



UNION BANCAIRE PRIVÉE

PRINCIPAL ADVERSE IMPACTS

UBP Asset Management Europe S.A.

UBP acknowledges the responsibility of the financial industry to limit the adverse sustainability impacts that may result from investment decisions.

In line with the recommendations of EU regulation 2019/2088, the so-called Sustainable Finance Disclosure Regulation (SFDR), EU-based UBP entities* consider and manage the adverse impacts of their investments on the environment (e.g. in terms of GHG emissions and biodiversity) and on society (e.g. social and employee matters, respects of human rights, anti-corruption and anti-bribery matters), including the 18 principal adverse impacts defined by the regulation, as well as other potential adverse impacts that may be assessed as material.

To manage these adverse impacts, UBP relies on its **Responsible Investment Policy**. This policy outlines, for instance, the exclusion of all companies involved in controversial weapons as well as companies involved in coal extraction and tobacco (revenue thresholds apply).

On the social and human rights front, UBP manages its exposure to companies in breach of international norms and engages systematically with these companies through a third-party engagement services provider.

Our biodiversity approach also aims to help our investment teams identify and manage the potential impact of their investments on nature and ecosystem services.

Furthermore, we have developed a sustainable and impact product range which applies even stricter exclusion criteria to reduce exposure to activities that may damage the environment or contribute significantly to climate change and which favours companies with sound ESG practices or those providing solutions to environmental and social challenges.

To tackle the world's biggest challenges, governments, investors, the corporate world, NGOs, academia and the financial sector must work together. Accordingly, UBP has partnered with, is a signatory to, or supports an array of global and local initiatives and associations, such as the UN Principles for Responsible Investing (UN PRI) and the UN Global Compact (UNGC).

UBP is also committed to contributing to the achievement of the Paris Agreement's goals and to integrating the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD). In addition, UBP Asset Management (Europe) S.A. has signed up to the Net Zero Asset Managers Initiative with the aim of reducing the carbon emissions of its portfolios and encouraging investments in climate solutions to reach net zero emissions by 2050 or sooner.

As an active investor, UBP exercises its voting rights and promotes sustainability principles through its proxy voting policy. Moreover, engagement is a fundamental part of our investment approach. We believe that joining forces with other investors when engaging with companies will have a greater impact on influencing their behaviour or increasing disclosure.

In addition, UBP sees engagement as a tool for a long-term active ownership process based on the assumption that changes in business drive positive change in corporate value. We have also developed some thematic engagement questionnaires, addressing issues like biodiversity or climate strategy for energy and utility companies.

Being mindful of situations where only a limited amount of information would be available to manage adverse impacts, UBP commits to putting every effort into obtaining the necessary information from its investee companies as well as from external data providers.

Further details can be found in our **Responsible Investment Policy**.

*The present statement is the consolidated principal adverse sustainability impacts statement of UBP Asset Management (Europe) S.A., UBP Asset Management (France) and Union Bancaire Privée (Europe) S.A. Luxembourg.