UNIGESTION

THREE YEAR ESG ROADMAP 2021–2023

March 2021

December 2020

The objective of this document is to communicate where we stand today in terms of Environmental, Social and Governance (ESG) positioning and where we want to be over the next three years. It sets out our ambitions toward sustainability - not only in how we invest, but also in how we function as a firm.

This document reviews the following:

1. Our investment beliefs around ESG.
2. Our current ESG positioning.
3. Our 2021–2023 ESG roadmap in terms of overall positioning.
4. Our 2021–2023 ESG roadmap with regard to investment expertise and other investment areas.
5. Our 2021–2023 ESG roadmap with regard to how our company operates.

The three investment documents that will form the pillar of our ESG positioning will be:

1. The ESG Policy, which describes our ESG initiatives at the level of our investment products including the ESG integration into the relevant company-wide processes such as the investment process or the risk process.
2. Unigestion's Corporate Social Responsibility Policy, which promotes ESG initiatives at the company level.
3. Our medium-term three-year roadmap 2021–2023 and our short-term 2021 roadmap, which correspond to this current document.

These will be living documents, which will evolve over time as we progress with our planned implementation described here-under, and as a reflection of our clients' changing needs and peer positioning.

1. OUR INVESTMENT BELIEFS AROUND ESG

Managing risk lies at the heart of our investment philosophy. We believe that integrating ESG criteria into our investment processes is essential to better manage investment risks, which in turn positively influences the long-term risk-adjusted performance of our portfolios.

Consistent with our commitment to being a responsible long-term investor and our duty to act in the best interests of our clients, Unigestion has been a signatory to the United Nations' Principles of Responsible Investment (UN PRI) since 2013 and remains committed to global initiatives such as Climate Action 100+ and to the promotion of responsible investing.

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. We must make the most of the opportunity we have to improve the world we live in, as well as grow the value of our clients' assets.

We believe that asset managers will increasingly be assessed on the values they uphold, the ethics they promote and the wider role they have to improve the society we all live in. We must demonstrate our capacity to develop meaningful investment solutions that meet today's challenges and help finance sustainable economic growth.

As a responsible investor, we have established two pillars to our ESG beliefs – **ESG Investment integration** and **Active Ownership**.

Our ESG Investment integration

ESG risks are complex and rapidly evolving. We approach ESG in the same way as all investment risk, carefully assessing the potential impacts and opportunities through a combination of systematic and discretionary analysis, research and monitoring.

We believe that well-governed businesses with responsible practices can make a positive contribution to our clients' portfolios over the long term.

Sustainability will be a long-term driver of change in markets, countries, sectors and companies, creating opportunities for fruitful investment. We want to participate in the investment returns these opportunities will generate.

Active ownership: Our Approach to Stewardship

We strive to be responsible stewards of our clients' assets within a framework of strong governance and transparency. Effective stewardship benefits companies, investors and society as a whole.

Our stewardship and direct engagement activity focuses on the ESG factors we believe will have the greatest impact for long-term investors.

As an active and responsible owner, we incorporate ESG criteria when voting our shares to help drive positive change.

Therefore:

We integrate ESG considerations throughout our investment processes, from universe screening and investment selection, through to portfolio construction and engagement.

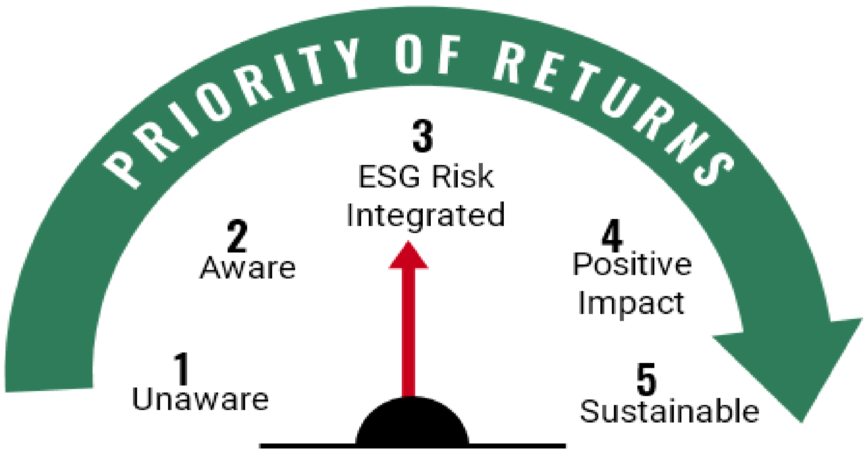
We are committed to continuously enhancing transparency of reporting to clients on ESG impacts and our active ownership activity.

2. OUR CURRENT ESG POSITIONING

Our Overall Positioning

Unigestion wants to be recognised as an investor that integrates ESG in a responsible manner across all of our investment processes, including how we interact with the companies in which we invest and in the operational management of our own firm.

Unigestion does not claim to be an ESG-focused investment company, but more a company, which applies ESG considerations through our core values and integrates them in our investment approaches.



In line with the requirements of the UN PRI, ESG criteria are incorporated into all of our investment processes – equity, private equity, multi-asset and liquid alternatives. We have a clear inclusion of ESG criteria within the investment process and we are actively modifying our portfolio weights based on these criteria.

We started implementing ESG criteria in equities during 2004, followed by some parts of private equity in 2010 and the fixed income element of our multi-asset funds in 2019. In 2020, we worked on investing with underlying funds and ETFs, which included some ESG criteria. We also made progress in some sub-segments of our liquid alternative offering.

Portion of Assets under Management Which Integrate ESG Criteria

As of 31 December 2020, our total assets under management integrating ESG criteria by investment expertise is as follows:

Investment Team	AUM USD	ESG AUM USD	ESG as % of Total AUM
Alternatives	1'400'233'397	986'314'801	70%
Equities	10'665'338'257	10'665'338'257	100%
Multi Asset	1'150'366'579	615'313'724	53%
Private Equity	9'361'452'911	6'674'585'703	71%
Total AUM	22'577'391'144	18'941'552'485	84%

Source: Unigestion as at 31 December 2020.

Our ESG Governance Framework

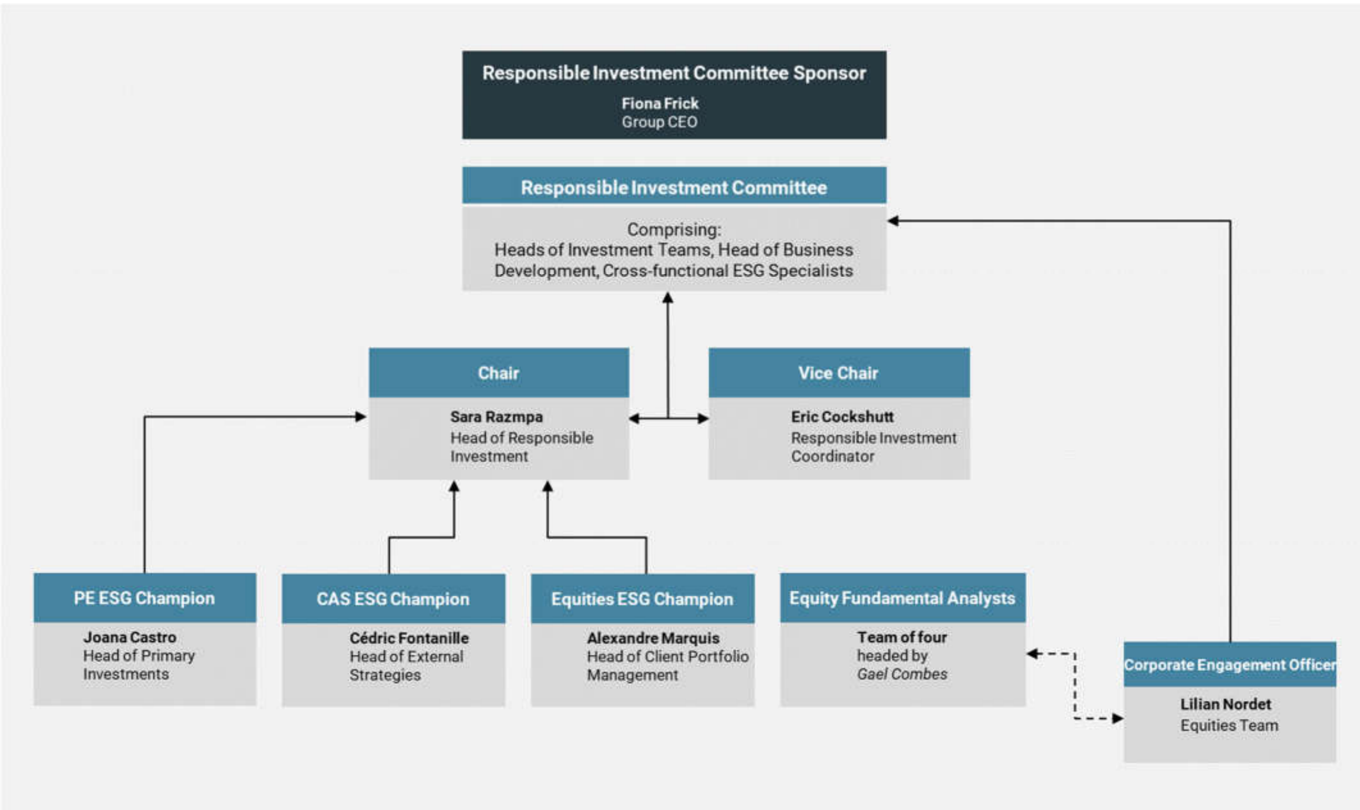
We want ESG to be integrated into each investment line in accordance with their respective investment processes and the asset classes under consideration. The integration of ESG criteria and their application will naturally differ between equities, bonds, private equity and liquid alternatives, and we therefore need to apply a degree of flexibility in determining the specifics of the approach for each of these asset classes. Furthermore, the investment lines are ultimately responsible for the performance of their portfolios, and should therefore be responsible for determining their ESG approach.

However, oversight at a company level is crucial for overall guidance and consistency in investment outcomes across our investment teams. Unigestion's Responsible Investment Committee (RIC) provides the control and guidance for ESG integration and demonstrates our commitment to its inclusion in our investment processes. It meets on a monthly basis.

The RIC is sponsored by Fiona Frick, Group CEO, and is chaired by Sara Razmpa, Head of Responsible Investment. Membership is drawn from across the business. In addition to guiding and monitoring the progress of ESG implementation within investment teams, the RIC has specific responsibility for validating company-wide policies on sector and activity exclusion.

It provides direction on all ESG related issues and sets the overall ESG policy at a company level, including the 'tone from the top'. The RIC also makes recommendations on policy, to be integrated by the investment teams either systematically or with discretion (depending on the case). As mentioned, the manner of implementation within each investment line is the responsibility of the investment team.

Unigestion's Responsible Investment Committee



Source: Unigestion as at 31 December 2020.

3. OUR 2021–2023 ESG ROADMAP IN TERMS OF OVERALL POSITIONING

The main objective for our three-year ESG roadmap is to evolve our positioning. We want to move from **ESG integration** toward **sustainability**. We will start this with a bottom-up approach, at the level of our **investment products** in order, then, to be able to comply at the Unigestion entity level.

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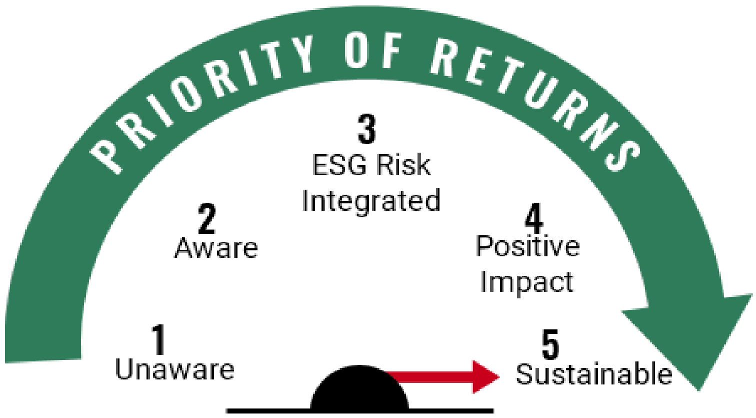


Our definition of sustainability will be derived from the EU Action Plan on Sustainable Finance (SFDR), which aims to reorient capital flows toward a more sustainable economy while managing the related sustainability risks properly. The first piece of legislation will come into force on 10 March 2021 and will influence the way financial products are manufactured and how asset owners will invest.

This European legislation will categorise financial products using a three-tier system:

1. Financial products with the **objective of sustainable investments**. This includes the specific sub-set of a reduction in carbon emissions as an objective. This is effectively the "top tier", where the objective of the financial product relates to a sustainability objective or impact. These are known as **"Article 9" products.**
2. Financial products **promoting environmental or social characteristics**. This is effectively the "middle tier", where sustainable investment is not the objective of the product, but sustainability remains an important and binding aspect of the investment process. These are known as **"Article 8" products.**
3. Other financial products, **not falling into either of the above two categories**. This is effectively the "bottom tier", where sustainability is not the objective of the product and is not a mandatory part of the investment process, although sustainability may still be part of the investment manager's processes in a softer way, such as the integration of sustainability risks (SFDR Art. 6) or evaluating their adverse impact (SFDR Art.7).

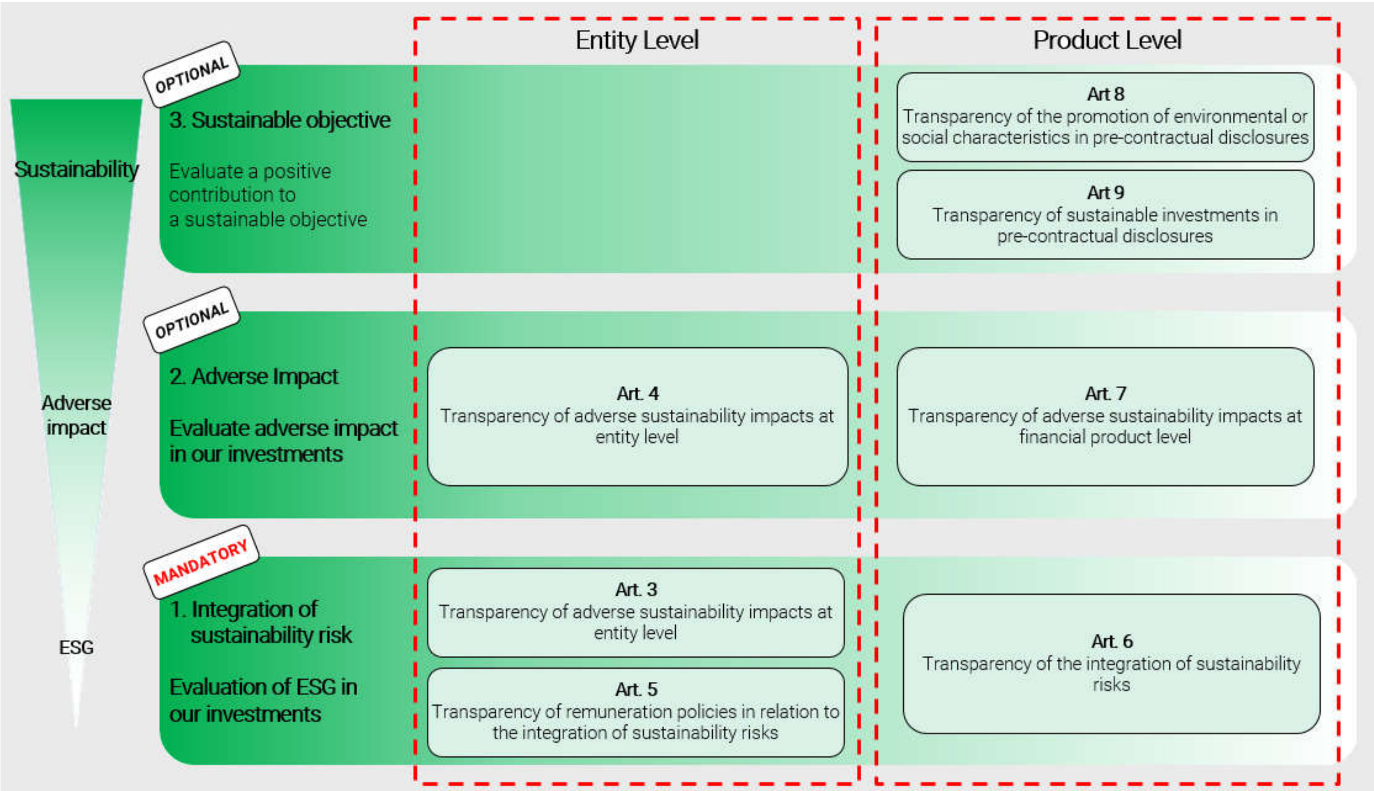
The goal of Unigestion over the next three years will be to evolve with regard to the different layers of the SFDR legislation, at the product level with a distinction between liquid assets and private equity, and at the entity level (Article 4).

On top of the objective to evolve our positioning toward sustainability in alignment with SFDR, we want also to pursue the following objectives:

- We want to push forward the integration of the Sustainable Development Goals (SDG) into our investment offerings. We believe that SDG-related considerations in investments will become more prevalent and concrete in the years to come. Furthermore, as a Geneva-based company, we will benefit from the fact that the overarching UN organisation responsible for SDG implementation is located in Geneva.

- We want to support the Task Force on Climate-Related Financial Disclosure (TCFD) at the asset class level. The TCFD's goal is to improve and increase reporting of climate-related financial information.
- With over 50% of our total AUM invested in bespoke solutions, we want to be seen as a specialist in developing tailored portfolios for our clients. We want to be seen as a manager that can customise portfolios and incorporate specific ESG criteria according to our clients' requirements and aligned with our values.

The three Layers Defined by the SFDR Regulation



4. OUR 2021–2023 ESG ROADMAP WITH REGARD TO OUR INVESTMENT EXPERTISE AND OTHER INVESTMENT AREAS

Our Equity Offering

Current Positioning:

- Our ESG process for equities is based on the following four pillars for liquid investments:
  - Pillar I – Norm-based Screening exclusion of controversial weapons, tobacco producers, adult entertainment producers, thermal coal exposures, predatory lenders, and non-compliant corporations regarding human rights, labour, environment and anti-corruption.
  - Pillar II – Exclusionary Screening: linked to our investment process – exclusion of non-covered entities, worst-in-class entities and high carbon emitters.
  - Pillar III – Portfolio-level ESG guidelines: aggregate level ESG score for the portfolio beyond a certain threshold, carbon footprint beyond a certain threshold and fundamental analysis.
  - Pillar IV – Active Ownership: proxy voting, direct engagement and collaborative engagement.
- Today, 100% of our pooled equity funds have ESG considerations incorporated into the investment process.
- In 2019, Unigestion developed proprietary company and country ESG scores to further integrate ESG criteria into our investment process for liquid asset classes. The scores provide comprehensive measures of companies' and countries' efforts in terms of ESG considerations. These scores are used in our equity processes for bottom-up and top-down considerations.
- Our goal for our product offerings is for the majority of portfolios to have an ESG scoring at least one decile better than the respective market reference.
- We track GHG (CO2 equivalent) emissions at a portfolio level, making sure that our funds do not exceed 80% of the relevant benchmark level.
- Consultants recognise us as a fund manager which integrates ESG criteria within the investment decision process. Morningstar has rated our funds as "repurposed ESG funds". Today, all our equity funds have a 4 or 5 globe Morningstar rating except, for specific reasons, the Swiss fund. The Uni-Global – Equities Eurozone Fund has also obtained an official SRI certification.
- We have developed an enhanced ESG report for our funds, which is currently available on our website and is available to clients. The report addresses coverage, scoring, carbon levels, controversial issues, product involvement levels and SDG-alignment score of the portfolio versus its market reference.
- We manage a number of dedicated, tailor-made portfolios for various clients, such as:
  - Unigestion SRI World Equity Fund – a Guernsey-based SRI fund for Irish charities, with ethical and religious exclusions applied.
  - A number of segregated mandates in Germany, Scandinavia and the UK, which have bespoke ESG restrictions.

Objectives Over the Next Three Years

- We want all our liquid equity funds to be categorised as promoting environmental or social characteristics or sustainable products as defined by Article 8 and 9 respectively of the new European legislation.
- We want to maintain good Morningstar ratings of at least 4 or 5 globes with regard to our ESG integration, with the exception of the Swiss Fund where we want to achieve a 3 globe rating.
- We aim to assess and/or integrate the Paris Agreement Alignment and climate scenario analysis within part of our equity products.
- We want to support TCFD at the asset class level.

- We will tighten and improve the carbon constraint by including Scope 3, as well as using ownership instead of weighted average for a clearer and comparable metric.
- We want to find a way of implementing some SDG targets in a number of our equity offerings where possible.
- We want to offer our clients flexibility to decide the extent to which they incorporate ESG criteria in their investments while promoting the value of integrating ESG considerations.
- We aim to monitor and further improve our reporting in the future to transparently monitor our ESG considerations.

Our Multi Asset and Liquid Alternative Solutions

Current Positioning

- The process is based on the following four pillars:
  - Pillar I – Norm-based Screening: exclusion of controversial weapons, tobacco producers, adult entertainment producers, thermal coal exposures, predatory lenders, and non-compliant corporations regarding human rights, labour, environment and anti-corruption
  - Pillar II – Exclusionary Screening: linked to our investment process – exclusion of non-covered entities, worst-in-class entities and high carbon emitters for companies and countries, for external funds ESG criteria should be an integral part of the investment process to be considered for investment.
  - Pillar III – Portfolio-level ESG guidelines: aggregate level ESG score for companies, countries and external funds, and carbon footprint and fundamental analysis for companies.
  - Pillar IV – Active Ownership: proxy voting, direct engagement and collaborative engagement for companies. With regard to Green Bonds, at least 50% allocation of the country weight if green bonds available. Engagement with managers and industry representatives (e.g., development of an ESG questionnaire with SBAI). For external managers, annual questionnaires sent to management companies to discuss ESG considerations in investment and management of companies, in line with our private equity funds.
- Our ESG process for multi-asset and liquid alternative solutions is based on the Unigestion proprietary score. It is used to evaluate and then allocate to corporations and to countries. These are used for bottom-up and top-down criteria.
- We track GHG emissions at a portfolio level, making sure that our funds lead to emission reduction relevant to the market reference level while actively trying to reduce the emission across all of the asset classes.
- For long/short equity, the same methodology as long only equities are applied on both the long and short legs (versus the average of the universe) such that the net ESG rating effect is a one-decile improvement.
- For commodities investments, we exclude agricultural and livestock commodities. We also get our exposure to precious metals (gold and silver) through sustainable providers (European-listed physical ETPs backed by LBMA gold bars or gold forward contracts referenced by the London gold price).
- In our liquid alternatives solutions, ESG consideration is systematically performed on the direct equity portion of the portfolio as well in manager selection where we use third-party funds. ESG considerations are not implemented when we use derivatives on indices, but this is work-in-progress.
- We have developed an ESG report, which is available to clients. The report addresses: coverage, scoring, carbon levels for both countries and companies, as well as controversial issues, product involvement levels and SDG-alignment score of the portfolio versus its market reference

Objectives Over the Next Three Years

- We want all our liquid equity funds to be categorised as promoting environmental or social characteristics or sustainable products as defined by Article 8 and 9 respectively, of the new European legislation.
- We want to have good Morningstar ratings with regard to our ESG integration for our main multi-asset funds.
- For external managers (fund selection), target ESG incorporation at 95% of asset allocation vehicles exclusive of diversification and opportunistic trades.
- We want to become a thought leader on the question of the integration of ESG in alternatives and develop a methodology to cover derivatives in our portfolios.

Our Private Equity Offering

Current Positioning

- We apply exclusion criteria based on Unigestion's common list.
- In our Direct investments, we measure companies against 20 ESG criteria used in our scorecard, which is updated annually.
- For our Primary and Secondary investments, we measure GPs against 33 ESG criteria using a questionnaire, which is updated annually.
- For all of our investments, we invest across nine investment themes, which we believe are driven by long-term growth trends. These themes can be related to certain SDG as defined by the UN.
- We currently have two investment vehicles that have specific ESG characteristics:
  - Unigestion-Ethos Environmental Sustainability Fund (2011, fully invested) which invests in funds and companies in the environmental sector.
  - A mandate for Swiss pension fund (2014, fully invested) which invests in funds and companies in sectors driven by strong environmental and social considerations.

Objectives Over the Next Three Years

- We want to align our ESG approach for PE on the common four pillars approach and improve as follows:
  - Pillar I – Norm-based Screening already in place.
  - Pillar II – Exclusionary Screening linked to our investment process: Define exclusions.
  - Pillar III – **Portfolio-level ESG guidelines**: Define risk control metrics.
  - Pillar IV – Engagement: Document our existing engagement process and its outcome.
- We want UDII, UDDE and future Direct funds to be compliant with Article 8 or Article 9 of SFDR if possible, in particular by assessing for each of the funds' portfolio companies:
  - That the company's economic activity makes a positive contribution to one of the 17 SDGs. (Article 8 and 9)
  - That the company's economic activity has no adverse impact on the other 16 SDGs. (Article 9)
- We want to make all our "in-scope" PE funds compliant with Article 7 of SFDR, in particular by monitoring the Principal Adverse Impact Indicators (to check whether funds no longer investing but harvesting could be out-of-scope, i.e. exempt).

Our Active Ownership Approach

We believe in the importance of being an active shareholder. As such, we exercise our voting rights and engage with many of the companies we are invested in, both in the public and private space.

Current Positioning

- For public equities, we exercise the voting rights of our clients through an outsourced arrangement with ISS, a third-party proxy-voting specialist. Unigestion's proxy voting is based on a customised policy built upon ISS's International Sustainable Proxy Voting policy, which includes enhancements to address stricter rules for US-based firms as well as climate criteria.
- We target to vote on a minimum of 95% of our public shares in all of our equity portfolios. During 2020, Unigestion voted at 98.355% of meetings and on 11,077 items during the year. We have also stopped security lending on public equities held within our funds in order to maximise our potential to vote.
- We voted against management on 20.43% of the votes we cast. We monitor these KPIs on a monthly basis at the RIC with a breakdown of the categories where we vote.
- We engage with portfolio companies on a variety of issues, through either direct or through collaborative engagement.
- With regard to direct engagement, we have three catalysts:
  1. Since 2016, Unigestion has engaged with companies on a variety of issues relating to directorships, reorganisations and mergers, health and environment, and social and corporate governance. Naturally, we raise these issues shortly before the respective AGMs.
  2. We identify companies within our portfolios in the worst decile of our proprietary ESG scoring but which display a positive trend – this shows they are making an effort to improve. We engage with them based on our internal E, S and G evaluations.
  3. Every year, we choose one SDG as an engagement theme and we engage with a handful of companies we hold with a top-down approach based on their environmental issues. For 2020 and 2021, the theme is SDG 13 – Climate Change as we have enrolled in the Climate Action 100+ initiative.
- We have an internal working group responsible for our equity engagement initiatives. Members are part of the RIC. Furthermore, we have implemented an internal scale to determine the effectiveness of our engagements from 0 (no acknowledgement of our request) through to 6 (complete implementation of our recommendation).
- In Private Equity, we also actively engage with management/GPs to drive positive change based on the questionnaires we have sent them.

Objective Over the Next Three Years

- In both Equity and Private Equity, we want to measure the impact of the direct engagement we have pursued over the years and link the results to our ESG scorings or ESG questionnaires. Within three years, we want to be able to demonstrate the benefits of our engagement activity on the risk-adjusted performance of the companies we have engaged with.
- For Private Equity direct investments, we want to annually engage with our portfolio companies based on the ESG scorecard they submitted when we invested with them. Our goal is to identify weaknesses and to gradually improve the overall ESG scores of these companies. We will have a framework for engagement, which is aligned with the Equity engagement framework.
- We want to increase our direct and collaborative engagement with regard to specific SDGs. The SDGs are universally accepted and can be furthered by working collaboratively with like-minded asset owners and asset managers and through our direct active engagement initiatives.
- Our goal will be to lead or co-lead a collaborative engagement.

Our Participation with Leading, Global ESG Investment Initiatives

Unigestion strives to be part of industry-wide efforts to promote good ESG practices.

Current Initiatives or Association

UN PRI (Global Scope)

We have been a signatory of the UN PRI since 2013, to promote and support these principles across the company and the industry.

In this context, we are assessed annually on our commitment to responsible investing.

Our UN PRI 2020 scorecard is shown below:

Summary Scorecard

AUM	Module Name	Your Score	Your Score / Median Score
	01.Strategy & Governance	A+	A
Indirect - Manager Sel., App. & Mon			
10-50%	07. Private Equity	A	A
Direct & Active Ownership Modules			
>50%	10. Listed Equity - Incorporation	A	A
>50%	11. Listed Equity - Active Ownership	A	B
<10%	16. Private Equity	A	A

During 2020, we progressed on Strategy and Governance, moving from A to A+.

Montréal Carbon Pledge (Global Scope)

In June 2016, we signed the Montréal Carbon Pledge (the Pledge), a collaboration between the UN PRI and investors from around the world. The Pledge has attracted commitment from over 120 asset owners and investment managers with over USD 10 trillion in assets under management. By signing the Pledge, we committed to measuring and disclosing the carbon footprint of all of our liquid portfolios to help investors better understand, quantify and manage climate change-related impacts, risk and opportunities.

Swiss Sustainable Finance (National Scope)

We have been an active member of Swiss Sustainable Finance since 2014. This association promotes sustainability in the Swiss financial market and engagement with Swiss investors to promote sustainable investment. Our CEO sits on the board of this association.

Sustainable Finance Geneva (Local Scope)

Since 2017, we have been a member of Sustainable Finance Geneva, which promotes Geneva as a hub for sustainable finance. Our CEO sits on the board of this association.

UK Stewardship Code (National Scope)

Since 2012, we have complied with the UK Stewardship Code to satisfy the stewardship requirements of our UK clients.

LGPS Transparency Code (National Scope)

Since 2017, we have complied with the LGPS Transparency Code to provide industry standard fee transparency to our LGPS clients and prospects.

Standards Board of Alternative Investment (Global Scope)

Since 2008, we have been an Investor Chapter member of the Standards Board of Alternative Investment or SBAI (formerly known as the Hedge Funds Standards Board), to develop best practices for alternative investment funds. Our CEO sits on the European Advisory Board of SBAI.

Transition Pathway Initiative

Since 2020, we have supported the work of the Transition Pathway Initiative, as its deep analysis aids us in making informed investment decisions and provides a rich background for our engagement initiatives around climate issues.

Tobacco-Free Finance Pledge

Since 2020, we have supported the Tobacco-Free Finance Pledge the goal of which is to raise awareness among financial institutions of the essential role the finance sector must play to help achieve the SDGs, reduce mortality from tobacco and improve global health.

Objectives Over the Next Three Years

- We want to support the TFCD. The TCFD has set the global standard, addressing the financial market's pressing need for clear and comprehensive information on the impact of climate change.
- We will keep working on maintaining and improving our UN PRI score in all of the asset classes and activities.
- We will amplify our efforts to increase our participation in global, industry-wide initiatives to promote good ESG practices and promote climate transition.
- We will roll out our "Sustainability Matters" internal ESG training programme on a broad range of topics featuring internal and external subject matter experts.

5. OUR 2021–2023 ESG ROADMAP FOR ESG INITIATIVES ON HOW WE OPERATE OUR COMPANY

On top of integrating sustainability criteria into our investment products, 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.

Current Positioning

In 2020 we issued our first Corporate Social Responsibility Policy (CSR) for our company. It covers those topics that matter most to our stakeholders: clients, employees, shareholders, portfolio companies and regulatory partners. The categories have been aligned with those of SASB for asset managers such as corporate governance, human capital development, responsibility toward the environment and product governance.

Governance

- We have an innovative ownership structure, which integrates Unigestion's main stakeholders. Our ownership structure is based on three pillars.
    1. 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 the company 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.
    2. Our management team and key employees form a group of Unigestion's shareholders organised under a partnership model, known as Unipartners.
    3. We also have well regarded institutional investors within the ownership structure, which ensures the company's long-term strategy is aligned with the evolving needs of our clients.

Human Capital

- We have worked on defining and engaging our employees around our corporate values of Engagement, Conviction and Ownership. For 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.
- 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 over 31% were female.

Environment

- We are continuously striving to reduce our carbon footprint in the buildings we use and the natural resources that our offices consume. To reduce the environmental impact of our premises, we look closely at both the buildings themselves and the use of resources in our offices. 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 Geneva office is certified with the Eco21 label, which rewards our decision to purchase renewable energy. We also participate in the PEIK audit that analyses our energy expenditures and energy-saving potential.
- Over the last two years, we have made a number of significant changes in the way we use paper, which has resulted in a major reduction in our rate of paper consumption. We have eliminated the provision of plastic bottles and paper cups in our offices. This represents an annual saving of 12,000 paper cups. In conference rooms, plastic bottles have now been replaced by glass bottles or carafes for clients and we now provide glasses, mugs and water fountains for employees.

- Since travel is a major source of greenhouse gases, Unigestion has implemented a series of initiatives to reduce our contribution to these emissions. We try to limit travel, where possible, and encourage our staff to use the train where they can.
- During 2020, we established an environmental committee for our main office in Geneva with the goal of implementing measures around the company that are environmentally responsible.

Objectives Over the Next Three Years

- We want to issue an enhanced version of our CSR which will:
  1. provide evidence of our specific shareholder structure in alignment with our philanthropic goals,
  2. define clear KPIs for gender policy, and
  3. define clear KPIs for our environmental efforts.
- Our roadmap for the future includes a target for female representation of 35% across the company, with 30% in managerial functions and 40% in the high potential pool.
- Certain specific functions have historically had an unbalanced gender parity (e.g. investment lines and IT). In these cases, we remain pragmatic in the short-term and target to achieve a better balance over time. 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.
- We want to measure the carbon footprint of our company. We will start with our main office and then continue in our different locations. Our goal going forward will be to measure our carbon footprint resulting from travelling and transport. We want to develop some key indicators, such as carbon footprint, in order to have clear KPIs to reduce it.
- We want to be able to respond to the PAI criteria list put in place by the SFDR legislation on how we operate as a private company.
- We want to have a sustainable rating for our company from initiatives such as B Corp. In 2018, we held an information consultation with B Corp for our main office, which gave satisfactory results.

APPENDIX

1. Our Overall ESG Roadmap for 2021

Where We Want to Be in Terms of ESG Positioning

One of our main goals for 2021 will be to start complying with the first layers of the SFDR legislation.

All of our products will comply with Article 6 as this will be mandatory. Article 6 means that Unigestion will assess the likely impacts of sustainability risk on the return of each of our financial products.

We want to have our liquid products, i.e. equity and multi-asset and liquid alternatives (if possible), comply and be labelled as sustainable products as defined by Article 9 or promotion of environmental or social characteristics as defined by Article 8. We have external confirmation that we currently comply with Article 8 across our liquid assets. In future some products will comply with Article 8 and some with Article 9. Article 8 means the product promotes environmental or social characteristics. Article 9 means that in addition to the considerations of Article 8, the product must ensure it meets sustainable objectives.

We would like to have all our products comply with Article 7. This would mean that all our products evaluate ESG impacts using the mandatory criteria and we could therefore report these criteria at the company level. For Private Equity, our objective is to fully comply with Article 7 through the course of 2021 prior to the legal application date 31/12/2022.

All products will have to report on an annual basis their sustainability risks/objectives.

Plan Chart 2021

Article 6 Integration of Sustainable Risk	Article 7 Evaluate Adverse Impact	Article 8 Promote Sustainable Factors	Article 9 Ensure to Meet Sustainable Objectives
Mandatory for all our products	Implementing the criteria for liquid assets Gathering the data for majority of our PE products and mandates	Our latest direct PE fund, UD II Our equity strategies Our multi-asset strategies	Our equity strategies with sustainable objectives.

Evolution of Our Investment Expertise

1. Objectives for Equities

- Ensure compliance with EU regulations for ESG Integration by 10 March 2021.
- Moving from Responsible to Sustainable Investment within the scope of the EU regulation.
- Be able to provide Carbon Scenario Analysis for our holdings as per UN PRI's request.
- Be able to measure and/or integrate our Paris Agreement Alignment.
- Tightening and improving the carbon constraint by including Scope 3 as well as using ownership instead of weighted average.
- Supporting TCFD (if possible at the asset class level).

2. Objectives for Private Equity

- Ensure compliance with EU regulations for ESG Integration by 10 March 2021.
  1. Put in place a risk framework to control application of the ESG Investment Policy.
  2. Define the engagement process (align with Equities where relevant) and document engagement actions.
  3. Deliver the first PE ESG report to investors.

- Draft a roadmap to move PE from Integration to Sustainable within three years.
    1. Map the regulatory requirements needed to achieve ESG Sustainability.
    2. Contribute to Unigestion's selection of key SDG.
    3. Carry out gap analysis between ESG Integration and Sustainability in PE concerning investment universe, data and process for each of Primaries, Secondaries and Directs.
    4. Determine implementation principles and draft a detailed action plan.

3. Objectives for Cross Asset Solution and Liquid Alternatives

- Ensure compliance with EU regulations for ESG Integration by 10 March 2021.
- Refine responsible strategy process document for multi-asset, especially for bonds.
- Investigate how we could treat the energy and base metals sectors within commodities.
- Develop ESG principles and a methodology for derivatives (CDS, CDX, futures, options, and swaps).
- Target ESG incorporation for external managers at 95%, exclusive of the liquid alternatives space.
- Benchmark our ARP strategy with ESG best practices in liquid alternatives and review potential improvements.

4. Active Ownership

- Promote Engagement in 2021 around the SDG 13: Climate Change theme.
- Define more visible and measurable engagement objectives (for both Equities and Private Equity) and ensure a common framework of monitoring for these two asset classes.
- Conduct due diligence on ISS to ensure that there are no unknown conflicts of interest, operational or cyber security issues (ALM, KBL, MBS).
- Keep the proxy voting level above 95% of votable items.

5. Participation of Our Company in Global Leading Initiatives Regarding Responsible Investing

- Support TCFD at the firm level.
- Keep our UN PRI score at A (or equivalent) or improve it.

6. Promotion of ESG Initiatives Within Our Company

- Enhance our CSR document to align our internal organisation to sound ESG practices.
- Broadly roll out our Sustainability Matters internal ESG training programme with bi-monthly sessions.

2. Unigestion 2020 Roadmap: Progress Achieved

Active Ownership

- Customise our ISS proxy voting policy in line with our core values and ESG beliefs. Done
- Investigate the services of other outsourced ESG providers such as Hermes to compare them with ISS. Done

Equities

- Introduce our second version of ESG scoring for companies. Done
- Write a paper about incorporating ESG criteria in equity portfolios. Done
- Incorporate ESG criteria within factor portfolios. Done

Private Equity

- Finalise the scoring of our ECD and UDO portfolios by the end of February 2020. Done
- Have all existing core fund managers complete our ESG questionnaire as part of our next fund monitoring process during 2020. Ongoing

Cross Asset Solutions

- Investing in Green bonds within the government bonds allocation. Done
- Improve the scope and coverage of external managers. New rating proposal to be deployed. Done

Liquid Alternatives

- Implement ESG for long-short equity factors. Done

Participating Global Leading Initiatives

- Target A+ for Strategy and Governance. Done
- Sign up to the PRI's Investor Expectations Statement on Climate Change for Airlines and Aerospace Companies. Done
- Sign the letter to the SEC regarding the value of Proxy Voting Firms. Done
- Engage with the companies in which we invest to promote the SDG 13 on climate change in our investments. Ongoing

Promotion of ESG Initiatives Within Our Company

- Draft the first version of our CSR. Done

3. Common Exclusion List for Unigestion

Exclusions should be common across the company and all direct assets we manage for our clients. Our fund investments are not subject to this exclusion list due to the complexity it would present. Below is the exclusion list applied across all investment lines.

Each one of the subjects is systematically considered, however the relevance of the issue is determined by our team of fundamental equity analysts.

Exclusion List	Description
Human Rights	Businesses that do not support and respect the protection of internationally proclaimed human rights or are complicit in human rights abuses
Labour Rights	Businesses that do not uphold: ▸ the freedom of association and the effective recognition of the right to collective bargaining ▸ the elimination of all forms of forced and compulsory labour ▸ the effective abolition of child labour ▸ the elimination of discrimination in respect of employment and occupation
Environmental Issues	Businesses that do not: ▸ support a precautionary approach to environmental challenges ▸ undertake initiatives to promote greater environmental responsibility ▸ encourage the development and diffusion of environmentally friendly technologies
Business Ethics	Businesses with any corruption allegations, including extortion and bribery
Controversial Weapons	Businesses that manufacture, distribute or sell controversial arms or ammunitions such as cluster bombs, landmines, depleted uranium, etc.
Adult Entertainment Producers	Businesses principally engaged in the production of pornography
Tobacco Producers	Businesses principally engaged in the manufacturing of or trading in tobacco
Thermal Coal	Businesses with more than 10% of their total revenue derived from thermal coal
Predatory Lending	Businesses directly involved in unethical lending practices that impose unfair and abusive loan terms on borrowers

Source: Unigestion as at December 2020.