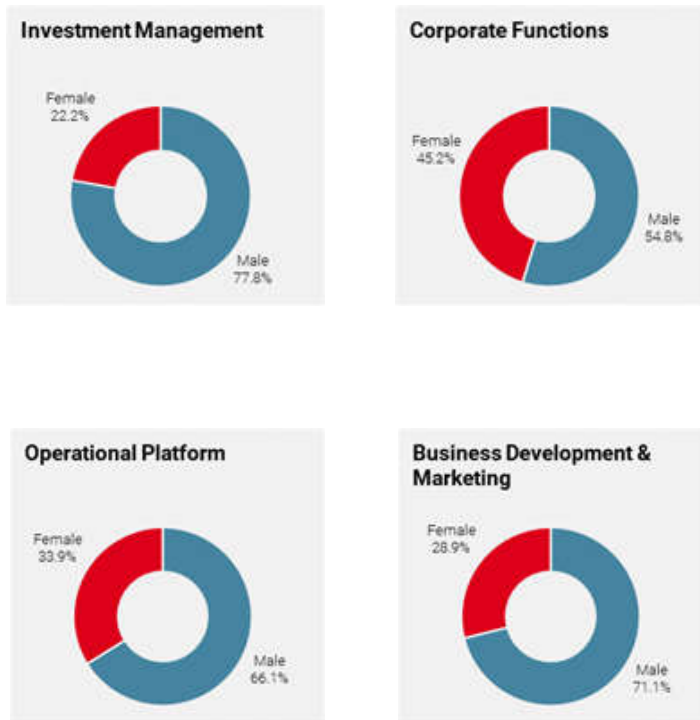
By treating people fairly and equally and by accepting and embracing their diversity, we can also improve our market competitiveness, foster innovation, and enhance our corporate social responsibility while creating an inclusive and positive working environment for all employees.

It is Unigestion’s policy that no person acting on our behalf shall discriminate against or harass, in any situation, another individual or group, directly or indirectly, because of age, disability, national or ethnic origin, religion or philosophical belief, sex, pregnancy and maternity, marriage and civil partnership, sexual orientation or gender re-assignment.

Diversity is monitored on a monthly basis by the Executive Committee and annually by the Board of Directors. While meritocracy is our guiding principle, gender diversity is strongly taken into account in recruitment and talent nurturing activities. As at 31 December 2019, the Unigestion workforce comprised 34 different nationalities across four cohorts, of which 32% were female.

### ► Gender diversity

Our roadmap for the future includes a target female representation of 35% across the company. We aim to do this through the recruitment of talented women and to provide them with the tools and training to develop and become our senior leaders of the future. Below are a series of charts illustrating diversity by gender within the different operational functions of the firm.



Source: Unigestion as at 30 June 2020

As a company, we participate in various diversity initiatives such as the Women in Finance Conference. In 2020, our CEO participated in a new mentoring program called MentEx. This programme is organised by Women in Finance, with the aim of empowering women working in the Swiss finance industry. This programme was a pilot which is planned to be replicated in other countries.

► **Nationality diversity**

We embrace and cultivate cultural diversity throughout the firm. Being physically situated at the heart of Europe, our geographical location naturally results in a workforce comprising many different nationalities and cultures. We understand that cultural diversity of the workforce has boundless positive impacts on many aspects of a business such as creative thinking and cross-cultural understanding. As at 31 December 2019, Unigestion’s workforce comprised 34 different nationalities.

► **Generation diversity**

In much the same way that diversity of culture and nationality contributes positively to many aspects of a business, workforce organisation and management is also hugely affected by the different generations found within the workplace today. During recent years, we have welcomed the Millennial generation into the workp[ace]. They have grown up among the Baby Boomers and Generation X employees, and more recently we have seen the first of Generation Z join the workforce. At Unigestion, integrating the different mindsets, attitudes, values and aspirations of these five generations, altogether is part of our broader organisational development plan.

*Generational breakdown*

	2016	2017	2018	2019
Baby-Boomers	7%	8%	9%	7%
Generation X	55%	51%	49%	47%
Generation Y or Millennials	38%	41%	42%	45%
Generation Z	0%	0%	0%	0.4%



## Enhancing the employee experience

Enhancing the employee experience is about the ability to offer meaningful work with a supportive management in a positive work environment while providing growth opportunities. To support this objective, several initiatives, policies and processes have been put in place.

### ▶ Enhancing a culture of feedback

In order to ensure we are on the right path in terms of talent retention, we regularly take the pulse of our employees' level of engagement through surveys and interviews conducted by our HR team, to gain a deeper understanding of their motivation, satisfaction in their role and their sense of belonging.

Engagement surveys are carried out every 24 months to monitor development & progress following the previous one. The aim is to continuously improve the employee experience and our internal organisation. In addition, the HR team conducts interviews throughout the year to gain a deeper understanding of employees' motivation, satisfaction and sense of belonging. Finally, an annual line manager interview is carried out to obtain additional feedback.

Individual HR Meetings (Trial period, Jubilees, Exit)	 Continuously
Line Manager Survey	 Every 12 months
Engagement Survey	 Every 24 months

### ▶ Flexible work environment

Unigestion recognises the benefits of flexibility in working arrangements and has a dedicated policy in place. Our internal policy offer flexibility to employees in the management of their work location and of their weekly working hours to adapt their working day to their personal needs, while taking into account all professional duties.

Today, 36% of our employees benefit from such arrangements. Flexible working helps to ensure that we support employees with balancing external commitments with reaching their work objectives. Furthermore, we recognise the rights of all employees working under such arrangements to be treated fairly and consistently in comparison to other employees and to be given the same opportunities for development. The treatment of pay and benefits for employees on flexible working arrangements is consistent with other employees across the company.

### ▶ Wellbeing at work

We offer a number of employee benefits focused on the wellbeing of our employees. These include yoga, pilates and meditation classes on a weekly basis, annual flu vaccinations, daily healthy snacks and beverages. We also provide health insurance packages as well as subsidies that employees can choose to spend on sports or cultural activities. Social committees established in local offices organise regular social recreational activities to help foster good working relationships outside of the working environment. Finally, more formal events are also organised to bring staff together and celebrate (children's Christmas parties, staff year-end parties, off-sites organised at a team level, etc.).



## 3. RESPONSIBILITY TOWARDS THE ENVIRONMENT

The importance of sustainable development and respect for the environment are at the very heart of our business. These considerations are an integral part of the decision-making process for asset management across all our lines of business as well as part of the way Unigestion operates internally as an organisation.

We are continuously striving to reduce our carbon footprint in the buildings we use, the natural resources that our offices consume, and the impact of our employees on the move.

To reduce the environmental impact of our premises, we look closely at both the buildings themselves and the use of resources in our offices.

From a building perspective, we apply strict environmental criteria throughout the selection process when we are considering new premises as well as constantly enhancing existing premises.

Since travel is a major source of greenhouse gases, Unigestion has taken a series of initiatives to reduce our contribution to those emissions. We try to limit travel, where possible, and encourage our staff to use public transport where they can, in order to reduce congestion. Our goal going forward will be to measure some key indicator such as carbon footprint in order to be able to have a roadmap and clear KPI to reduce it.

### Energy efficiency

---

Energy efficiency is an objective for Unigestion in all its locations. This includes the use of 'smart' lighting, LED solutions, and efficient air conditioning systems in the buildings we own. The Group has been able to significantly reduce its energy consumption by acting on the following strategic points:

- ▶ Air conditioning and heating system: Unigestion ensures that all its installations are well maintained with annual or bi-annual maintenance contracts, which include energy efficiency KPIs. Our installations are managed via an automated building management system which solution allows us to precisely monitor the airflow and schedule the usage (i.e.: we stop air conditioning and the heating system during the weekend, we are keeping only the IT rooms under AC)
- ▶ Lighting is linked to movement sensors to avoid unnecessary usage. We install LED bulbs where possible.
- ▶ Our IT infrastructure has been upgraded recently to improve capacity and reduce energy consumption.

These combined measures have enabled us to reduce our energy consumption. Between 2013 and 2019, the electricity consumption for the Geneva headquarters has been reduced by 17%, representing 200'000 kWh per year.

Our headquarters building was awarded the ECO 21 certification for its low energy consumption and receives a PEIK audit<sup>1</sup>.

### Paper consumption

---

Over the last two years we have made a number of significant changes in the way we use paper which has resulted in a significant reduction in our rate of paper consumption. These changes include the introduction of double-sided printing as standard and the printing of client presentations in A5 format.

Furthermore, we have introduced a printer solution across all offices which requires employees to use their security pass to access the printers. This solution has helped in reducing waste and also provides us with several analytical reports. One interesting report showed that in 2019 we used 63.9 trees and 6'762.9 Kg of CO<sub>2</sub>, representing a reduction of 31% vs. 2018. Our goal going forward is to maintain the trend of low paper use with a further reduction in our paper waste of 10% targeted for 2020.

---

<sup>1</sup> Professionelle Energieberatung für Ihr KMU



We have also provided an increasing number of employees with laptops, thus removing the need for printing documents for reading or editing.

We also shred and recycle all confidential paper across all our offices. We have reduced the amount of shredded paper waste by 40% vs. 2018 and 2019.

## **Plastic reduction and recycling**

---

We have eliminated the provision of plastic bottles and paper cups in our offices. This represents 12'000 paper cups saved every year. In conference rooms, plastic bottles are now replaced by glass bottles or carafes for clients and we provide glasses, mugs and water fountains for employees.

We recycle as much waste as we can. Dedicated recycling bins are in place and recycling providers come regularly (weekly/bi-weekly) to pick up waste.

We review every year our stationery products to move from classic to green products. As of today, 70% of our stationery is eco-friendly.

## **Travelling to work**

---

Unigestion's vehicle fleet is composed exclusively of electrical and hybrid cars. We have also purchased an electric bike available to employees in our Geneva office for business or private travel during the week.

We encourage our employees to use public transport where possible. In Geneva, we offer a financial subsidy to employees using public transport for commuting to the office. Currently, the mobility breakdown of employees based in our Geneva headquarters is 9% using bikes, 51% using cars or motorcycles, 40% using public transport and other mobility solutions (push scooters, walking). We continue to promote green methods of transport to work by increasing bicycle parking spaces while reducing parking spaces for cars.

Furthermore, we have state of the art videoconferencing facilities installed in all meeting rooms in all offices globally. This negates the requirement for teams based in multiple locations to travel extensively for internal meetings. In addition to this, all workstation telephones are installed with video cameras, enabling individuals to easily have face to face conversations at their desks.



## 4. PRODUCT GOVERNANCE

Product governance is about how a company manages its responsibilities to its clients. The focus is on product integrity, quality management systems, marketing practices, fair billing and post-sales responsibility.

At Unigestion, we believe in the long-term integrity of our products and as such we believe that ESG factors can have a material impact on the risk/return profile of our products over long-term and therefore we integrate ESG in a responsible manner across all of our investment processes, including:

- ▶ our interaction with clients
- ▶ how we interact with the companies in which we invest
- ▶ the operational management of our own firm

### We define Integration as the following:

- ▶ A clear inclusion of ESG criteria within the investment process
- ▶ Active modification of investment holdings given ESG criteria

The concept of integrating of ESG considerations within our investment processes is targeted at direct investments. That is, we currently consider physical asset classes (Equity, Fixed Income, and Private Equity) and the external investment within these asset classes. We do not apply ESG criteria to derivatives, short positions or cash (as of December 2019).

In line with our ambition, ESG considerations are not considered as a supplementary overlay. Rather, they are integrated into each investment process with varying degrees of flexibility, reflecting the nuances of each asset class and the established investment approach therein.

According to this definition, our total assets under management by investment team is provided below alongside the AUM according to ESG criteria managed by these respective teams:

Investment Team	AUM USDm	ESG AUM USDm	ESG as %
Equities	13'461.5	11'348.7	84%
Private Equity	7'216.0	665.1	9%
Cross Asset Solutions	2'269.0	666.2	29%
<b>Total Firm AUM</b>	<b>22'946.4</b>	<b>12'680.0</b>	<b>55%</b>

Source: Unigestion as at 31 December 2019

As a responsible investor, we have established two pillars to our ESG beliefs – integration and active ownership. We integrate E, S and G considerations throughout our investment processes through universe screening, investment selection, portfolio construction and engagement.

We are committed to continuously increasing the transparency of reporting that we provide to clients on ESG issues and our active ownership activity. We believe in full transparency regarding our efforts to fulfill our responsible investment duties. As a step towards this, all of our policies are publicly available on our website including:

- I. Responsible Investment Policy which details our integration process within different asset classes
- II. ESG scoring methodology
- III. PRI annual report
- IV. Proxy voting policy
- V. Engagement policy
- VI. UK Stewardship code
- VII. ESG reports of various public funds



## IMPORTANT INFORMATION

This document is provided to you on a confidential basis and must not be distributed, published, reproduced or disclosed, in whole or part, to any other person.

The information and data presented in this document may discuss general market activity or industry trends but is not intended to be relied upon as a forecast, research or investment advice. It is not a financial promotion and represents no offer, solicitation or recommendation of any kind, to invest in the strategies or in the investment vehicles it refers to. Some of the investment strategies described or alluded to herein may be construed as high risk and not readily realisable investments, which may experience substantial and sudden losses including total loss of investment.

The investment views, economic and market opinions or analysis expressed in this document present Unigestion's judgement as at the date of publication without regard to the date on which you may access the information. There is no guarantee that these views and opinions expressed will be correct nor do they purport to be a complete description of the securities, markets and developments referred to in it. All information provided here is subject to change without notice. To the extent that this report contains statements about the future, such statements are forward-looking and subject to a number of risks and uncertainties, including, but not limited to, the impact of competitive products, market acceptance risks and other risks.

Data and graphical information herein are for information only and may have been derived from third party sources. Although we believe that the information obtained from public and third party sources to be reliable, we have not independently verified it and we therefore cannot guarantee its accuracy or completeness. As a result, no representation or warranty, expressed or implied, is or will be made by Unigestion in this respect and no responsibility or liability is or will be accepted. Unless otherwise stated, source is Unigestion. Past performance is not a guide to future performance. All investments contain risks, including total loss for the investor.

Unigestion (UK) Ltd. is authorised and regulated by the UK Financial Conduct Authority (FCA) and is registered with the Securities and Exchange Commission (SEC). Unigestion Asset Management (France) S.A. is authorised and regulated by the French "Autorité des Marchés Financiers" (AMF). Unigestion Asset Management (Canada) Inc. is registered as a portfolio manager and/or exempt market dealer in nine provinces across Canada and also as an investment fund manager in Ontario, Quebec and Newfoundland & Labrador. Its principal regulator is the Ontario Securities Commission ("OSC"). This material may also be distributed by Unigestion SA which has an international advisor exemption in Quebec, Saskatchewan and Ontario. Unigestion SA's assets are situated outside of Canada and, as such, there may be difficulty enforcing legal rights against it. Unigestion Asia Pte Limited is authorised and regulated by the Monetary Authority of Singapore. Unigestion Asset Management (Copenhagen) is co-regulated by the "Autorité des Marchés Financiers" (AMF) and the "Danish Financial Supervisory Authority" (DFSA). Unigestion Asset Management (Düsseldorf) SA is co-regulated by the "Autorité des Marchés Financiers" (AMF) and the "Bundesanstalt für Finanzdienstleistungsaufsicht" (BAFIN). Unigestion SA has an international advisor exemption in Quebec, Saskatchewan and Ontario. Unigestion SA is authorised and regulated by the Swiss Financial Market Supervisory Authority (FINMA). Unigestion SA's assets are situated outside of Canada and, as such, there may be difficulty enforcing legal rights against Unigestion SA.