

Responsible Investment Policy
Kieger AG / Policy No 14

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1 Introduction

This Responsible Investment Policy ("**Policy**") shall provide guidance to all employees ("**Employees**") of Kieger AG ("**Kieger**").

This Policy provides information on how Kieger undertakes investment stewardship across all of the asset classes and its approach to engagement and integration of environmental, social and governance ("**ESG**") issues (including sustainability risks) into its investment management and advisory process (hereinafter "**Investment Process**").

2 Investment Philosophy

Kieger's primary aim is to meet clients' investment objectives in accordance with their risk profile. Kieger seeks to deliver strong investment performance to its clients and recognise that various factors can have a material impact on investment returns.

Kieger adheres to an investment philosophy that values long-term vision and discipline. Kieger's responsible investment approach focuses on value creation for its clients. Kieger believes that long-term investment performance can be enhanced by identifying and anticipating environmental and societal issues and risks that are material to a company's business growth and prosperity.

It is Kieger's belief that companies operating in an environmentally and socially sustainable manner, and having sound governance practices, are more likely to deliver long-term shareholder value. Kieger, therefore, considers that sustainable business practices make good business sense and have the potential to protect and enhance investment returns.

In setting out Kieger's approach to responsible investment, Kieger intends for the detail in this Policy to address various requirements set out in the EU Sustainable Finance Disclosures Regulation (Regulation (EU) 2019/2088, "**SFDR**"). The responsible investment space is evolving rapidly and Kieger will continue to develop its responsible investment approach as well as its policies and procedures as and when necessary.

3 ESG Integration

The Investment Process undertaken by Kieger's teams takes ESG issues (including sustainability risks as defined by SFDR) into account when, in Kieger's view, these have a material impact on either investment risk or return. Kieger seeks to gain an understanding of the relevant ESG issues (including sustainability risks) applicable to its investments through its internal research process, and using external information sources. Specifically, this process is adjusted depending on whether Kieger invests directly or through managers, as described below. Each analyst incorporates ESG issues (including sustainability risks) into its ongoing monitoring and appraisal of portfolio companies. ESG issues (including sustainability risks) are monitored throughout the investment period and may form part of internal dialogue and external engagement with portfolio companies.

3.1 Kieger-Managed Direct Investments

Kieger's research and fundamental analysis seek to identify relevant financial and ESG issues (including sustainability risks) that may impact a company's long-term financial performance. Kieger uses its proprietary methodology which weights the ESG parameters according to materiality to the business prospects of the company and its future competitive positioning. It incorporates the information provided by the companies themselves as well as reputable ESG-data providers.

3.2 Third Party Fund Investments and Managed Accounts

Kieger performs extensive due diligence on third-party managers before investing. Kieger's manager selection process includes a review of their Investment Processes and their ability to identify ESG factors (including sustainability risks) material to the long-term performance of their investments.

4 Engagement, Active Ownership and Manager Dialogue

Kieger's belief that the management of ESG issues (including sustainability risks) is a critical component of long-term value creation leads Kieger to consider these factors throughout the investment process. Kieger engages with its portfolio companies and managers through direct dialogue, and, where relevant, proxy voting, and co-filing of shareholder proposals. Engagement is a key method to actively identify, manage and mitigate ESG issues (including sustainability risks) and/or minimise negative environmental or social impacts. Kieger's engagement is designed to mitigate negative issues that could alter the valuation, fundamental standing or strategy of the portfolio companies.

When engaging with its investees/managers, Kieger's purpose is to either seek understanding or, where necessary, to trigger change that will protect and enhance the value of investments for which Kieger is responsible. When Kieger's assessment indicates that a company's or manager's approach to ESG issues (including sustainability risks) could have an adverse impact on their long-term performance, Kieger considers it its duty to try to reduce this risk. Kieger highlights its assessment of the weaknesses in ESG management to the company/manager in informal discussions and encourages them to improve. If this approach proves ineffective and the risk persists, Kieger may decide to sell its holding or to switch to an alternative manager.

In addition, and as part of its Investment Process, Kieger monitors the portfolio company's approach towards matters, such as (i) strategy; (ii) financial and non-financial performance and risk; (iii) capital structure; (iv) social and environmental impact; and (v) corporate governance. Kieger carries out its operations to avoid conflicts of interest and will utilise those principles when engaging with portfolio companies.

4.1 Kieger-Managed Public Equity

Kieger recognises its responsibility to exercise voting rights in an appropriate manner. Kieger, therefore, evaluates voting issues on its investments and, where Kieger has the authority to do so, votes on them in line with its fiduciary responsibilities in what Kieger deems to be the best interests of its clients. Kieger shall retain a third-party voting service ("**Proxy Service**") to assist in determining its voting policy and in the implementation and administration of proxy voting functions. Among its responsibilities, the Proxy Service prepares a written analysis and recommendation of each proxy vote.

The Proxy Service may also assist Kieger by providing operational, record-keeping and reporting services. Kieger conducts periodic reviews of Proxy Services, which include, but are not limited to, a review of the proxy services, general organisational structure, new developments with respect to research &

technology, work flow improvement and internal due diligence with respect to conflicts of interest. Kieger shall monitor and adjust on an on-going basis their proxy voting policy. The defined proxy voting policy shall be made available to the investors upon request.

Additionally, Kieger may also file, jointly with other investors, shareholder proposals. Collaborative engagement initiatives can be an effective way to raise standards and promote good practices.

4.2 Kieger-Managed Private Equity

Kieger takes board positions in most of its direct private equity investments and works closely with the management of its portfolio companies, helping them identify and integrate material issues in their strategies, which include relevant ESG risks (including sustainability risks).

4.3 Third Party Fund Investments and Managed Accounts

Kieger has an active dialogue with managers from the manager selection to the regular performance evaluations. As mentioned above, should Kieger reach the conclusion that a manager is not properly managing ESG issues (including sustainability risks) and is not willing to improve, Kieger may decide, where possible, to change a manager. Further, where possible and relevant, Kieger may also engage in an active dialogue with its managers with respect to their specific portfolio holdings that warrant a closer look at from an ESG perspective.

5 Thematic Sustainable and Impact Investing

While ESG integration and active ownership primarily focus on proper management of ESG risks, Kieger also actively looks for attractive investments that promote sustainability and generate societal impact. Kieger engages in thematic sustainable and impact investing, by focusing investment selection on companies or products that address societal challenges in a financially sustainable manner.

Driven by client preferences, Kieger may integrate thematic sustainable and impact investments in client portfolios across asset classes, or create specific client impact investment allocations. Kieger may also develop/initiate impact-generating investment strategies and market them proactively among the clients.

With these strategies, Kieger will not only integrate ESG analysis into its Investment Process, but also assess and monitor the societal impact of these investments using its impact investment framework.

6 Exclusions and Sustainability Screening

Kieger's investment approach does not automatically exclude any companies or sectors with the exception of companies excluded by Swiss or international laws or regulations. Preferences of certain clients may direct Kieger to increase the number of exclusions for their portfolios.

7 Relevant Industry Affiliations

Kieger is a signatory of the [UN Principles for Responsible Investment \(PRI\)](#) and a member of [Swiss Sustainable Finance](#), an association of financial institutions that aims to strengthen the position of Switzerland in the global marketplace for sustainable finance.

8 Reporting

Clients with explicit ESG/impact portfolios receive sustainability and impact reporting, the format of which is agreed with them individually.

Further Kieger produces an annual report on its Active Ownership and Manager Dialogue.

9 Governance

This Responsible Investment Policy is approved by Kieger's Board of Directors ("**Board**") and will be implemented by the Management Committee and the investment teams under the guidance of the Sustainability & Impact Steering Committee. The Sustainability & Impact (S&I) Steering Committee will be established with three voting members including Kieger's CEO, the Head of Sustainability & Impact Investments and a representative of the investment teams. Additional members, including external advisors may be invited to participate. The S&I Steering Committee will hold quarterly meetings.

10 Kieger's Sustainability Journey

Kieger is also taking steps towards becoming more sustainable as an organisation. In this regard, Kieger is on a journey to introduce sustainability measures related to its operations, focusing on employee's health and safety, reducing its environmental footprint and promoting corporate citizenship.

11 Final Provisions

This Policy remains valid until withdrawn by the Board of Kieger.

This Policy was issued by the Management Committee of Kieger and approved by the Board of Kieger on **March 23rd, 2021**.

Kieger AG

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