

**assenagon**

# Assenagon Guide

## Company Guidelines

## Sustainability Policy

### **Our responsibility**

In its capacity as an asset manager, Assenagon acts exclusively in the interests of our investors. In this context, in addition to achieving a convincing investment return, the impact on society and the environment resulting from our investments is of utmost importance to us. Especially with regard to long-term investment success, Assenagon acts in a forward-looking manner, considers sustainability risks and incorporates environmental and social criteria as well as criteria of good corporate governance ("Environment, Social, Governance" - "ESG criteria") into the investment process. As a fiduciary, we act independently to protect the interests of our investors. Assenagon has established a dedicated ESG committee. The Assenagon ESG committee synergises the sustainability knowledge over various teams and ensures a holistic view of different aspects. Our ESG committee sets the ESG framework for the Assenagon Group and ensures that our ESG-related activities are transparent to all stakeholders. During regular collaborations, current sustainability topics are discussed and our vision of the future is further advanced.

### **Sustainable corporate governance**

On the company level, sustainability is at the centre of what we do. Assenagon continually holds itself as well as principles of good governance to the highest standards. Therefore, we interact with our employees, investors, custodians, distributors, business partners and other stakeholders in a responsible fashion. Cooperation that is based on respect, positive leadership and responsibility as well as protection against all kinds of discrimination go without saying. We strive to avoid any conflicts of interest and to always act fairly and independently with our clients' interests at heart.

### **Sustainable investing**

Assenagon is a signatory to the UN Principles for Responsible Investment (UN PRI), publicly declaring its support for sustainable investing. The UN PRI is an investor initiative in partnership with the United Nations Environment Programme Finance Initiative (UNEP FI) and the UN Global Compact. The guidelines of the initiative are as follows:

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will report on our activities and progress towards implementing the Principles.

For further information on the UN PRI Initiative, please visit: <https://www.unpri.org/>.

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Assenagon has implemented sustainability criteria in the investment process for all funds under its management. While some exclusion criteria such as the exclusion of direct investments in producers of controversial weapons apply globally for all funds managed by Assenagon, bespoke ESG criteria are an integral part of the investment process for many of our funds. These environmental, social and governance criteria include, but are not limited to, the following aspects:

#### **Environment:**

- Carbon emissions
- Carbon footprint
- Biodiversity
- Waste management
- Energy management
- Water stress

#### **Social:**

- Health and safety
- Human rights
- Equal opportunity
- Supply-chain management
- Product safety and quality

#### **Governance:**

- Business ethics
- Compliance
- Remuneration
- Independence of supervisory board
- Tax transparency

Client-specific sustainability requirements can be taken into account comprehensively and individually in dedicated mandates. Assenagon continuously assesses specified sustainability risks for all managed funds and integrates them into the investment process based on the respective evaluation. Moreover, the management of sustainability risks in its entirety is documented and anchored in Assenagon's risk management process.

In all funds where the focus lies on sustainability, it is integrated comprehensively into the investment process. For a successful ESG integration it is essential for us that the portfolio managers themselves possess a distinct ESG expertise. Thereby, the analysis processes of economic and sustainability factors are interlinked better and more efficiently. As a long-term UN PRI signatory, we are guided by the UN Principles for Responsible Investing and the principles of the UN Global Compact. In addition, the UN Guiding Principles for Business and Human Rights and the ILO Labour Standards are taken into account. Companies that violate these guidelines or are generally involved in very severe controversies are excluded from a direct investment by these funds. Similarly, direct investments in controversial business areas are regulated based on set revenue limits. In this way, we strive to avoid adverse impacts of our investment decisions on sustainability factors such as environmental, social and labour concerns, respect for human rights and the fight against corruption as far as possible. With our approach, we aim to make a positive contribution to the goals of the Paris Climate Agreement to limit global warming, which we explicitly support.

#### **Stewardship**

As a fiduciary, Assenagon exercises the shareholder and creditor rights associated with our fund investments independently of third-party interests and solely in the interests of our investors. We interact with companies in which we invest or which are part of our investment universe through voting (at shareholder meetings) as well as engagement (dialogue with companies). In doing so, in addition to the above-mentioned cornerstones of our investment philosophy, we also pay particular attention to the resulting transparency requirements, especially with regard to improved transparency of climate data in order to better assess the long-term climate impact of companies. To this end, we support the efforts of the Task Force on Climate-related Financial Disclosures (TCFD), which strives to promote climate-related disclosures in corporate publications. For further details, please consult our Conflicts of Interest Policy and our Engagement and Voting Policy.

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#### **Transparency**

Assenagon manages mutual funds and client-specific dedicated mandates for various asset classes. Our investors have different requirements, based on their individual values and investment goals. What constitutes "responsible investing" is therefore perceived differently by investors. It is up to our investors to decide whether a fund investment meets their ethical and moral standards and their personal investment objectives. This makes it all the more important to create transparency regarding the ESG criteria implemented in our funds and mandates. On request, we gladly provide investors with further information on how ESG criteria are taken into account in the respective investment fund as part of the investment process.

For funds that have a sustainability-oriented investment focus, Assenagon provides the investors with information on the implementation and effectiveness of the relevant criteria in the offering prospectus, the website and the annual reports.

For further information on our  
sustainability initiatives, please contact:

[esg@assenagon.com](mailto:esg@assenagon.com)