



ISGAM's Policy regarding Socially Responsible Investment

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ISGAM has, throughout its history, been conscious of its responsibility not only to its shareholders but to all its stakeholders: clients, staff, business partners, communities in which we do business and the wider world in which we operate.

Rather than adopting best practice policies only when compelled to do so by regulators we have tended to move well ahead of regulatory requirements when it comes to fiduciary responsibility and transparency for our clients.

We recognize the vital role the financial industry plays in creating a more sustainable global economy, which includes addressing the large challenges of our times such as climate change, the loss of biodiversity, growing wealth inequality and violations of human rights including modern slavery in the supply chain. We believe the fiduciary duty of investment managers includes being a conscious, active and engaged investor and allocator of clients' money. Becoming a signatory of the PRI has been a natural next step in our corporate development, albeit a substantial undertaking.

We want to walk the talk. So before signing up to the PRI we sat together as a company (shareholders, board of directors, and all staff) and did a thorough review and brainstorm of our own practices regarding our company's environmental impact, governance structure, fiduciary duties, and relationship with the communities in which we operate.

As a result, we have made the following changes:

- We broadened our board of directors.
- We recognize our carbon footprint (mainly through travel and mail) and are reducing it, while paying for offsetting our carbon footprint wherever possible.
- We pledged 5 to 10% (with a minimum absolute amount) of our annual profit to charities that operate in communities where we do business.
- We have educated ourselves on the basics of ESG investing (all shareholders, board members, portfolio management staff and client relationship managers completed a course).
- We designed and implemented a specific "SRI Portfolio strategy" option for clients, covering all asset classes and base currencies.
- We established and implemented a clear policy regarding recycling in our office.

- We give our clients a choice with regards to the extent to which they want to integrate ESG factors in their portfolio, and provide clear descriptions of these options, including performance comparisons. For those who do not want a specific SRI strategy our selection process still includes a layer of ESG screening.
- We actively engage with suppliers, including custodian banks as well as third party fund managers, regarding their ESG policies and their own level of active engagement with companies invested in (for equity, fixed income and alternative investments).
- We encourage third party fund managers to improve the adoption of ESG integration in their investment process. We disinvest from managers that show little commitment to adopting ESG integration and reallocate to fund managers that take socially responsible investment seriously.
- We are continuing our own education on all SRI related subjects, and maintain the dialogue with clients and suppliers, with the aim of promoting sustainable investment best practice.
- We agree with the Paris Agreement within the United Nations Framework Convention on Climate Change (UNFCCC), and aim to align our investment policies with its objectives.
- We publicly support the TCFD (Task Force on Climate-related Financial Disclosures) and its climate strategy.
- We also recognize the importance of managing the real-world impact of investments with regards to human rights, paying particular attention to combatting all forms of modern slavery in the supply chain.
- As an independent asset manager our funds under management, as well as our staff and financial resources, are limited so we must be realistic with regards to our objectives. Active engagement with companies invested in, and with policy makers, is done through participating in targeted collaborative actions through the PRI's platform.
- Our main impact will be through active engagement with third party fund managers, and education of and discussion with our clients, supplying them with tools to implement their own ESG objectives and showing them that reaching these does not mean sacrificing returns.

Identification of staff responsible for the implementation of ISGAM's SRI Policy, and Senior level commitment

ISGAM's shareholders, each of whom plays an active role in the company as Directors, Portfolio Manager and Client Relationship Managers, decided unanimously that ISGAM would become a signatory to the PRI and aim to support its objectives.

The main responsibility for implementing a socially responsible investment policy lies with the portfolio management team, the head of which is also a shareholder and on the board of directors.

The main responsibility for discussing ESG investing with, and actively promoting it to, clients lies with the Relationship Managers, each of whom are also shareholders, one of whom is also Managing Director and on the board of directors.

ISGAM's PRI membership, its fulfilment of the requirements, new developments and new initiatives regarding ESG investing, and ISGAM's own social and environmental policies are discussed, developed and endorsed in the company's board meetings and shareholders meetings. The main conclusions are shared with all staff, whose further input is encouraged.

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