

Disclosure for financial products that have sustainable investments as their objective

Issued by Kieger AG

In respect of Kieger Impact Healthcare Fund (the “Sub-Fund”) of Kieger UCITS Fund (the “Fund”)

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On 6 April 2022, the European Commission published the final regulatory technical standards designed to provide further guidance on the implementation of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector, as amended by Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment.

Article 10 of the SFDR requires the website of Kieger to include certain information on each of the Healthcare subfunds of Kieger UCITS Fund which qualify as Article 9 (sustainable investment) SFDR funds. The RTS provides more detailed requirements of the SFDR.

In this Information Statement the following words and phrases have the meanings set forth below:

“ESG”	environmental, social and governance.
“PAI”	principal adverse impact indicators set out in Annex I of the RTS to the SFDR
“RTS”	Commission Delegated Regulation (EU) 2022/1288 regulatory technical standards to the SFDR
“SFDR”	Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial sector, as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time.
“Sustainable Investment”	An investment in an economic activity that contributes to an environmental objective, as measured by key resource efficiency indicators on (i) the use of energy, (ii) renewable energy, (iii) raw materials, (iv) water and land, (v) the production of waste, (vi) greenhouse gas emissions, or (vii) its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective (in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations), or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices.
“Sustainable Investment Fund”	A Sub-Fund that, in accordance with the criteria outlined in Article 9 of SFDR, has Sustainable Investment as its objective.

“Taxonomy Regulation” the Regulation on the establishment of a framework to facilitate sustainable investment (Regulation EU/2020/852)

All other defined terms used in this Information Statement shall have the same meaning as in the supplement of the Sub-Fund or the prospectus of the Fund, as appropriate, which are also available at <https://kieger.com/regulatory-disclosures/>.

## I. Summary

The Sub-Fund's investment objective is to achieve long term capital growth by principally investing in equities of healthcare and healthcare related companies or issuers worldwide (including Emerging Markets) with a focus on issuers that contribute to the realisation of the healthcare related United Nations Sustainable Development Goals. In managing the Sub-Fund, the Investment Manager actively seeks to generate a positive societal impact alongside a financial return and aims to identify companies that have shown willingness to add value to society and to the environment by doing business in a sustainable way.

The Investment Manager in its engagement with companies, employs a special focus on data transparency and compensation (i.e. salary and other benefits) in companies and also utilizes an exclusions list to avoid investment in companies that could be deemed to be causing significant harm.

The Sub-Fund holdings exclude companies exposed to controversial behavior and controversial products, including (i) the production and distribution of tobacco products, (ii) the production and distribution of distilled alcoholic beverages, (iii) the production of defense equipment, (iv) the production of legal adult entertainment related products and services, (v) the extraction and distribution of fossil fuels and (vi) mining activities.

The minimum share of sustainable investments with a social objective is 90% of the Sub-Fund's assets.

The Sub-Fund does not have a carbon-reduction objective. A reference benchmark is not used for the purposes of attaining the sustainable investment objective.

A description of the overall sustainability-related impact of the Sub-Fund by means of relevant sustainability indicators will be available as part of the periodic report.

[DE translation]

Das Anlageziel des Teilfonds ist die Erzielung eines langfristigen Kapitalwachstums, indem er hauptsächlich in Aktien von Unternehmen oder Emittenten aus dem Gesundheitswesen und damit verbundenen Bereichen weltweit (einschliesslich der Schwellenländer) investiert. Der Schwerpunkt liegt auf Emittenten, die zur Verwirklichung der Ziele der Vereinten Nationen für nachhaltige Entwicklung (Sustainable Development Goals) im Gesundheitswesen beitragen. Bei der Verwaltung des Teilfonds strebt der Investment Manager aktiv neben einer finanziellen Rendite auch eine positive gesellschaftliche Wirkung an, indem er Unternehmen identifiziert, die bestrebt sind durch eine nachhaltige Geschäftstätigkeit einen Mehrwert für

die Gesellschaft und die Umwelt zu schaffen.

Der Investment Manager achtet bei seiner Zusammenarbeit mit Unternehmen besonders auf Datentransparenz und Vergütung (d.h. Gehälter und andere Leistungen) in Unternehmen. Zudem verwendet er eine Ausschlussliste, um Investitionen in Unternehmen zu vermeiden, die als besonders schädlich angesehen werden könnten.

Der Teilfond schliesst Beteiligungen an Unternehmen aus, die kontroversen Verhaltensweisen anwenden und kontroversen Produkten anbieten, darunter (i) die Herstellung und der Vertrieb von Tabakerzeugnissen, (ii) die Herstellung und der Vertrieb von destillierten alkoholischen Getränken, (iii) die Herstellung von Rüstungsgütern, (iv) die Herstellung von Produkten und Dienstleistungen im Zusammenhang mit Erwachsenenunterhaltung, (v) die Gewinnung und der Vertrieb von fossilen Brennstoffen und (vi) Bergbauaktivitäten.

Der Mindestanteil nachhaltiger Investitionen mit sozialer Zielsetzung beträgt 90% des Vermögens des Teilfonds.

Der Teilfonds verfolgt kein Ziel der Kohlenstoffreduzierung. Zur Erreichung des nachhaltigen Investitionsziels wird keine Referenzbenchmark verwendet.

Eine Beschreibung der insgesamt nachhaltigkeitsbezogenen Auswirkungen des Teilfonds anhand relevanter Nachhaltigkeitsindikatoren wird als Teil des periodischen Berichts verfügbar sein.

[FR translation]

L'objectif d'investissement du Compartiment est d'obtenir une croissance du capital à long terme en investissant principalement dans des actions de sociétés de santé ou lié à la santé ou auprès d'émetteurs du même secteur à l'échelle globale (y compris les Marchés Émergents), en privilégiant les émetteurs qui contribuent à la réalisation des Objectifs de Développement durable des Nations Unies en matière de santé. Dans le cadre de la gestion du Compartiment, le Gestionnaire d'Investissement cherche à générer de manière active un impact sociétal positif parallèlement à un rendement financier et vise à identifier les sociétés qui ont démontré leur volonté d'apporter une valeur ajoutée à la société et à l'environnement en exerçant leurs activités de manière durable.

Dans le cadre de son engagement auprès des entreprises, le Gestionnaire d'Investissement accorde une attention particulière à la transparence des données et à la rémunération (c'est-à-dire les salaires et autres avantages) des entreprises et utilise également une liste restrictive pour éviter d'investir dans des entreprises qui pourraient être considérées comme causant un préjudice important.

Les investissements du Compartiment excluent les sociétés exposées à des comportements et des produits controversés, notamment (i) la production et la distribution de produits liés au tabac, (ii) la production et la distribution de boissons alcoolisées distillées, (iii) la production d'équipements de défense, (iv) la production de produits et services légaux liés au divertissement pour adultes, (v) l'extraction et la distribution de combustibles fossiles et (vi) les activités minières.

La proportion minimale d'investissements durables à caractère social est de 90% des actifs du Compartiment.

Le Compartiment n'a pas d'objectif de réduction des émissions de carbone. Un indice de référence n'est pas utilisé aux fins de la réalisation de l'objectif d'investissement durable.

Une description de l'impact global du Compartiment en matière de durabilité au moyen d'indicateurs de durabilité pertinents sera disponible dans le cadre du rapport périodique.

## II. No significant harm to the sustainable investment objective

The Investment Manager aims to identify companies that have shown willingness to add value to society and to the environment by doing business in a sustainable way. In the case that controversies have been identified, the Investment Manager assesses the situation and engages with the company's management in order to ensure that investments are not causing significant harm to the social sustainable investment objective of the Sub-Fund. Where severe controversies are identified and the company is not willing to engage, the Investment Manager may choose not to invest in the company or to exit an existing holding.

The Investment Manager is conscious that in order for an investment to qualify as a sustainable investment under the SFDR, it should comply with the principle that an investment should do no significant harm ("DNSH") to the sustainable investment objective pursued. The Investment Manager uses an evaluation of PAI to determine if an investment of the Sub-Fund does no significant harm to the sustainable investment objective of the Sub-Fund. The Investment Manager employs the PAI analysis both when identifying investments for the Sub-Fund, and in the course of monitoring existing investments of the Sub-Fund.

The Investment Manager compiles data on the PAI indicators through a combination of its own research, reliance on third party data providers (such as ISS, ESG MSCI, and Sustainalytics amongst others), and engagement with investee companies to solicit the necessary data.

The Investment Manager will consider the PAI indicators of individual investments, and where the Investment Manager determines that an investment is causing or is likely to cause significant harm to the sustainable objective of the Sub-Fund, the Investment Manager may choose not to invest or to exit an existing holding. The Investment Manager also utilizes an exclusions list to avoid investment in companies that could be deemed to be causing significant harm.

The Investment Manager will assess a company's compliance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the eight Fundamental conventions of the ILO and the International Bill of Human Rights (the "Minimum Safeguards"). The Investment Manager utilizes data from third party providers to identify any potential contravention.

The Investment Manager will take into account both violations of the Minimum Safeguards and whether a company has due diligence policies in place to ensure compliance with the Minimum Safeguards. The Investment Manager will consider whether a company's degree of

alignment with the Minimum Safeguards is proportionate to its risk profile and size. The Sub-Fund will not invest in any companies which are in serious breach of the Minimum Safeguards.

### III. Sustainable investment objective of the financial product

The Sub-Fund's sustainable investment objective is to have a positive impact on society by investing in companies that provide solutions to the challenges described in the United Nations Sustainable Development Goal 3 (SDG 3: Good health and well-being). The objective is attained by investing in companies that promote either access & affordability, prevention or innovation and that are aligned with SDG 3, as identified through a proprietary thematic framework developed by Kieger AG (the "Investment Manager").

The Sub-Fund's investment objective is to achieve long-term capital growth by principally investing in equities of healthcare and healthcare-related companies or issuers worldwide (including in emerging markets) with a focus on issuers that contribute to the realisation of the healthcare-related SDGs. The Sub-Fund aims to generate material positive societal impact and attractive returns.

The Sub-Fund does not have a carbon-reduction objective. A reference benchmark is not used for the purposes of attaining the sustainable investment objective.

### IV. Investment strategy

The investment strategy of the Sub-Fund is to target investments in companies that are believed to contribute to the realisation of the healthcare related SDGs. Investments are selected based on a fundamental, bottom-up analysis by the Investment Manager.

The Investment Manager views engagement as an essential part of the investment process and in achieving the sustainable investment objective of the Sub-Fund. The Investment Manager believes that its engagement with companies can add value to investments, by highlighting its assessment of ESG weaknesses, encouraging improvements and monitoring companies' improvements. The Investment Manager engages with companies using a variety of methods, including primarily through meeting with management teams in person, through conference calls, and through proxy-voting practices. The Investment Manager exercises the Sub-Fund's voting rights in companies in accordance with a pre-defined voting policy which, broadly speaking, is focused on voting in favour of motions which are in conformity with the sustainable development of companies, and in voting against any motions which impact negatively on sustainability matters.

The Sub-Fund's governance metrics include: (i) Corporate Governance (% of independent directors, % of female board members, independent chairperson, board meeting attendance, ESG-linked bonus for executives, clawback provisions for executives, say on pay support level, total CEO compensation relative to sales) (ii) Corruption, Fraud & Anticompetitive Practices (Accounting investigation, antitrust controversies, corruption & bribery controversies, fraud controversies) and (iii) Business & Ethics (ethics policy, whistle blower protection, human rights policy, policy against child labor, UN Global Compact Signatory).

The Investment Manager in its engagement with companies, employs a special focus on data transparency and compensation (i.e. salary and other benefits) in companies. Moreover, analysts perform a qualitative review focusing on a company management's track record and credibility. In the event that a governance issue of concern is identified, the Investment Manager engages with the company involved in an effort to understand the issue in more detail and to bring about an improvement if possible. The Investment Manager's team follows all developments important for a thorough fundamental analysis. Ultimately, if the Investment Manager is not satisfied that a company follows good governance practices, including in cases where the Investment Manager's engagement with a company has not succeeded in bringing about governance improvements, such that it no longer qualifies as a sustainable investment, the Sub-Fund will divest from the company.

## V. Proportion of investments

All investments in the Sub-Fund undergo the same selection process regarding sustainability. At least 90 % of the Sub-Fund's investments meet the sustainable investment objective in accordance with the binding elements of the investment strategy.



**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.

## VI. Monitoring of sustainable investment objective

Within the Investment Manager's proprietary assessment of sustainability factors for the Sub-Fund, the investment team analyses quantitative and qualitative aspects including those mandatory PAI indicators for which data is available and additional PAI indicators relevant for the healthcare industry.

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.

Active portfolio monitoring and risk management form an integral part of investment process of the Healthcare strategy.

## VII. Methodologies

The Investment Manager will use the sustainability indicators set out below to measure the attainment of the Sub-Fund's sustainable investment objective:

1. The percentage of the holdings in the portfolio that are part of the Sub-Fund's thematic universe built with companies that provide solutions for the SDG 3.
2. The percentage of companies with a clear link to one or more of the sub-objectives of the SDG 3 based on the Investment Manager's proprietary methodology.
3. The percentage of investments that are excluded (Fail) according to the Investment Manager's proprietary ESG methodology.
4. The percentage of holdings with controversies that are in violation of the International Labour Organisation's ("ILO") standards (including the ILO's Declaration of Fundamental Principles and Rights at Work, and the eight fundamental conventions of the ILO), the International Bill of Human Rights, the United Nations ("UN") Guiding Principles on Business and Human Rights, the UN Global Compact or the OECD Guidelines for Multinational Enterprises (the "Minimum Safeguards").
5. The percentage of holdings voted / The percentage of proxy votings instructed for the Sub-Fund's holdings.

## VIII. Data sources and processing

The Investment Manager compiles data on the PAI indicators through a combination of its own research, reliance on third party data providers (such as ISS, ESG MSCI, and Sustainalytics amongst others), and engagement with investee companies to solicit the necessary data.

## IX. Limitations to methodologies and data

The PAI regime was introduced only recently and thus there are challenges in collecting the data necessary for a full and accurate assessment of the PAI indicators. Most companies are not, as yet, accustomed to publishing data relevant to the PAI indicators. The Investment Manager monitors the progress in data availability and in the interim some of the Sub-Funds will report on PAI on a best-efforts basis.

There is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds.

## X. Due diligence

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. The Investment Manager's ESG analysis is performed in-house and is not outsourced. The responsible analyst utilizes the Investment Manager's internal ESG evaluation process to create a holistic assessment of an company's ESG related risks and opportunities.

## XI. Engagement policies

The Investment Manager in its engagement with companies, employs a special focus on data transparency and compensation (i.e. salary and other benefits) in companies. Moreover, analysts perform a qualitative review focusing on a company management's track record and credibility. In the event that a governance issue of concern is identified, the Investment Manager engages with the company involved in an effort to understand the issue in more detail and to bring about an improvement if possible. The Investment Manager's team follows all developments important for a thorough fundamental analysis. Ultimately, if the Investment Manager is not satisfied that a company follows good governance practices, including in cases where the Investment Manager's engagement with a company has not succeeded in bringing about governance improvements, such that it no longer qualifies as a sustainable investment, the Sub-Fund will divest from the company.

## XII. Attainment of the sustainable investment objective

There is no specific index designated as a reference benchmark to meet the sustainable investment objective.

### 1. Important Information

This Information Statement is issued for information purposes only.

This Information Statement is not intended as investment advice and is not an offer or a recommendation about managing or investing assets and should not be used as the basis for any investment decision.

The information contained herein is current as of the date of issuance and is subject to change without notice.

We do not make any express or implied warranties or representations as to the completeness or accuracy or accept responsibility for errors.

No risk management technique can guarantee the mitigation or elimination of risk in any market environment.

Past performance is not a guarantee or a reliable indicator of future results and an investment could lose value. All investments involve risk, including the possible loss of capital.

Kieger AG has its registered office at Limmatstrasse 264, 8005 Zürich, Switzerland.

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Kieger AG is authorised in Switzerland and regulated by the Swiss Financial Market Supervisory Authority.

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