



RI TRANSPARENCY REPORT

2020

Vontobel Holding AG

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2020 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
🔍	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		🔒	n/a							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	✓	Private							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	✓	Public							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown of listed equity investments by passive and active strategies	✓	Public							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	✓	Public							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	🔒	n/a							✓
OO FI 03	Fixed income breakdown by market and credit quality	✓	Public							✓
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	🔒	n/a							✓
OO PE 01	Breakdown of private equity investments by strategy	🔒	n/a							✓
OO PE 02	Typical level of ownership in private equity investments	🔒	n/a							✓
OO PR 01	Breakdown of property investments	🔒	n/a							✓
OO PR 02	Breakdown of property assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of infrastructure investments	🔒	n/a							✓
OO INF 02	Breakdown of infrastructure assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure sectors	🔒	n/a							✓
OO HF 01	Breakdown of hedge funds investments by strategies	🔒	n/a							✓
OO End	Module confirmation page	✓	-							

CCStrategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 01 CC	Climate risk	✓	Private							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public						✓	
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	✓	Private							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	🔒	n/a	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13 CC		🔒	n/a							✓
SG 14	Long term investment risks and opportunity	✓	Private	✓						
SG 14 CC		✓	Private							✓
SG 15	Allocation of assets to environmental and social themed areas	✓	Public	✓						
SG 16	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 17	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
SG 18	Innovative features of approach to RI	✓	Public							✓
SG 19	Communication	✓	Public		✓				✓	
SG End	Module confirmation page	✓	-							

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Percentage of each incorporation strategy	✓	Public	✓						
LEI 02	Type of ESG information used in investment decision	✓	Public	✓						
LEI 03	Information from engagement and/or voting used in investment decision-making	✓	Private	✓						
LEI 04	Types of screening applied	✓	Public	✓						
LEI 05	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 06	Processes to ensure fund criteria are not breached	✓	Public	✓						
LEI 07	Types of sustainability thematic funds/mandates	✓	Public	✓						
LEI 08	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 09	Processes to ensure integration is based on robust analysis	✓	Public	✓						
LEI 10	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 11	ESG issues in index construction	🔒	n/a	✓						
LEI 12	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 13	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
LEI End	Module confirmation page	✓	-							

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising collaborative engagement	✓	Public		✓					
LEA 06	Role in engagement process	✓	Public		✓		✓			
LEA 07	Share insights from engagements with internal/external managers	✓	Public	✓	✓					
LEA 08	Tracking number of engagements	✓	Public		✓					
LEA 09	Number of companies engaged with, intensity of engagement and effort	✓	Private		✓					
LEA 10	Engagement methods	✓	Private		✓					
LEA 11	Examples of ESG engagements	✓	Private		✓					
LEA 12	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 13	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 14	Securities lending programme	✓	Private		✓					
LEA 15	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 16	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 17	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 18	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 19	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 20	Shareholder resolutions	✓	Private		✓					
LEA 21	Examples of (proxy) voting activities	✓	Private		✓					
LEA End	Module confirmation page	✓	-							

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Incorporation strategies applied	✓	Public	✓						
FI 02	ESG issues and issuer research	✓	Private	✓						
FI 03	Processes to ensure analysis is robust	✓	Public	✓						
FI 04	Types of screening applied	✓	Public	✓						
FI 05	Examples of ESG factors in screening process	✓	Private	✓						
FI 06	Screening - ensuring criteria are met	✓	Public	✓						
FI 07	Thematic investing - overview	🔒	n/a	✓						
FI 08	Thematic investing - themed bond processes	🔒	n/a	✓						
FI 09	Thematic investing - assessing impact	🔒	n/a	✓						
FI 10	Integration overview	🔒	n/a	✓						
FI 11	Integration - ESG information in investment processes	🔒	n/a	✓						
FI 12	Integration - E,S and G issues reviewed	🔒	n/a	✓						
FI 13	ESG incorporation in passive funds	🔒	n/a	✓						
FI 14	Engagement overview and coverage	✓	Private		✓					
FI 15	Engagement method	✓	Private	✓	✓					
FI 16	Engagement policy disclosure	✓	Private	✓	✓					
FI 17	Financial/ESG performance	✓	Private							✓
FI 18	Examples - ESG incorporation or engagement	-	n/a	✓	✓					
FI End	Module confirmation page	✓	-							

Confidence building measures				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM1 01	Assurance, verification, or review	✓	Public							✓
CM1 02	Assurance of last year's PRI data	✓	Public							✓
CM1 03	Other confidence building measures	✓	Public							✓
CM1 04	Assurance of this year's PRI data	✓	Public							✓
CM1 05	External assurance	🔒	n/a							✓
CM1 06	Assurance or internal audit	🔒	n/a							✓
CM1 07	Internal verification	✓	Public							✓
CM1 01 End	Module confirmation page	✓	-							

Vontobel Holding AG

Reported Information

Public version

Organisational Overview

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Basic information

OO 01	Mandatory	Public	Gateway/Peering	General
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OO 01.1 Select the services and funds you offer

Select the services and funds you offer	% of asset under management (AUM) in ranges
Fund management	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50%
Other	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

Further options (may be selected in addition to the above)

- ☐ Hedge funds
☐ Fund of hedge funds

OO 02	Mandatory	Public	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

Switzerland

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- ☐ 1
☐ 2-5
☐ 6-10
☒ >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

1981

OO 03 **Mandatory** **Public** **Descriptive** **General**

OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

☐ Yes

☒ No

OO 04 **Mandatory** **Public** **Gateway/Peering** **General**

OO 04.1 Indicate the year end date for your reporting year.

31/12/2019

OO 04.2 Indicate your total AUM at the end of your reporting year.

Include the AUM of subsidiaries, but exclude advisory/execution only assets, and exclude the assets of your PRI signatory subsidiaries that you have chosen not to report on in OO 03.2

	trillions	billions	millions	thousands	hundreds
Total AUM		198	900	000	000
Currency	CHF				
Assets in USD		199	328	488	491

☐ Not applicable as we are in the fund-raising process

OO 04.4 Indicate the assets which are subject to an execution and/or advisory approach. Provide this figure based on the end of your reporting year

	trillions	billions	millions	thousands	hundreds
Total AUM		68	200	000	000
Currency	CHF				
Assets in USD		68	346	922	650

☐ Not applicable as we do not have any assets under execution and/or advisory approach

OO 04.5 Additional information. [Optional]

Assets under Management are calculated and reported in accordance with the guidelines issued by the Swiss Financial Market Supervisory Authority (FINMA) concerning accounting standards for financial institutions.

Assets in USD were not entered by us but calculated by the system.

OO 06	Mandatory	Public	Descriptive	General
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OO 06.1 Select how you would like to disclose your asset class mix.

☐ as percentage breakdown

☒ as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	10-50%	0
Fixed income	10-50%	0

Private equity	0	0
Property	0	0
Infrastructure	0	0
Commodities	<10%	0
Hedge funds	0	0
Fund of hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	<10%	0
Money market instruments	0	0
Other (1), specify	0	0
Other (2), specify	0	0

OO 06.2

Publish asset class mix as per attached image [Optional].

OO 06.3

Indicate whether your organisation has any off-balance sheet assets [Optional].

- ☐ Yes
☒ No

OO 06.5

Indicate whether your organisation uses fiduciary managers.

- ☐ Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.
☒ No, we do not use fiduciary managers.

OO 09

Mandatory

Public

Peering

General

OO 09.1

Indicate the breakdown of your organisation's AUM by market.

Developed Markets

	Emerging Markets
10	
	Frontier Markets
0	
	Other Markets
0	
	Total 100%
100%	

Asset class implementation gateway indicators

OO 10	Mandatory	Public	Gateway	General
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OO 10.1	Select the active ownership activities your organisation implemented in the reporting year.
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	Listed equity – engagement
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- ☒ We engage with companies on ESG factors via our staff, collaborations or service providers.
- ☐ We do not engage directly and do not require external managers to engage with companies on ESG factors.

	Listed equity – voting
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- ☒ We cast our (proxy) votes directly or via dedicated voting providers
- ☐ We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

	Fixed income SSA – engagement
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- ☐ We engage with SSA bond issuers on ESG factors via our staff, collaborations or service providers.
- ☒ We do not engage directly and do not require external managers to engage with SSA bond issuers on ESG factors. Please explain why you do not.

	Please explain why you do not engage directly and do not require external managers to engage with companies on ESG factors.
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Controlling and influencing Governments is part of the political process. Neither do we see our role as asset manager to actively participate in this process, nor do we think that such interventions would lead to visible results.

Fixed income Corporate (financial) – engagement

- ☒ We engage with companies on ESG factors via our staff, collaborations or service providers.
- ☐ We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

Fixed income Corporate (non-financial) – engagement

- ☒ We engage with companies on ESG factors via our staff, collaborations or service providers.
- ☐ We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

Fixed income Corporate (securitised) – engagement

- ☐ We engage with companies on ESG factors via our staff, collaborations or service providers.
- ☒ We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

Please explain why you do not engage directly and do not require external managers to engage with companies on ESG factors.

In this category, we mainly invest in bonds collateralized by sovereign bonds or real estate. As the impact of ESG factors for these bonds is quite indirect (via the collateral) we do not think that engaging with the bond issuers (usually specialized banks) would be effective.

OO 11	Mandatory	Public	Gateway	General
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OO 11.1

Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

Listed equity

- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

Fixed income - SSA

- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

Fixed income - corporate (financial)

- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

Fixed income - corporate (non-financial)

- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

	Fixed income - securitised
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- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

	Commodities
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- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

	Cash
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- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

OO 12	Mandatory	Public	Gateway	General
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OO 12.1	Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.			
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	Core modules
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- ☒ Organisational Overview
- ☒ Strategy and Governance

	RI implementation directly or via service providers
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	Direct - Listed Equity incorporation
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- ☒ Listed Equity incorporation

	Direct - Listed Equity active ownership
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- ☒ Engagements
- ☒ (Proxy) voting

	Direct - Fixed Income
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- ☒ Fixed income - SSA
- ☒ Fixed income - Corporate (financial)
- ☒ Fixed income - Corporate (non-financial)
- ☒ Fixed income - Securitised

	Closing module
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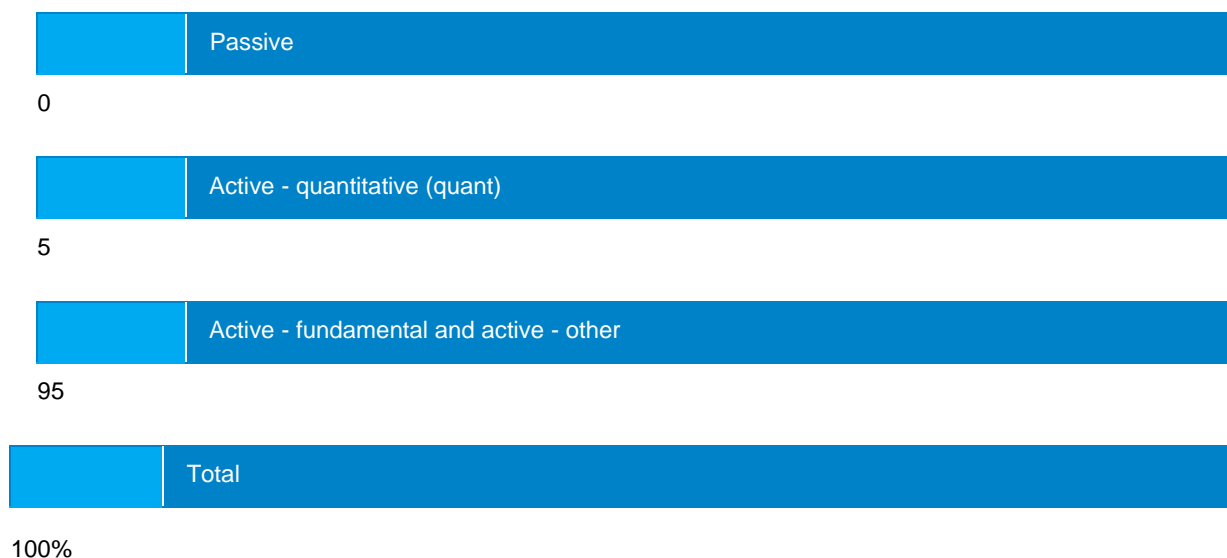
- ☒ Closing module

Peering questions

OO LE 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
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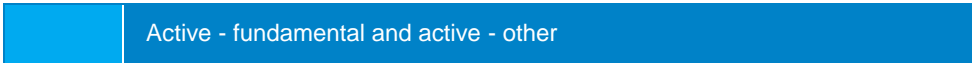





OO LE 01.1	Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies.			
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Percentage of internally managed listed equities



OO FI 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
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OO FI 01.1	Provide a breakdown of your internally managed fixed income securities by active and passive strategies			
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SSA	 Passive
	0
	 Active - quantitative (quant)
	0
	 Active - fundamental and active - other
Corporate (financial)	100
	 Total
	100%
Corporate (non-financial)	 Passive
	0
	 Active - quantitative (quant)
	0
	 Active - fundamental and active - other
	100
	 Total
	100%

Securitised		Passive
	0	
		Active - quantitative (quant)
	0	
		Active - fundamental and active - other
	100	
		Total
	100%	

OO FI 03	Mandatory	Public	Descriptive	General
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Update: this indicator has changed from "*Mandatory to report, voluntary to disclose*" to "*Mandatory*". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

OO FI 03.1	Indicate the approximate (+/- 5%) breakdown of your SSA investments, by developed markets and emerging markets.
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SSA		Developed markets
	60	
		Emerging markets
	40	
		Total
	100%	

OO FI 03.2	Indicate the approximate (+/- 5%) breakdown of your corporate and securitised investments by investment grade or high-yield securities.
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Type	Investment grade (+/- 5%)	High-yield (+/- 5%)	Total internally managed
Corporate (financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%
Corporate (non-financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%
Securitised	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%

If you are invested in private debt and reporting on ratings is not relevant for you, please indicate below

☐ OO FI 03.2 is not applicable as our internally managed fixed income assets are invested only in private debt.

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Investment policy

SG 01

Mandatory

Public

Core Assessed

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

☒ Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Fiduciary (or equivalent) duties <input type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

- ☒ Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- ☒ Your investment objectives that take ESG factors/real economy influence into account
- ☒ Time horizon of your investment
- ☒ Governance structure of organisational ESG responsibilities
- ☒ ESG incorporation approaches
- ☒ Active ownership approaches
- ☒ Reporting
- ☒ Climate change
- ☐ Understanding and incorporating client / beneficiary sustainability preferences
- ☐ Other RI considerations, specify (1)
- ☐ Other RI considerations, specify (2)

SG 01.4

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

Sustainability and Environmental, Social & Governance (ESG) principles are firmly embedded in our culture. We live these values through our conduct and commitment to the common good.

At Vontobel, sustainable investing is anchored by three fundamental principles: feel good, do well and do good.

We believe:

- Our business decisions have the potential to significantly impact society and the environment.
- Paying attention to ESG topics is part of our fiduciary duty and helps ensure that we build resilient solutions.
- Businesses which actively engage on ESG issues tend to have better risk management and shareholder returns.

Our guiding principles are:

- ESG analysis is an integrated part of the investment process.
- We exclude specific controversial industries from our investment universe.
- By exercising voting rights and engaging with companies, we align our goals with those of our investors.
- We monitor the carbon footprint of investment portfolios and offer specific investment strategies with the aim of mitigating climate change.
- We actively promote acceptance and implementation of ESG issues and report transparently on them.

☐ No

SG 02**Mandatory****Public****Core Assessed****PRI 6**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1

Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

- ☒ Policy setting out your overall approach

	URL/Attachment
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☒ URL

	URL
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<https://www.vontobel.com/en-ch/asset-management/equities/thematic-investing-boutique/sustainability/>

☐ Attachment (will be made public)

☒ Formalised guidelines on environmental factors

	URL/Attachment
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☒ URL

	URL
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<https://www.vontobel.com/en-ch/asset-management/equities/thematic-investing-boutique/sustainability/>

☐ Attachment (will be made public)

☒ Formalised guidelines on social factors

	URL/Attachment
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☒ URL

	URL
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<https://www.vontobel.com/en-ch/asset-management/equities/thematic-investing-boutique/sustainability/>

☐ Attachment (will be made public)

☒ Formalised guidelines on corporate governance factors

	URL/Attachment
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☒ URL

	URL
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<https://www.vontobel.com/en-ch/asset-management/equities/thematic-investing-boutique/sustainability/>

☐ Attachment (will be made public)

☒ Screening / exclusions policy

	URL/Attachment
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☒ URL

	URL
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<https://www.vontobel.com/document/0c0b7c9e-ad93-4e69-979f-3778d336fd0e/Vontobel%20policy%20on%20cluster%20bombs%20and%20land%20mines.pdf>

☒ Attachment (will be made public)

	Attachment
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[File 1:Cluster bombs and land mine policy_Vontobel_EN.pdf](#)

☒ Engagement policy

	URL/Attachment
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☒ URL

	URL
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https://am.vontobel.com/de/document/846e3842-ea9d-4975-99fe-8b82e0d2179b/Engagement%20Policy%20%20Statement%20_20190901_EN.pdf

☒ Attachment (will be made public)

	Attachment
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[File 1:Engagement Policy Statement_20190901_EN \(3\).pdf](#)

☒ (Proxy) voting policy

	URL/Attachment
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☒ URL

	URL
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https://am.vontobel.com/document/e2629236-9a1c-46d5-ad22-83bacb2c30a7/Voting-Policy-Statement_20200227_EN.pdf

☒ Attachment (will be made public)

	Attachment
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[File 1:Voting-Policy-Statement_20200227_EN \(1\).pdf](#)

☐ We do not publicly disclose our investment policy documents

SG 02.2

Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

- ☒ Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

- ☒ URL

URL

<https://www.vontobel.com/en-ch/asset-management/equities/thematic-investing-boutique/sustainability/>

- ☐ Attachment

- ☒ Your investment objectives that take ESG factors/real economy influence into account

URL/Attachment

- ☒ URL

URL

<https://am.vontobel.com/en/view/LU0384405949/vontobel-fund-clean-technology>

- ☐ Attachment

- ☐ Time horizon of your investment
- ☐ Governance structure of organisational ESG responsibilities
- ☐ ESG incorporation approaches
- ☒ Active ownership approaches

URL/Attachment

- ☒ URL

URL

https://am.vontobel.com/de/document/846e3842-ea9d-4975-99fe-8b82e0d2179b/Engagement%20Policy%20%20Statement%20_20190901_EN.pdf

- ☒ Attachment

File Attachment

[Engagement Policy Statement_20190901_EN \(3\).pdf \[48KB\]](#)

- ☒ Reporting

	URL/Attachment
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☒ URL

	URL
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<https://www.vontobel.com/document/550856a1-219f-4a1a-9a1f-81b56abb194a/Vontobel-VotingAndEngagement-July2018.pdf?connectionId=9a2832c1c3fd40869cf2cae414cb484c>

☒ Attachment

	File Attachment
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[VotingAndEngagement_MTX_March2019_final \(11\).pdf \[327KB\]](#)

☒ Climate change

	URL/Attachment
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☒ URL

	URL
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<https://www.vontobel.com/en-ch/asset-management/equities/thematic-investing-boutique/sustainability>

☐ Attachment

☐ We do not publicly disclose any investment policy components

SG 02.3	Additional information [Optional].
----------------	------------------------------------

Our Sustainable Investing Policy, Voting policies, and Engagement policy are available for our clients, and can be read at the premises of Vontobel.

Governance structure:

At **group level**, the Vontobel Sustainable Committee (VSC) is chaired by our Group CEO and oversees the implementation of the Sustainable Investing Policy. It also sets specific objectives based on the sustainability principles. Members of the committee include representatives from all three business units, Investor Relations, Group Marketing and Communications, Operations, Group Human Resources, Corporate Responsibility as well as Corporate Sustainability Management. The VSC usually meets on a quarterly basis and formulates the sustainability strategy for the entire Vontobel Group.

Within **Vontobel Asset Management**, the ESG Investment Governance Committee (ESG-IGC) is responsible for the coordination of the ESG investment strategies, including overarching principles and policies, and generally advances ESG investing throughout the various investment teams in Vontobel Asset Management (AM). The ESG-IGC consists of representatives of all AM investment boutiques and meets on a monthly basis. The ESG-IGC reports into the Vontobel AM Executive Committee. The chair of the ESG-IGC has a seat on the VSC.

Our belief:

At Vontobel Asset Management, we are convinced that a one-size-fits-all ESG approach falls short to account for differences in geographies, asset classes as well as investment styles and objectives. For this reason, we develop specialized ESG strategies tailored to the respective investment strategy. This enables us to cover a wide range of client needs in a targeted manner, thus creating added value compared to standardized ESG approaches, such as passive ESG ETFs.

This client-centric strategy is enabled by our independent investment boutiques that develop and apply their own investment and ESG strategies and approaches. The common denominator between boutiques forms the "ESG Investment Governance Committee" which coordinates the activities and processes in the area of ESG and consists

of members of all relevant teams. Our investment teams managing ESG strategies communicate individually about their respective ESG approaches, e.g. with extensive sector papers or white papers explaining their ESG approach in-depth.

SG 03	Mandatory	Public	Core Assessed	General
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SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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☒ Yes

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
----------------	---

Vontobel's code of conduct refers to general principles of good business behaviour and also covers corruption aspects and a fair and honest relationship with our clients. The code of conduct applies to all business segments (Asset Management, Wealth Management, Investment Banking) and is an integral part of the work contract with Vontobel. Further details on the avoidance of corruption are outlined in the employee handbook, which is available in the Vontobel intranet. It is a must-read for all employees.

Also, it is mandatory for each employee to complete a webinar on compliance and pass a test that is associated with the training.

Link to the Vontobel Code of Conduct: <https://www.vontobel.com/document/6408c070-eb4a-4834-b92c-48e68754c808/Vontobel-Code-of-Conduct-en.pdf?connectionId=85799a0a9c404aff8a14c70b0f3ec193>

Vontobel also has a "Group Policy on Conflict of Interest", which is available to all employees via the Employee Handbook, the latest version of which is accessible through the intranet.

☐ No

Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
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SG 05.1	Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.
----------------	---

- ☐ Quarterly or more frequently
- ☐ Biannually
- ☒ Annually
- ☐ Less frequently than annually
- ☐ Ad-hoc basis
- ☐ It is not set/reviewed

Governance and human resources

SG 07	Mandatory	Public	Core Assessed	General
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SG 07.1	Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.
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Roles

- ☒ Board members or trustees
 - ☐ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☒ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Internal Roles (triggers other options)

Select from the below internal roles

- ☒ Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Other Chief-level staff or head of department, specify
 - Head of Asset Management**
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Portfolio managers
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Investment analysts
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Dedicated responsible investment staff
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Investor relations
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Other role, specify (1)

Other description (1)

Head ESG Investment Governance Committee

- ☒ Oversight/accountability for responsible investment
- ☒ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Other role, specify (2)

Other description (2)

ESG Specialist

- ☐ Oversight/accountability for responsible investment
- ☒ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ External managers or service providers
 - ☐ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☒ No oversight/accountability or implementation responsibility for responsible investment

SG 07.2

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

The overall oversight for the Sustainable Investing Policy lies with the **Vontobel Sustainability Committee (VSC)**, headed by Zeno Staub, CEO of Vontobel.

The AM **ESG Investment Governance Committee** is mandated by the VSC to implement the Principles for Responsible investment across business units. It meets on a monthly basis and decides about sustainability fund universes and major sustainability themes to be covered in different sustainability products. All members can include relevant topics in the meeting agenda with the aim that all members have a chance to contribute to the discussion. The committee is taking decisions by vote. Minutes of each meeting are taken and contain the decisions made. The council defines the architecture of all ESG investment products (investment approach, universe, processes) and determines the applicable investment threshold and exclusion criteria.

Dedicated portfolio managers are responsible for the management of sustainable products. Investment analysts, partially in cooperation with the portfolio managers, select those equities and bonds conforming to the relevant ESG standards.

SG 07.3

Indicate the number of dedicated responsible investment staff your organisation has.

Number

35

Promoting responsible investment

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

SG 09.1

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

☒ Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
☒ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

In June 2019, Vontobel hosted the "PRI Reporting Consultation Workshop" for Swiss signatories at its head office in Zurich.

- ☐ Asian Corporate Governance Association
☐ Australian Council of Superannuation Investors
☐ AVCA: Sustainability Committee
☐ France Invest – La Commission ESG
☐ BVCA – Responsible Investment Advisory Board
☒ CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
☐ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Vontobel is signatory of CDP and takes part in the reporting process. We also attend meetings and/or webinars organised by CDP.

☒ CDP Forests

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
☐ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Vontobel is signatory of CDP and takes part in the reporting process. We also attend meetings and/or webinars organised by CDP.

☒ CDP Water

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Vontobel is signatory of CDP and takes part in the reporting process. We also attend meetings and/or webinars organised by CDP.

- ☐ CFA Institute Centre for Financial Market Integrity
- ☐ Climate Action 100+
- ☐ Code for Responsible Investment in SA (CRISA)
- ☐ Council of Institutional Investors (CII)
- ☐ Eumedion
- ☐ Extractive Industries Transparency Initiative (EITI)
- ☐ ESG Research Australia
- ☐ Invest Europe Responsible Investment Roundtable
- ☐ Global Investors Governance Network (GIGN)
- ☐ Global Impact Investing Network (GIIN)
- ☐ Global Real Estate Sustainability Benchmark (GRESB)
- ☐ Green Bond Principles
- ☐ HKVCA: ESG Committee
- ☒ Institutional Investors Group on Climate Change (IIGCC)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Vontobel signed the statement of the IIGCC on climate targets in Summer 2014.

- ☐ Interfaith Center on Corporate Responsibility (ICCR)
- ☐ International Corporate Governance Network (ICGN)
- ☐ Investor Group on Climate Change, Australia/New Zealand (IGCC)
- ☐ International Integrated Reporting Council (IIRC)
- ☐ Investor Network on Climate Risk (INCR)/CERES
- ☐ Local Authority Pension Fund Forum
- ☐ Principles for Financial Action in the 21st Century
- ☐ Principles for Sustainable Insurance
- ☒ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify

Swiss Sustainable Finance (SSF), Forum per la Finanza Sostenibile, Sustainable Finance Geneva (SFG),
Spainsif - Foro de Inversión Sostenible de España

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☒ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Vontobel considers it important to promote a sustainable approach to finance and to actively participate in activities around the topic. Reflecting this commitment, Vontobel was one of the sponsors of the "Swiss Sustainable Investment Market Study 2019."

Italian Staff takes part in work groups of Forum per la Finanza Sostenibile.

- ☐ Responsible Finance Principles in Inclusive Finance
- ☐ Shareholder Association for Research and Education (Share)
- ☐ United Nations Environmental Program Finance Initiative (UNEP FI)
- ☒ United Nations Global Compact

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Vontobel signed the UN Global Compact in 2017.

☒ Other collaborative organisation/initiative, specify

Climate Foundation Switzerland, öbu, Energy Agency for the Economy (EnAW), SASB (Sustainability Accounting Standards Board), Access to medicine index, Swiss Network for sustainable economies

Your organisation's role in the initiative during the reporting year (see definitions)

☐ Basic

☐ Moderate

☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

As a founding member of the Swiss Climate Foundation, we donate a significant proportion of our refunded CO2 levy to the Foundation, which then uses these funds to support projects to improve the energy efficiency of SMEs. The projects supported by the Climate Foundation in 2019 included a project that uses artificial intelligence to increase the efficiency of sewerage systems, as well as an initiative focusing on the upcycling of e-bike batteries.

Vontobel's Corporate Sustainability Manager is member of the Advisory Board of the Climate Foundation Switzerland of and the Head of Corporate Responsibility & Sponsoring is a member of the Board of Trustees.

☐ Other collaborative organisation/initiative, specify

☐ Other collaborative organisation/initiative, specify

☐ Other collaborative organisation/initiative, specify

SG 10

Mandatory

Public

Core Assessed

PRI 4

SG 10.1

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

☒ Yes

SG 10.2

Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.

☒ Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)

Description

ESG Training for investment advisors from our intermediary partners.

Frequency of contribution

- ☒ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☐ Ad hoc
- ☐ Other

☒ Provided financial support for academic or industry research on responsible investment

Description

In 2019, Vontobel was one of the sponsors of the “Swiss Sustainable Investment Market Study 2019.”

Frequency of contribution

- ☐ Quarterly or more frequently
- ☐ Biannually
- ☒ Annually
- ☐ Less frequently than annually
- ☐ Ad hoc
- ☐ Other

☒ Provided input and/or collaborated with academia on RI related work

Description

Produced short educational video on ESG investment together with academia for retail clients.

Frequency of contribution

- ☐ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☒ Ad hoc
- ☐ Other

☒ Encouraged better transparency and disclosure of responsible investment practices across the investment industry

Description

Continued to present Potential Avoided Emissions (PAE) at various events

Frequency of contribution

- ☐ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☒ Ad hoc
- ☐ Other

☒ Spoke publicly at events and conferences to promote responsible investment

Description

Italy: Salone del Risparmio April (sustainable investment was the overarching topic of the salone).
 Germany: Kirchlicher Investmenttag with a focus on climate change.
 Switzerland: Investment Conference on Emerging Markets, including a session on ESG; Event about "The State of the Ocean".
 Germany and Switzerland: Event series "Insights & Trends" for private clients in Q3/4 2019 with a focus on ESG investing.

Frequency of contribution

- ☒ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☐ Ad hoc
- ☐ Other

☒ Wrote and published in-house research papers on responsible investment

Description

Research papers and shorter viewpoints

- Navigating with ESG ratings: What you need to know
- Emerging markets: no (r) ESG, no fun
- ESG: Investment principles and policy
- Navigating ESG
- Act ESG: Closing the ESG knowledge gap
- Viewpoints around various UN days such as Day of Light or World Water
- Several blog and client magazine articles on topics such as Impact Investing, Diversity or Plastic Oceans

Frequency of contribution

- ☒ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☐ Ad hoc
- ☐ Other

☒ Encouraged the adoption of the PRI

Description

We communicated openly about being a PRI signatory when interacting with our clients and offered explanations at RfPs. In June 2019, Vontobel hosted the “PRI Reporting Consultation Workshop” for Swiss signatories at its head office in Zurich.

Frequency of contribution

- ☒ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☐ Ad hoc
- ☐ Other

☐ Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)

☒ Wrote and published articles on responsible investment in the media

Description

In 2019, we published 392 articles about ESG in different countries: Switzerland, Germany, Spain, Italy, UK, US and Canada. Topics range from “ESG: Why purpose drives returns - not the opposite” over “ESG bond managers reluctant to ditch Brazil despite Amazon fires” to “Artificial intelligence promises to enhance sustainable investing”. Furthermore, we did a CNN Interview on Sustainable Investing with Vontobel experts.

Frequency of contribution

- ☒ Quarterly or more frequently
☐ Biannually
☐ Annually
☐ Less frequently than annually
☐ Ad hoc
☐ Other
☐ A member of PRI advisory committees/ working groups, specify
☐ On the Board of, or officially advising, other RI organisations (e.g. local SIFs)
☐ Other, specify
☐ No

SG 10.3

Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]

Vontobel employees regularly present at conferences and in university or business school courses on sustainable investments. The activities carried out as members of Swiss Sustainable Finance, Sustainable Finance Geneva or Forum per la Finanza Sostenibile include all aspects mentioned above.

Our engagement service provider, Hermes EOS, is involved in the following key networks on our behalf.

- Asian Corporate Governance Association (ACGA)
- Assogestioni (Italy)
- Canadian Coalition of Good Governance (CCGG)
- Carbon Disclosure Project & Water Disclosure Project
- Council of Institutional Investors (USA)
- Dansif (Denmark)
- DSW (German Shareholder Association)
- Eumedion (Netherlands)
- European Investors' Working Group
- Eurosif (Europe)
- FIR (French Social Investment Forum)
- International Corporate Governance Network (ICGN)
- International Investors Group on Climate Change (IIGCC)
- National Association of Pension Funds (UK)
- UKSIF
- UN Environment Finance Initiative (UNEP FI)

Outsourcing to fiduciary managers and investment consultants

SG 12

Mandatory

Public

Core Assessed

PRI 4

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 12.1	Indicate whether your organisation uses investment consultants.
----------------	---

- ☐ Yes, we use investment consultants
- ☒ No, we do not use investment consultants.

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
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SG 13.1	Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).
----------------	--

- ☐ Yes, in order to assess future ESG factors
- ☐ Yes, in order to assess future climate-related risks and opportunities
- ☒ No, our organisation does not currently carry out scenario analysis and/or modelling

SG 13.3	Additional information. [OPTIONAL]
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Already in 2018, Vontobel started with a pilot project for a scenario analysis. As a first step, we undertook a sophisticated due diligence process for providers to support us in this process. The finalists of the due diligence had to pitch in front of the Vontobel Sustainability Committee. As a result, we chose two of them to support us in the pilot project. Based on different scenarios, they analyzed several Vontobel investment portfolios considering two aspects: How do our portfolios affect the climate in the next 10, 20, and 30 years? How does the transition to a low-carbon economy affect our portfolios in the next 10, 20 and 30 years? As a next step, we will decide upon which scenario(s) and methodology to use in the future. Based on assessment, we might implement an organization-wide strategy to identify and manage climate-related risks and opportunities to factor them into investment strategies and products as well as into our risk management processes.

SG 15	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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SG 15.1	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.
----------------	---

☒ Yes

SG 15.2	Indicate the percentage of your total AUM invested in environmental and social themed areas.
----------------	--

	%
--	---

1

SG 15.3	Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.
----------------	--

	Area
--	------

☒ Energy efficiency / Clean technology

Asset class invested

☒ Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area
--

95

- ☐ Fixed income - SSA
- ☐ Fixed income - Corporate (financial)
- ☐ Fixed income - Corporate (non-financial)
- ☐ Fixed income - Securitised
- ☐ Commodities
- ☒ Cash

Percentage of AUM (+/-5%) per asset class invested in the area
--

5

Brief description and measures of investment
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Vontobel invests in companies providing innovative solutions and technologies across the value chain of manufacturing, logistics and consumption. The fund has a global remit, as the clean technology theme applies across regions. Clean technology investing requires a hands-on active approach, as the companies within the theme are scattered across or joining from different traditional sectors and understanding their true value normally requires in-depth understanding of their business proposition and management quality.

Vontobel's investment approach is concentrated around groups of companies operating in the following areas:

- ☐ Resource-efficient industry
- ☐ Building technology
- ☐ Clean energy infrastructure
- ☐ Low emission transportation
- ☐ Lifecycle management
- ☐ Clean water

- ☐ Renewable energy
- ☐ Green buildings
- ☐ Sustainable forestry
- ☐ Sustainable agriculture
- ☐ Microfinance
- ☐ SME financing
- ☐ Social enterprise / community investing
- ☐ Affordable housing
- ☐ Education
- ☐ Global health
- ☐ Water
- ☐ Other area, specify

☐ No

Asset class implementation not reported in other modules

SG 16	Mandatory	Public	Descriptive	General
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SG 16.1

Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Commodities	<p>In our commodity strategies, we do not invest directly in companies but trade commodities futures. Hence, the analysis of governance structures is not part of our "ESG" analysis. Instead, we focus on the analysis of Environment, Social, Technology, and Policy (ESTP) factors, which we believe, drive long-run commodity prices, and create investment opportunities.</p> <p>Our ESG investment process follows a structured process; we first exclude ESG unsuitable commodities like coal and palm oil. Then we use our ESTP monitor to identify investment opportunities, understand, and mitigate ESTP risks in our trades. Once traded, we use our ESTP monitor to keep track of our current investment position, and identify potential changes in ESTP factors that might influence our current view on our investments. Typical ESTP questions we want to answer are: How do renewables compete with biofuel and petroleum? What will be the future energy mix in Emerging Economies?</p> <p>To increase our positive footprint and support environmentally friendly markets, we include green and social bonds in our collateral pool. Our aim is to invest 50% of our collateral pool in sustainable bonds by end of 2020. Moreover, we pro-actively engage with index providers to expand their index universe with more sustainable commodities.</p>
Cash	The cash proportion of our AuM is not meaningful and no relevant means to foster ESG investments. Therefore, we focus on our relevant asset classes "listed equity" and "fixed income".

Innovation

SG 18	Voluntary	Public	Descriptive	General
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SG 18.1	Indicate whether any specific features of your approach to responsible investment are particularly innovative.
----------------	--

☒ Yes

SG 18.2	Describe any specific features of your approach to responsible investment that you believe are particularly innovative.
----------------	---

In the Sustainable Equities Boutique, consideration of ESG issues is fully integrated into company evaluation. Vontobel's sector specialist analysts are synthesizing their own analysis with inputs from external sustainability specialists and the ESG Investment Governance Committee to form a view on the issues that are most likely to impact the investment case of a company.

Vontobel has switched to this truly integrated approach in 2010 and has further developed the process since.

Furthermore, we have developed a proprietary CO2 Footprinting and assessment tool:

There is broad consensus among politicians, scientists and the business community that global warming needs to be restricted to 2° Celsius. The Paris Agreement, which entered into effect on 4 November 2016, will accelerate the transition to a climate-friendly society. It is therefore necessary for the finance industry to take greater account of the risks of climate change and to report on them transparently. This is why Vontobel works with ISS Climate Solutions, a specialist in the measurement of CO2 and environmental factors.

The current carbon footprint of an investment portfolio is measured primarily for risk assessment purposes. This is the most common method used and shows which sectors and companies - in absolute terms - are responsible for the highest emissions in the portfolio. The focus here is primarily on the calculation of the emissions generated as a result of the company's operations, e.g. when manufacturing goods and products.

With the additional presentation of potential avoided emissions (PAE), we are pursuing a solution-oriented approach: We record the contribution that energy-efficient, climate-friendly products and services are expected to make to the reduction of CO2 emissions in the portfolio. After all, the emissions generated during the phase when a product is in use are often significantly higher than the emissions generated during the production phase. For example, a refrigerator generates substantially more emissions while in use than during production. The energy efficiency of appliances such as these is therefore the decisive factor when determining the amount of avoided CO2 emissions.

This approach is especially pronounced in the Clean Technologies theme. The fund focuses on companies that have a positive effect on the environment with an emphasis on positive climate impacts, which we quantify in collaboration with ISS Climate Solutions based on PAE. With this methodology, we show the level of emissions that can be avoided at company or portfolio level thanks to energy-efficient products or services.

At the same time, PAE help us to reach investment decisions: To achieve the ambitious targets set out in the Paris Agreement, countries will implement stricter regulatory measures to reduce emissions. This, in turn, will drive a shift in demand towards energy-efficient products. PAE serves as an important indicator in this context in order to identify those companies that stand to benefit most from this change in demand - thus enabling us to allocate capital on a solution- and return-oriented basis.

☐ No

Communication

SG 19	Mandatory	Public	Core Assessed	PRI 2, 6
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SG 19.1	Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.
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Listed equity - Incorporation

Do you disclose?

- ☐ We do not proactively disclose it to the public and/or clients/beneficiaries
☐ We disclose to clients/beneficiaries only.
☒ We disclose it publicly

The information disclosed to clients/beneficiaries is the same

- ☐ Yes
☒ No

Disclosure to public and URL	Disclosure to clients/beneficiaries
<p>Disclosure to public and URL</p> <p> <input checked="" type="radio"/> Broad approach to ESG incorporation <input type="radio"/> Detailed explanation of ESG incorporation strategy used </p>	<p>Disclosure to clients/beneficiaries</p> <p> <input type="radio"/> Broad approach to ESG incorporation <input checked="" type="radio"/> Detailed explanation of ESG incorporation strategy used </p>
<p>Frequency</p> <p> <input type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad-hoc/when requested </p>	<p>Frequency</p> <p> <input checked="" type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad-hoc/when requested </p>
<p>URL</p> <p> https://www.vontobel.com/siteassets/about-vontobel/downloads/2020-02-12_fr_full-year-report_en.pdf </p> <p>URL</p> <p> https://www.vontobel.com/en-ch/asset-management/equities/thematic-investing-boutique/sustainability/ </p>	

Listed equity - Engagement

Do you disclose?

- ☐ We do not disclose to either clients/beneficiaries or the public.
☐ We disclose to clients/beneficiaries only.
☒ We disclose to the public

The information disclosed to clients/beneficiaries is the same

- ☒ Yes
☐ No

Disclosure to public and URL

Disclosure to public and URL

- ☒ Details on the overall engagement strategy
☐ Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals
☒ Number of engagements undertaken
☒ Breakdown of engagements by type/topic
☒ Breakdown of engagements by region
☐ An assessment of the current status of the progress achieved and outcomes against defined objectives
☒ Examples of engagement cases
☐ Details on eventual escalation strategy taken after the initial dialogue has been unsuccessful (i.e. filing resolutions, issuing a statement, voting against management, divestment etc.)
☐ Details on whether the provided information has been externally assured
☒ Outcomes that have been achieved from the engagement
☐ Other information

Frequency

- ☐ Quarterly or more frequently
☐ Biannually
☒ Annually
☐ Less frequently than annually
☐ Ad-hoc/when requested

URL

<https://www.vontobel.com/document/550856a1-219f-4a1a-9a1f-81b56abb194a/Vontobel-VotingAndEngagement-July2018.pdf?connectionId=e6eba9658e1d47898d9cc06cec3a078e>

Listed equity – (Proxy) Voting

Do you disclose?

- ☐ We do not disclose to either clients/beneficiaries or the public.
- ☐ We disclose to clients/beneficiaries only.
- ☒ We disclose to the public

The information disclosed to clients/beneficiaries is the same

- ☒ Yes
- ☐ No

Disclosure to public and URL

Disclosure to public and URL

- ☐ Disclose all voting decisions
- ☐ Disclose some voting decisions
- ☒ Only disclose abstentions and votes against management

Frequency

- ☐ Quarterly or more frequently
- ☐ Biannually
- ☒ Annually
- ☐ Less frequently than annually
- ☐ Ad hoc/when requested

URL

<https://www.vontobel.com/document/550856a1-219f-4a1a-9a1f-81b56abb194a/Vontobel-VotingAndEngagement-July2018.pdf?connectionId=e6eba9658e1d47898d9cc06cec3a078e>

Fixed income

Do you disclose?

- ☐ We do not disclose to either clients/beneficiaries or the public.
- ☐ We disclose to clients/beneficiaries only.
- ☒ We disclose to the public

The information disclosed to clients/beneficiaries is the same

- ☐ Yes
- ☒ No

Disclosure to public and URL	Disclosure to clients/beneficiaries
<div>Disclosure to public and URL</div> <p> <input type="radio"/> Broad approach to RI incorporation <input checked="" type="radio"/> Detailed explanation of RI incorporation strategy used </p>	<div>Disclosure to clients/beneficiaries</div> <p> <input type="radio"/> Broad approach to RI incorporation <input checked="" type="radio"/> Detailed explanation of RI incorporation strategy used </p>
<div>Frequency</div> <p> <input type="checkbox"/> Quarterly <input type="checkbox"/> Biannually <input type="checkbox"/> Annually <input checked="" type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad hoc/when requested </p>	<div>Frequency</div> <p> <input type="checkbox"/> Quarterly <input type="checkbox"/> Biannually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad hoc/when requested </p>
<div>URL</div> <p>https://am.vontobel.com/en/insights/sustainability-analysis-of-companies</p> <div>URL</div> <p>https://am.vontobel.com/en/insights/country_sustainability_analysis</p>	

Vontobel Holding AG

Reported Information

Public version

Direct - Listed Equity Incorporation

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

ESG incorporation in actively managed listed equities

Implementation processes

LEI 01	Mandatory	Public	Gateway	PRI 1
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LEI 01.1

Indicate which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities; and the breakdown of your actively managed listed equities by strategy or combination of strategies.

ESG incorporation strategy (select all that apply)

☒ Screening alone (i.e., not combined with any other strategies)

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	<div> <div></div> <div>%</div> </div>
	75

☐ Thematic alone (i.e., not combined with any other strategies)

☐ Integration alone (i.e., not combined with any other strategies)

☒ Screening and integration strategies

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	<div> <div></div> <div>%</div> </div>
	20

☐ Thematic and integration strategies

☒ Screening and thematic strategies

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	<div> <div></div> <div>%</div> </div>
	5

☐ All three strategies combined

☐ We do not apply incorporation strategies

Total actively managed listed equities

100%

LEI 01.2

Describe your organisation's approach to ESG incorporation and the reasons for choosing the particular strategy/strategies.

Vontobel applies a screening for cluster bombs and land mine producers across all assets.

At Vontobel, we are convinced that a one-size-fits-all ESG approach falls short of accounting for differences in geographies, asset classes as well as investment styles and objectives. For this reason, we develop specialized ESG strategies tailored to the respective investment strategy. This enables us to cover a wide range of client needs in a targeted manner, thus creating added value compared to standardized ESG approaches, such as passive ESG ETFs.

Vontobel's approach to sustainability is adjusted by boutique, product and investment philosophy. This enables Vontobel to place client needs first by incorporating ESG according to product specifications.

Within the Sustainable Equities Boutique, Vontobel manages a product line where an ESG assessment has been fully integrated into the financial analysis and its recommendation process.

For another product line, we use our in-house ESG research differently. Here, we apply a proprietary modified best-in-class screening approach (best-in-class process with different threshold for eligible equities depending on the respective industries).

For some products, best-in-class screening processes based upon client-specific ESG ratings are applied.

Within the Quality Growth Boutique, we do not apply an ESG integration strategy as defined by UNPRI as the assessment of material ESG information doesn't follow a structured and explicit process. However, this boutique does incorporate material ESG information into its deep fundamental analysis on a company by company basis and thus into its investment selection process.

LEI 01.3

If assets are managed using a combination of ESG incorporation strategies, briefly describe how these combinations are used. [Optional]

The Sustainable Equities Boutique applies an integrated ESG assessment in the financial analysis. On top of it, it applies a variety of exclusion screens according to certain Vontobel sustainability criteria. In addition, for all these funds, the proxies are voted and we engage with companies - either directly or indirectly.

While using financial screens for stock selection, the Quality Growth Boutique focuses on ESG on a single company basis with bottom up fundamental analysis. This analysis incorporates a variety of factors which can differ significantly depending on the specifics of company or industry and where the ESG risks are deemed to be most pronounced once the company and its management history are understood. The Quality Growth team engages directly with company managements on stewardship issues.

LEI 02**Voluntary****Public****Additional Assessed****PRI 1****LEI 02.1**

Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.

Type of ESG information

- ☒ Raw ESG company data

Indicate who provides this information

- ☒ ESG research provider
- ☒ Sell-side
- ☒ In-house – specialised ESG analyst or team
- ☒ In-house – analyst or portfolio manager
- ☒ Company-related analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
- ☒ Sell-side
- ☒ In-house – specialised ESG analyst or team
- ☒ In-house – analyst or portfolio manager
- ☒ Sector-related analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
- ☐ Sell-side
- ☒ In-house – specialised ESG analyst or team
- ☒ In-house – analyst or portfolio manager
- ☒ Country-related analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
- ☐ Sell-side
- ☒ In-house – specialised ESG analyst or team
- ☐ In-house – analyst or portfolio manager
- ☒ Screened stock list

Indicate who provides this information

- ☒ ESG research provider
- ☐ Sell-side
- ☒ In-house – specialised ESG analyst or team
- ☐ In-house – analyst or portfolio manager
- ☒ ESG issue-specific analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
- ☒ Sell-side
- ☒ In-house – specialised ESG analyst or team
- ☐ In-house – analyst or portfolio manager
- ☐ Other, specify

LEI 02.2

Indicate whether you incentivise brokers to provide ESG research.

- ☐ Yes
- ☒ No

LEI 02.4

Additional information. [Optional]

We buy broker research in separate contracts in order to ensure independence.

Our service provider EOS at Federated Hermes systematically makes stewardship activity reports available to us via its EOSi client portal which is regularly updated, enabling a company-level view of engagement objectives and issues and voting activity.

(A) Implementation: Screening

LEI 04	Mandatory	Public	Descriptive	PRI 1
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LEI 04.1

Indicate and describe the type of screening you apply to your internally managed active listed equities.

Type of screening

☒ Negative/exclusionary screening

Screened by

- ☒ Product
- ☒ Activity
- ☒ Sector
- ☐ Country/geographic region
- ☒ Environmental and social practices and performance
- ☒ Corporate governance

Description

These negative screenings are applied to all Vontobel labelled active listed equities products using negative screening in combination with a best-in-class screening:

- Nuclear power
- Agricultural genetic engineering
- Arms and other defense products
- Tobacco
- Gambling
- Pornography
- Gross violations of human rights and rights at work

For some of our products, these additional negative screenings are applied:

- Airlines
- Alcohol
- Agrochemicals: production of crop protection agents
- Chlorine chemicals: production of organochlorine bulk products (e.g. PVC)

☒ Positive/best-in-class screening

Screened by

- ☒ Product
- ☒ Activity
- ☒ Sector
- ☒ Country/geographic region
- ☒ Environmental and social practices and performance
- ☒ Corporate governance

	Description
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The sustainability ratings we use to define the sustainable investment universe are based on the following criteria covered by the different research providers:

Environmental criteria:

- Effective environmental management systems with clear responsibilities, targets and regular monitoring
- Improvement in environmental performance at operational level (increase in eco-efficiency)
- Optimization of products based on environmental considerations

Social criteria:

- Good conditions for employees, including health and safety systems and anti-discriminatory measures
- Sustainability standards for suppliers, and constant monitoring
- Fostering of economic and social development through community involvement

Governance criteria:

- Independent Board of Directors with committees for key areas
- Structure and equality of shareholders
- Transparency regarding compensation and long-term incentives

- ☒ Norms-based screening

Screened by

- ☒ UN Global Compact Principles
- ☒ The UN Guiding Principles on Business and Human Rights
- ☒ International Labour Organization Conventions
- ☒ United Nations Convention Against Corruption
- ☒ OECD Guidelines for Multinational Enterprises
- ☐ Other, specify

	Description
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Norms based screening criteria are included in our negative screening criteria (see above). The criterion "Violation of human rights" refers to the UN Guiding Principles on Business and Human Rights and the ILO Conventions. Other aspects are part of the positive screening criteria.

LEI 04.2

Describe how you notify clients and/or beneficiaries when changes are made to your screening criteria.

Vontobel has carefully assessed the procedures, capacities as well as experts a provider relies on and has chosen the most suitable provider. The screening criteria used by these providers were established in a thorough process based on extensive research on specific ESG risks and opportunities in each sector.

Criteria are reviewed on a regular basis approximately once a year.

Additional Information regarding our Sustainable Equities Boutique:

A sustainable investment approach makes it possible to systematically incorporate in the investment process the risks and rewards created by the interplay of environmental, social and economic forces acting on companies, governments and public institutions. In our ESG competence center, a team of four sustainability analysts are responsible for evaluating the sustainability credentials of sectors, individual companies, corporate and government bonds and public financial institutions.

Our sustainability analysis complements traditional financial analysis, and is a key element in the investment process for mandates. The starting point is the investment universe, which comprises the biggest securities in the respective asset class (usually the relevant benchmarks in the case of equities), as well as other investment ideas provided by Portfolio Management and Sustainability Research. The dedicated team of sustainability analysts is responsible for evaluating the sustainability credentials of sectors, individual companies, corporate and government bonds and public financial institutions.

For this approach, we published the rating methodology for companies and countries in a whitepaper. We will incorporate major updates to our rating methodology in newer versions of these whitepapers. We document manual changes to company or country ratings in company snapshots, available to clients on request,

The detailed evaluation criteria differ among the individual sectors, as do the weightings used to aggregate the assessments of these detailed criteria to arrive at an overall rating.

The sustainability rating is composed of two dimensions, the Sector Rating and the Company Rating.

The Sector Rating assesses the company's exposure to environmental and social risks, primarily based upon on the environmental and social impacts of that particular industry. This is measured by environmental criteria such as carbon emissions, water consumption, air pollution and waste volumes; consideration is also given to social criteria such as working conditions (work accidents, staff turnover, wages and benefits) and the potential for social conflict (activities in countries with poor working conditions and human rights records, corruption, unfair competition, controversial products such as armaments, etc.). The entire value chain for the relevant sector is reviewed for this purpose (including the supply chain and the entire product life cycle).

The Company Rating assesses an individual company's contribution to reducing environmental and social risks and how well it exploits the corresponding opportunities. The rating is based upon a matrix of criteria developed in-house which comprises the following three aspects:

- Environmental responsibility - the company's measures and initiatives to reduce the environmental impacts in production, the supply chain and product usage.
- Social responsibility- the company's measures and initiatives to take into consideration the interests of customers, employees, suppliers and society as a whole, for example product safety, occupational health& safety, working conditions at suppliers.
- Governance: embedding sustainability aspects in the corporate strategy and business model; management systems; corporate governance standards.

LEI 05**Mandatory****Public****Core Assessed****PRI 1**

LEI 05.1

Indicate which processes your organisation uses to ensure ESG screening is based on robust analysis.

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- ☒ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies.
- ☒ External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar.
- ☒ Third-party ESG ratings are updated regularly to ensure that portfolio holdings comply with fund policies.
- ☐ Trading platforms blocking / restricting flagged securities on the black list.
- ☒ A committee, body or similar with representatives independent of the individuals who conduct company research reviews some or all screening decisions.
- ☐ A periodic review of internal research is carried out.
- ☒ Review and evaluation of external research providers.
- ☐ Other; specify
- ☐ None of the above

LEI 05.2

Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your ESG screening strategy.

- ☒ <10%
- ☐ 10-50%
- ☐ 51-90%
- ☐ >90%

LEI 05.3

Indicate how frequently third party ESG ratings are updated for screening purposes.

- ☒ Quarterly or more frequently
- ☐ Bi-Annually
- ☐ Annually
- ☐ Less frequently than annually

LEI 05.5

Additional information. [Optional]

Providers were chosen carefully on the basis of a thorough evaluation of their processes, capacities and expert know-how. In addition, Vontobel regularly engages with industry associations such as SSF (Swiss Sustainable Finance) to ensure that the overall quality of available third party ESG data is continuously improved.

LEI 06**Voluntary****Public****Additional Assessed****PRI 1**

LEI 06.1

Indicate which processes your organisation uses to ensure fund criteria are not breached.

- ☒ Systematic checks are performed to ensure that stocks meet the fund's screening criteria
- ☒ Automated IT systems prevent investment managers from investing in excluded stocks or those that do not meet positive screening criteria
- ☒ Audits of fund holdings are undertaken regularly by internal audit function
- ☐ Periodic auditing/checking of the organisations RI funds by external party
- ☐ Other; specify
- ☐ None of the above

LEI 06.2

If breaches of fund screening criteria are identified, describe the process followed to correct those breaches.

If breaches are identified, the portfolio manager is informed immediately and the respective position is sold.

LEI 06.3

Additional information. [Optional]

For screened mandates: automated IT systems are used to prevent investment managers from investing in excluded stocks.

For our integrated approach: audits of fund holdings are undertaken on a regular basis by the internal ESG auditor otherwise not involved in stock selection and portfolio construction processes.

(B) Implementation: Thematic**LEI 07****Mandatory****Public****Descriptive****PRI 1****LEI 07.1**

Indicate the type of sustainability thematic funds or mandates your organisation manages.

- ☒ Environmentally themed funds
- ☐ Socially themed funds
- ☐ Combination of themes

LEI 07.2

Describe your organisation's processes relating to sustainability themed funds. [Optional]

Environmental impact fund:

The Clean Tech fund invests in companies that have a positive impact on the environment through their products and / or services, with a holistic approach being selected that considers the entire lifecycle of the product or service. The relevant investment themes are listed below

Based on thorough sustainability analysis, companies and sectors that are exposed to excessive environmental and social risks are excluded from the fund's investment universe.

We believe that companies with a strong positive impact on the environment - not necessarily through their own operations but as a result of the products and services they provide - will benefit from structural growth and better margins, also leading to a positive financial performance.

Investment process

A universe of companies that fits the various investment themes is reviewed on an annual basis. In view of the themes in question, they inherently have a positive environmental impact. During the review, companies prompting serious ESG concerns are removed from the universe. Due to the thematic approach, a large

number of medium-sized companies are included in the universe, many of which have limited reporting on ESG aspects.

When evaluating individual companies for a potential investment, ESG aspects are assessed in detail by the respective analyst, with social and governance criteria being considered as part of the risk assessment. The environmental assessment must result in a positive contribution in this context. External ESG providers are consulted for the assessment of social and governance aspects but our holistic approach to environmental aspects requires an extensive assessment by our in-house analysts.

Companies are only selected for the funds if there is a strong environmental investment proposition and no critical issues with regard to social and governance aspects, in addition to which they must meet the usual financial criteria.

Covered investment themes for the Vontobel Fund Clean Technology

- Resource-efficient industry
- Building technology
- Clean energy
- Low-emission transportation
- Life-cycle management
- Clean water

(C) Implementation: Integration of ESG factors

LEI 08	Mandatory	Public	Core Assessed	PRI 1
LEI 08.1	Indicate the proportion of actively managed listed equity portfolios where E, S and G factors are systematically researched as part of your investment analysis.			

ESG issues	Proportion impacted by analysis
Environmental	<div> <div></div> <div>Environmental</div> </div> <p> <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> 51-90% <input type="radio"/> >90% </p>
Social	<div> <div></div> <div>Social</div> </div> <p> <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> 51-90% <input type="radio"/> >90% </p>
Corporate Governance	<div> <div></div> <div>Corporate Governance</div> </div> <p> <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90% </p>

LEI 08.2 Additional information. [Optional]

Within the integrated approach, we systematically review the potential significance of environmental, social and governance issues as part of the standard investment analysis. Within screened funds and thematic funds, research on E, S and G issues is targeted to areas of specific relevance.

LEI 09	Mandatory	Public	Core Assessed	PRI 1
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LEI 09.1

Indicate which processes your organisation uses to ensure ESG integration is based on robust analysis.

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- ☒ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ Third-party ESG ratings are updated regularly
- ☒ A periodic review of the internal research is carried out
- ☒ Structured, regular ESG specific meetings between responsible investment staff and the fund manager or within the investments team
- ☒ ESG risk profile of a portfolio against benchmark
- ☐ Analysis of the impact of ESG factors on investment risk and return performance
- ☒ Other; specify

Assessment of all ESG minimum standard frameworks by an internal ESG team otherwise not involved in stock selection and portfolio construction processes.

- ☐ None of the above

LEI 09.2

Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your integration strategy.

- ☐ <10%
- ☐ 10-50%
- ☐ 51-90%
- ☒ >90%

LEI 09.3

Indicate how frequently third party ESG ratings that inform your ESG integration strategy are updated.

- ☒ Quarterly or more frequently
- ☐ Bi-Annually
- ☐ Annually
- ☐ Less frequently than annually

LEI 09.4

Indicate how frequently you review internal research that builds your ESG integration strategy.

- ☒ Quarterly or more frequently
- ☐ Bi-Annually
- ☐ Annually
- ☐ Less frequently than annually

LEI 09.5

Describe how ESG information is held and used by your portfolio managers.

- ☒ ESG information is held within centralised databases or tools, and it is accessible by all relevant staff
- ☒ ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- ☒ Systematic records are kept that capture how ESG information and research were incorporated into investment decisions
- ☐ Other; specify
- ☐ None of the above

LEI 09.6

Additional information. [Optional]

In the Global Equities Team based in Zurich, the above procedures are fully integrated into the research. Within the Sustainable Equities Boutique, Vontobel manages a product line where an ESG assessment has been fully integrated into the financial analysis and its recommendation process.

An internal ESG team otherwise not involved in the investment process checks all ESG minimum standard frameworks of the financial analysts. The team discusses potential gaps or rating differences with them and challenges their assessment. ESG minimum standard frameworks are then adapted by the financial analysts.

Vontobel Holding AG

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

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Overview

LEA 01	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 01.1

Indicate whether your organisation has an active ownership policy (includes engagement and/or voting).

☒ Yes

LEA 01.2

Attach or provide a URL to your active ownership policy.

☒ Attachment provided:

[File 1:Engagement Policy Statement 20190901_EN.pdf](#)

☐ URL provided:

LEA 01.3

Indicate what your active engagement policy covers:

General approach to Active Ownership

- ☒ Conflicts of interest
- ☒ Alignment with national stewardship code requirements
- ☒ Assets/funds covered by active ownership policy
- ☒ Expectations and objectives
- ☒ Engagement approach

Engagement

- ☒ ESG issues
- ☒ Prioritisation of engagement
- ☒ Methods of engagement
- ☒ Transparency of engagement activities
- ☒ Due diligence and monitoring process
- ☒ Insider information
- ☒ Escalation strategies
- ☐ Service Provider specific criteria
- ☐ Other; (specify)
- ☒ (Proxy) voting approach

Voting

- ☒ ESG issues
- ☒ Prioritisation and scope of voting activities
- ☒ Methods of voting
- ☒ Transparency of voting activities
- ☒ Regional voting practice approaches
- ☒ Filing or co-filing resolutions
- ☒ Company dialogue pre/post-vote
- ☒ Decision-making processes
- ☐ Securities lending processes
- ☐ Other; (specify)
- ☒ Other

Specify

Focus on protecting and increasing shareholder value

- ☐ None of the above
- ☐ No

LEA 01.4

Do you outsource any of your active ownership activities to service providers?

- ☒ Yes

LEA 01.5

Where active ownership activities are conducted by service providers, indicate whether your active ownership policy covers any of the following:

- ☒ Outline of service provider's role in implementing your organisation's active ownership policy
- ☒ Description of considerations included in service provider selection and agreements
- ☒ Identification of key ESG frameworks which service providers must follow
- ☒ Outline of information sharing requirements of service providers
- ☐ Description of service provider monitoring processes
- ☐ Other; (specify)
- ☐ None of the above
- ☐ No

LEA 01.6

Additional information [optional]

The link between engagement and voting with regard to our service providers Hermes EOS and Ethos:

The voting rights for all of Vontobel's sustainable investment funds and selected thematic funds are actively exercised and an active dialogue is conducted with the companies in which they invest. Vontobel works with Hermes EOS - a leading provider of voting and engagement services - to ensure the exercising of voting rights and the cultivation of a dialogue with these companies. (<https://www.hermes-investment.com/stewardship/>)

Importantly, the decision-making authority remains with Vontobel. The proposals made by Hermes EOS with regard to voting rights and engagement are reviewed by Vontobel and can be modified or rejected. The voting and engagement guidelines followed by Hermes EOS and Ethos were also reviewed and approved by Vontobel. (<https://www.hermes-investment.com/ukw/wp-content/uploads/sites/80/2018/03/final-responsible-ownership-principles-2018.pdf>)

Engagement

LEA 02

Mandatory

Public

Core Assessed

PRI 1,2,3

LEA 02.1

Indicate the method of engagement, giving reasons for the interaction.

Type of engagement	Reason for interaction
Individual / Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> To gain an understanding of ESG strategy and/or management <input checked="" type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via service providers

LEA 02.2

Indicate whether your organisation plays a role in the engagement process that your service provider conducts.

☒ Yes

LEA 02.3

Indicate the role(s) you play in engagements that your service provider conducts on your behalf.

- ☒ We discuss the topic of the engagement (or ESG issue(s)) of engagement
- ☒ We discuss the rationale for the engagement
- ☒ We discuss the objectives of the engagement
- ☒ We select the companies to be engaged with
- ☐ We discuss the frequency/intensity of interactions with companies
- ☐ We discuss the next steps for engagement activity
- ☐ We participate directly in certain engagements with our service provider
- ☐ Other; specify
- ☐ We play no role in engagements that our service provider conducts.

☐ No

LEA 02.4

Additional information. [Optional]

Our service provider Hermes EOS offers quarterly service review meetings and opportunities to feed into the engagement selection process as well as ad-hoc engagement progress discussions and direct participation in engagements where appropriate at client request.

LEA 03

Mandatory

Public

Core Assessed

PRI 2

New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 03.1

Indicate whether your organisation has a formal process for identifying and prioritising engagements.

☒ Yes

LEA 03.2

Indicate the criteria used to identify and prioritise engagements for each type of engagement.

Type of engagement	Criteria used to identify/prioritise engagements
Individual / Internal staff engagements	<div>Individual / Internal staff engagements</div> <ul style="list-style-type: none"> <input type="checkbox"/> Geography/market of the companies <input checked="" type="checkbox"/> Materiality of the ESG factors <input checked="" type="checkbox"/> Exposure (size of holdings) <input checked="" type="checkbox"/> Responses to ESG impacts that have already occurred <input type="checkbox"/> Responses to divestment pressure <input type="checkbox"/> Consultation with clients/beneficiaries <input type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input checked="" type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Client request <input checked="" type="checkbox"/> Breaches of international norms <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our individual engagements
Service-provider engagements	<div>Service-provider engagements</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Geography/market of the companies <input checked="" type="checkbox"/> Materiality of the ESG factors <input checked="" type="checkbox"/> Exposure (size of holdings) <input checked="" type="checkbox"/> Responses to ESG impacts that have already occurred <input type="checkbox"/> Responses to divestment pressure <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input checked="" type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input checked="" type="checkbox"/> Follow-up from a voting decision <input checked="" type="checkbox"/> Client request <input checked="" type="checkbox"/> Breaches of international norms <input checked="" type="checkbox"/> Other; (specify) <div>specify</div> <p>Our service provider Hermes EOS further considers the additionality of their engagement, the feasibility of engagement and their potential impact (voting rights).</p> <input type="checkbox"/> We do not outline engagement criteria for our service providers

☐ No

LEA 03.3 Additional information. [Optional]

In the Sustainable Equities Boutique, analysts are in contact with investments, as well as potential investments, in order to learn about their environmental, social and governance performance.

Building on this dialogue, we develop initial engagements where we encourage companies to improve their performance in areas which we consider to be material.

In the mtX product line, this follows a formal process where we first evaluate a company's management of material ESG issues. In a second step, if the analyst identifies material risks stemming from ESG issues, he engages with the company to encourage change on these particular issues.

LEA 04	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 04.1	Indicate whether you define specific objectives for your organisation's engagement activities.
----------	--

Individual / Internal staff engagements	<input checked="" type="radio"/> All engagement activities <input type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out by internal staff
Service-provider engagements	<input type="radio"/> All engagement activities <input checked="" type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out by our service providers

LEA 04.2	Additional information. [Optional]
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As described in LEA 03.3, we identify material ESG risks through our formal ESG assessment process. We are convinced that ESG issues we engage on are material to our financial performance. Therefore, we specify objectives to reduce these risks and monitor the progress of the company in all cases.

Our service provider Hermes EOS conducts engagements using specific milestone-driven objectives for most companies in its engagement programme.

LEA 05	Mandatory	Public	Core Assessed	PRI 2
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LEA 05.1	Indicate whether you monitor and/or review engagement outcomes.
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Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, in all cases <input type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out by our internal staff.
Service-provider engagements	<input type="radio"/> Yes, in all cases <input checked="" type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out by our service providers.

LEA 05.2

Indicate whether you do any of the following to monitor and/or review the progress of engagement activities.

Individual / Internal staff engagements	<input type="checkbox"/> Define timelines/milestones for your objectives <input checked="" type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input checked="" type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input checked="" type="checkbox"/> Revisit and, if necessary, revise objectives on a continuous basis <input type="checkbox"/> Other; specify
Service-provider engagements	<input checked="" type="checkbox"/> Define timelines/milestones for your objectives <input checked="" type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input checked="" type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input type="checkbox"/> Revisit and, if necessary, revise objectives on a continuous basis <input type="checkbox"/> Other; specify

LEA 05.3

Additional information. [Optional]

As described in LEA 03.3, we identify material ESG risks through our formal ESG assessment process. We are convinced that ESG issues we engage on are material to our financial performance. Therefore, we specify objectives to reduce these risks and monitor the progress of the company in all cases.

Our service provider Hermes EOS conducts engagements using specific milestone-driven objectives for most companies in its engagement programme. For companies Hermes EOS engages on our behalf we monitor the outcomes and progress in the majority of cases over their client portal.

LEA 06

Mandatory

Public

Additional Assessed

PRI 2,4

LEA 06.1

Indicate whether your organisation has an escalation strategy when engagements are unsuccessful.

☒ Yes

LEA 06.2

Indicate the escalation strategies used at your organisation following unsuccessful engagements.

- ☒ Collaborating with other investors
- ☒ Issuing a public statement
- ☒ Filing/submitting a shareholder resolution
- ☐ Voting against the re-election of the relevant directors
- ☒ Voting against the board of directors or the annual financial report
- ☒ Submitting nominations for election to the board
- ☐ Seeking legal remedy / litigation
- ☐ Reducing exposure (size of holdings)
- ☐ Divestment
- ☒ Other; specify

Monitor and review outcomes that have been accomplished by the engagement

☐ No

LEA 06.3

Additional information. [Optional]

Our service provider Hermes EOS continually reviews the progress of its engagements and considers whether to intensify efforts and escalate the engagement or discontinue the objectives as the situation demands. We actively monitor and review the activities of our service provider Hermes EOS through quarterly calls and regular reports. Hermes EOS provide a client facing portal which allows us to refer to the full history of engagement with each company and track progress. Furthermore, we give input on certain companies and issues we would like Hermes EOS to engage on.

LEA 07

Voluntary

Public

Additional Assessed

PRI 1,2

LEA 07.1

Indicate whether insights gained from your organisation's engagements are shared with investment decision-makers.

Type of engagement	Insights shared
Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No
Service-provider engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 07.2	Indicate the practices used to ensure that information and insights gained through engagements are shared with investment decision-makers.
-----------------	--

- ☒ Involving investment decision-makers when developing an engagement programme
- ☒ Holding investment team meetings and/or presentations
- ☒ Using IT platforms/systems that enable data sharing
- ☐ Internal process that requires portfolio managers to re-balance holdings based on interaction and outcome levels
- ☐ Other; specify
- ☐ None

LEA 07.3	Indicate whether insights gained from your organisation's engagements are shared with your clients/beneficiaries.
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Type of engagement	Insights shared
Individual/Internal staff engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No
Service-provider engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 07.4	Additional information. [Optional]
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During regular investment meetings, insights gained from our internal engagements are shared with our portfolio managers as input for consideration in investment decisions. The results from our service provider engagement are discussed in these meetings, too, if the information is material to the investment case.

We actively monitor and review the activities of our service provider Hermes EOS through quarterly calls and regular reports. Hermes EOS provide a client facing portal which allows us to refer to the full history of engagement with each company and track progress.

LEA 08	Mandatory	Public	Gateway	PRI 2
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LEA 08.1	Indicate whether you track the number of your engagement activities.
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Type of engagement	Tracking engagements
Individual/Internal staff engagements	<input type="radio"/> Yes, we track the number of our engagements in full <input checked="" type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track
Service-provider engagements	<input checked="" type="radio"/> Yes, we track the number of service-provider engagements in full <input type="radio"/> Yes, we partially track the number of our service-provider engagements <input type="radio"/> We do not track

LEA 08.2

Additional information. [Optional]

Hermes EOS' regular reporting provides full disclosure on the number of engagements conducted on our behalf. In the Sustainable & Thematic Boutique, information about individual/internal staff engagements as well as engagements undertaken through our service provider are tracked within an engagement database.

(Proxy) voting and shareholder resolutions

LEA 12

Mandatory

Public

Descriptive

PRI 2

LEA 12.1

Indicate how you typically make your (proxy) voting decisions.

Approach

- ☐ We use our own research or voting team and make voting decisions without the use of service providers.
- ☒ We hire service providers who make voting recommendations and/or provide research that we use to guide our voting decisions.

Based on

- ☒ The service-provider voting policy we sign off on
- ☐ Our own voting policy
- ☐ Our clients' requests or policies
- ☐ Other (explain)
- ☐ We hire service providers who make voting decisions on our behalf, except in some pre-defined scenarios where we review and make voting decisions.
- ☐ We hire service providers who make voting decisions on our behalf.

LEA 12.2

Provide an overview of how you ensure that your agreed-upon voting policy is adhered to, giving details of your approach when exceptions to the policy are made.

Hermes EOS provides us with voting recommendations based on our voting policy which are accessible as input on the voting platform prior to the vote deadline. The voting recommendations are then cast as voting instructions if there is no further intervention, except in the case of shareblocking votes.

LEA 12.3	Additional information.[Optional]
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For HEOS and Ethos, we apply the service provider voting policy which we have signed off on. The fund management company receives research from HEOS and Ethos and is able to intervene and vote differently, in the event that it is appropriate to do so.

LEA 15	Mandatory	Public	Descriptive	PRI 2
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LEA 15.1	Indicate the proportion of votes participated in within the reporting year in which where you or the service providers acting on your behalf raised concerns with companies ahead of voting.
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- ☐ 100%
- ☐ 99-75%
- ☐ 74-50%
- ☐ 49-25%
- ☒ 24-1%
- ☐ Neither we nor our service provider(s) raise concerns with companies ahead of voting

LEA 15.2	Indicate the reasons for raising your concerns with these companies ahead of voting.
----------	--

- ☐ Vote(s) concerned selected markets
- ☐ Vote(s) concerned selected sectors
- ☒ Vote(s) concerned certain ESG issues
- ☒ Vote(s) concerned companies exposed to controversy on specific ESG issues
- ☒ Vote(s) concerned significant shareholdings
- ☒ Client request
- ☒ Other

	Explain
--	---------

In order to help progress engagement (driving change), as well as to help clarify matters at hand to inform better voting decisions.

LEA 15.3	Additional information. [Optional]
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Our voting recommendation and engagement provider EOS at Federated Hermes interacted with companies around 1000 meetings in 2018. This would usually be ahead of meetings and as a result of concerns around the vote or an anticipated vote against management.

LEA 16	Mandatory	Public	Core Assessed	PRI 2
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LEA 16.1

Indicate the proportion of votes where you, and/or the service provider(s) acting on your behalf, communicated the rationale to companies for abstaining or voting against management recommendations. Indicate this as a percentage out of all eligible votes.

- ☐ 100%
☐ 99-75%
☐ 74-50%
☐ 49-25%
☒ 24-1%
☐ We do not communicate the rationale to companies
☐ Not applicable because we and/or our service providers did not abstain or vote against management recommendations

LEA 16.2

Indicate the reasons why your organisation would communicate to companies, the rationale for abstaining or voting against management recommendations.

- ☐ Vote(s) concern selected markets
☐ Vote(s) concern selected sectors
☒ Vote(s) concern certain ESG issues
☒ Vote(s) concern companies exposed to controversy on specific ESG issues
☒ Vote(s) concern significant shareholdings
☒ Client request
☒ Other

Explain

In order to help progress engagement (driving change), as well as to help clarify matters at hand to inform better voting decisions.

LEA 16.3

In cases where your organisation does communicate the rationale for abstaining or voting against management recommendations, indicate whether this rationale is made public.

- ☐ Yes
☒ No

LEA 17**Mandatory****Public****Core Assessed****PRI 2****LEA 17.1**

For listed equities in which you or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

- ☒ We do track or collect this information

Votes cast (to the nearest 1%)

%

100

Specify the basis on which this percentage is calculated

- ☐ Of the total number of ballot items on which you could have issued instructions
- ☒ Of the total number of company meetings at which you could have voted
- ☐ Of the total value of your listed equity holdings on which you could have voted
- ☐ We do not track or collect this information

LEA 17.3 Additional information. [Optional]

Our service providers Hermes EOS and ISS submit vote recommendations on all ballots available to vote in the portfolios for which we have subscribed to their proxy voting service.

LEA 18	Voluntary	Public	Additional Assessed	PRI 2
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LEA 18.1 Indicate whether you track the voting instructions that you or your service provider on your behalf have issued.

- ☒ Yes, we track this information

LEA 18.2 Of the voting instructions that you and/or third parties on your behalf have issued, indicate the proportion of ballot items that were:

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management recommendations	<div> <div></div> <div>%</div> </div> 91.31
Against (opposing) management recommendations	<div> <div></div> <div>%</div> </div> 7.59
Abstentions	<div> <div></div> <div>%</div> </div> 1.10

100%

- ☐ No, we do not track this information

LEA 18.3 In cases where your organisation voted against management recommendations, indicate the percentage of companies which you have engaged.

05

LEA 18.4	Additional information. [Optional]
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Our service provider EOS at Federated Hermes engaged around 1000 meetings of the 6,305 where it recommended one or more votes against management. All of their voting recommendations and rationales for not supporting management are published on their website.

LEA 19	Mandatory	Public	Core Assessed	PRI 2
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LEA 19.1	Indicate whether your organisation has a formal escalation strategy following unsuccessful voting.
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- ☐ Yes
- ☒ No

Vontobel Holding AG

Reported Information

Public version

Direct - Fixed Income













PRI disclaimer

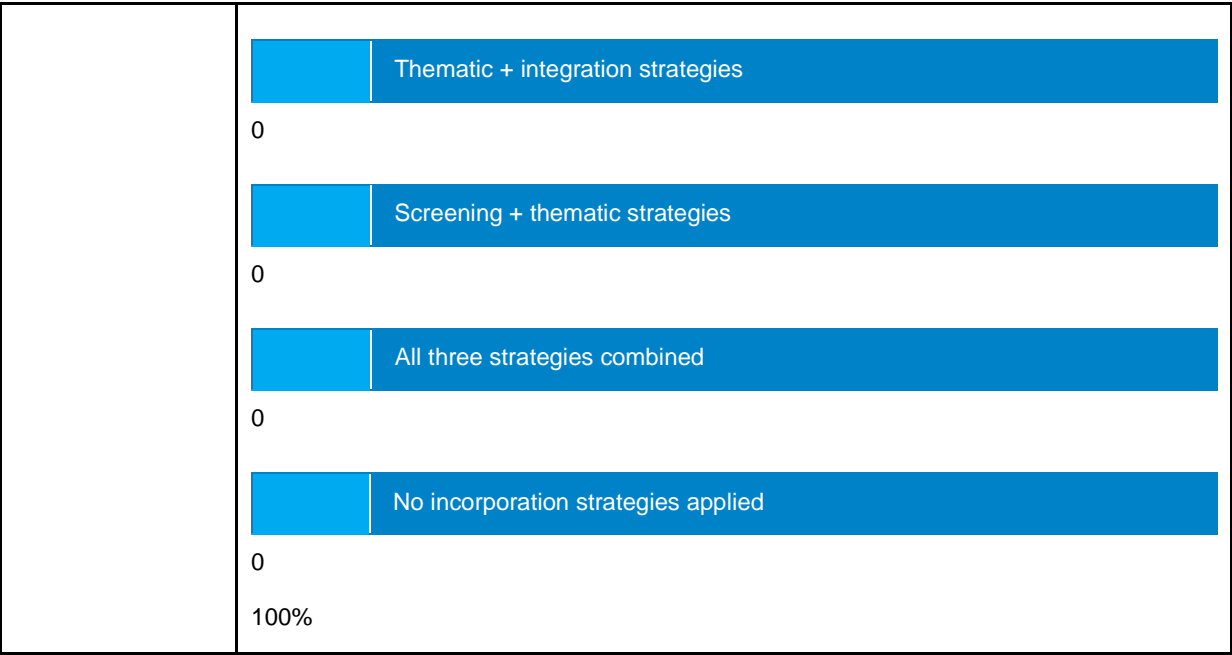
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ESG incorporation in actively managed fixed income

Implementation processes

FI 01	Mandatory	Public	Gateway	PRI 1
FI 01.1	Indicate (1) Which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and (2) The proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.			

SSA	 Screening alone
	100
	 Thematic alone
	0
	 Integration alone
	0
	 Screening + integration strategies
	0
	 Thematic + integration strategies
Corporate (financial)	0
	 Screening + thematic strategies
	0
	 All three strategies combined
	0
	 No incorporation strategies applied
	0
	100%
	 Screening alone
	100
	 Thematic alone
	0
	 Integration alone
	0
	 Screening + integration strategies
	0



Corporate (non-financial)	 Screening alone
	100
	 Thematic alone
	0
	 Integration alone
	0
	 Screening + integration strategies
	0
Securitised	 Thematic + integration strategies
	0
	 Screening + thematic strategies
	0
	 All three strategies combined
	0
	 No incorporation strategies applied
	0
	100%

	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	0
	No incorporation strategies applied	0
		100%

FI 01.2

Describe your reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used.

At Vontobel, we are convinced that a one-size-fits-all ESG approach falls short of accounting for differences in geographies, asset classes as well as investment styles and objectives. For this reason, we develop specialized ESG strategies tailored to the respective investment strategy. This enables us to cover a wide range of client needs in a targeted manner, thus creating added value compared to standardized ESG approaches, such as passive ESG ETFs.

In the management of bond strategies, performance is mainly driven by aspects such as duration, currency and ratings. Bonds are often purchased out of new issuance in order to keep costs low. We consider it therefore more practicable to mainly use stable sustainable investment universes for our sustainable bond products instead of broad integration processes. As a consequence, our sustainability funds and mandates are based upon a screening approach. For more mainstream investment products, in our view, the screening approach is most convincing, too. It is by applying this approach, that we can establish a clearly structured investment process.

FI 03

Mandatory

Public

Additional Assessed

PRI 1

FI 03.1

Indicate how you ensure that your ESG research process is robust:

- ☐ Comprehensive ESG research is undertaken internally to determine companies' activities; and products and/or services
- ☒ Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- ☒ Internal audits and regular reviews of ESG research are undertaken in a systematic way.
- ☒ A materiality/sustainability framework is created and regularly updated that includes all the key ESG risks and opportunities for each sector/country.
- ☐ Other, specify
- ☐ None of the above

FI 03.2

Describe how your ESG information or analysis is shared among your investment team.

- ☒ ESG information is held within a centralised database and is accessible to all investment staff
- ☒ ESG information is displayed on front office research platforms
- ☒ ESG information is a standard item on all individual issuer summaries, research notes, 'tear sheets', or similar documents
- ☒ Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings
- ☒ Records capture how ESG information and research was incorporated into investment decisions
- ☐ Other, specify
- ☐ None of the above

(A) Implementation: Screening**FI 04****Mandatory****Public****Gateway****PRI 1****FI 04.1**

Indicate the type of screening you conduct.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
Negative/exclusionary screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Positive/best-in-class screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Norms-based screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

FI 04.2

Describe your approach to screening for internally managed active fixed income

We identify companies for the investment universe that meet our positive and negative sustainability criteria. The most important element of this analysis is to determine which companies are on average ahead of their peers in terms of an active sustainability approach. These sector-specific ESG themes (environmental, social, governance) are covered by many different criteria as a basis to evaluate a firms' sustainability performance. The most progressive issuers in each sector are identified and selected for the sustainable investment universe. On this basis, the sustainable bond universe is determined. In addition to the positive screening, we apply several exclusion criteria for negative screening of companies such as nuclear energy, tobacco, or GMO or - when it comes to countries - death penalty.

FI 04.3

Additional information. [Optional]

For our in-house ESG research:

CORPORATE BONDS When evaluating an individual company's contribution to reducing environmental and social risks as well as how it exploits corresponding opportunities, we are using a matrix of criteria developed in-house. The matrix covers the following *three aspects*:

Environmental responsibility: a company's measures and initiatives to reduce the environmental impacts in production, supply chain and product usage. *Social responsibility*: a company's measures and initiatives to take

into consideration the interests of customers, employees, suppliers and society as a whole, for example product safety, occupational health & safety, or working conditions at suppliers. *Corporate governance*: embedding sustainability aspects in corporate strategy and business model; management systems; corporate governance standards.

GOVERNMENT BONDS The *two dimensions* for the sustainability rating of government bonds are *resource availability* and *resource productivity*. *Resource availability* includes the current and future availability of a country's natural resources (primarily biocapacity minus ecological footprint), as well as its social and financial resources. *Resource productivity* measures the efficiency of transforming resources into material wealth (gross domestic product), the efficiency of the education and health system with respect to resource consumption, as well as the efficiency of a country's economic, political and social processes, plus the overall conditions.

PUBLIC FINANCIAL INSTITUTIONS Public financial institutions are state-supported banks with a set mandate, such as financing export activity or combating poverty. The definition of the mandate determines to what extent the institution is promoting sustainable development. The way how the mandate is implemented determines how the institution performs within the framework of a company's rating which is based on the rating criteria for banks.

PUBLIC COVERED BONDS Covered bonds are eligible for investment if both the issuer and cover pool are sustainable. The issuer rating follows the same methodology as corporate ratings within that sector, which in most cases are banks (described above, not shown here). The cover pool comprises loans to the public sector as well as government bonds. The sustainability rating of the cover pool thus corresponds to the weighted average rating of the countries financed.

FI 06	Mandatory	Public	Core Assessed	PRI 1
FI 06.1	Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.			

Type of screening	Checks
Negative/exclusionary screening	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above
Positive/best-in-class screening	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above
Norms-based screening	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above

FI 06.2

Additional information. [Optional]

Additional Information regarding our in-house ESG research:

A sustainable investment approach makes it possible to systematically incorporate in the investment process the risks and rewards created by the interplay of environmental, social and economic forces acting on companies, governments and public institutions. In our ESG competence center, a team of six sustainability analysts is responsible for evaluating the sustainability credentials of sectors, individual companies, corporate and government bonds and public financial institutions.

Our sustainability analysis complements traditional financial analysis, and is a key element in the investment process for mandates. The starting point is the investment universe, which comprises the biggest securities in the respective asset class (usually the relevant benchmarks in the case of equities), as well as other investment ideas provided by Portfolio Management and Sustainability Research. The dedicated team of sustainability analysts is responsible for evaluating the sustainability credentials of sectors, individual companies, corporate and government bonds and public financial institutions.

The detailed evaluation criteria differ among the individual sectors, as do the weightings used to aggregate the assessments of these detailed criteria to arrive at an overall rating.

CORPORATE BONDS: The sustainability rating is composed of two dimensions, the Sector Rating and the Company Rating.

The Sector Rating assesses the company's exposure to environmental and social risks, primarily based upon on the environmental and social impacts of that particular industry. This is measured by environmental criteria such

as carbon emissions, water consumption, air pollution and waste volumes; consideration is also given to social criteria such as working conditions (work accidents, staff turnover, wages and benefits) and the potential for social conflict (activities in countries with poor working conditions and human rights records, corruption, unfair competition, controversial products such as armaments, etc.). The entire value chain for the relevant sector is reviewed for this purpose (including the supply chain and the full product life cycle).

The Company Rating assesses the individual company's contribution to reducing environmental and social risks and exploiting the corresponding opportunities. It is based upon a matrix of criteria developed in-house which comprises the following three aspects:

Environmental responsibility - the company's measures and initiatives to reduce the environmental impacts in production, the supply chain and product usage.

Social responsibility- the company's measures and initiatives to take into consideration the interests of customers, employees, suppliers and society as a whole, for example product safety, occupational health & safety, working conditions at suppliers.

Governance: embedding sustainability aspects in the corporate strategy and business model; management systems; corporate governance standards.

GOVERNMENT BONDS The two dimensions for the sustainability rating of government bonds are resource availability and resource productivity.

Resource availability includes the current and future availability of a country's natural resources (primarily the available biocapacity minus the ecological footprint), as well as its social and financial resources.

Resource productivity measures the efficiency with which resources are transformed into material wealth (gross domestic product), the education and health system of a country with respect to resource consumption, as well as the efficiency of a country's economic, political and social processes, and the overall conditions.

PUBLIC FINANCIAL INSTITUTIONS Public financial institutions are state-supported banks with a set mandate, such as financing export activity or combating poverty.

The contribution made by the mandate assesses to what extent the institution's mandate promotes sustainable development. The contribution made by the implementation establishes how well this mandate is performed within the framework of a company's rating, which is based on the rating criteria for banks.

PUBLIC COVERED BONDS Covered bonds are eligible for investment if both the issuer and cover pool are sustainable. The issuer rating is determined according to the same methodology as for the corporate rating for that sector, which in most cases are banks (see above, not shown here). The cover pool comprises loans to the public sector as well as government bonds. The sustainability rating of the cover pool thus corresponds to the weighted average rating of the countries financed.

Vontobel Holding AG

Reported Information

Public version

Confidence building measures

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Confidence building measures

CM1 01	Mandatory	Public	Additional Assessed	General
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CM1 01.1	Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:
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- ☐ Third party assurance over selected responses from this year's PRI Transparency Report
- ☐ Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- ☐ Third party assurance or audit of the correct implementation of RI processes (that have been reported to the PRI this year)
- ☐ Internal audit of the correct implementation of RI processes and/or accuracy of RI data (that have been reported to the PRI this year)
- ☒ Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
 - ☒ Whole PRI Transparency Report has been internally verified
 - ☐ Selected data has been internally verified
- ☐ Other, specify
- ☐ None of the above

CM1 01.2	Additional information [OPTIONAL]
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As a member of Hermes Fund Managers Limited, our service provider EOS at Federated Hermes was subject to an AAF audit during the year which scrutinised the controls in place around its activities on behalf of clients. EOS is also subject to quarterly risk/control reviews by Hermes Fund Managers Limited internal audit, and reports monthly to the Hermes Fund Managers Limited compliance function.

CM1 02	Mandatory	Public	Descriptive	General
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CM1 02.1	We undertook third party assurance on last year's PRI Transparency Report
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- ☐ Whole PRI Transparency Report was assured last year
- ☐ Selected data was assured in last year's PRI Transparency Report
- ☒ We did not assure last year's PRI Transparency report
- ☐ None of the above, we were in our preparation year and did not report last year.

CM1 03	Mandatory	Public	Descriptive	General
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CM1 03.1	We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:
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- ☒ We adhere to an RI certification or labelling scheme

CM1 03.2	Which scheme?
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- ☒ National SRI label based on the EUROSIF Transparency guidelines

	% of total AUM the scheme applies
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- ☒ < 25%
☐ 25-50 %
☐ 50-70 %
☐ >75 %

- ☐ B-corporation
☐ UK Stewardship code
☐ GRESB
☐ Commodity type label (e.g. BCI)
☐ Social label
☐ Climate label
☐ RIAA
☐ Other

- ☐ We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report
☒ ESG audit of holdings

CM1 03.4

Describe the process of external/third party ESG audit of holdings, including which data has been assured.

An internal ESG auditor otherwise not involved in the investment process checks all ESG minimum standard frameworks of the financial analysts. The person discusses potential gaps or rating differences with them and challenges their assessment. ESG minimum standard frameworks are then adapted by the financial analysts.

- ☐ Other, specify
☐ None of the above

CM1 04	Mandatory	Public	Descriptive	General
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CM1 04.1

Do you plan to conduct third party assurance of this year's PRI Transparency report?

- ☐ Whole PRI Transparency Report will be assured
☐ Selected data will be assured
☒ We do not plan to assure this year's PRI Transparency report

CM1 07	Mandatory	Public	Descriptive	General
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CM1 07.1

Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed

Who has conducted the verification

- ☐ CEO or other Chief-Level staff
- ☐ The Board
- ☐ Investment Committee
- ☐ Compliance Function
- ☒ RI/ESG Team
- ☒ Investment Teams
- ☐ Legal Department
- ☒ Other (specify)

specify

Corporate Sustainability Management