



Responsible Investment Policy

Allfunds



Version Control

Version	Date	Author	Modifications
1.0	October 2020	CSR and Investment Solutions	New document
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Introduction

Allfunds Bank has signed the United Nations-supported Principles for Responsible Investment and the UN Global Compact and is therefore committed to integrate ESG factors into its investment practices. Allfunds Bank believes that the incorporation of ESG criteria into investment decisions helps to achieve better risk-adjusted returns while contributing to a positive environmental, social and governance impact.

Sustainability is a key element for Allfunds' corporate strategy and its commitment to responsible investing is underpinned by its social and environmental policies. Added to that, Allfunds encourages external asset managers that manage Allfunds' funds of mandates to exercise their voting rights and to actively engage with companies in order to promote good governance and sustainable corporate practices.

Scope of Application

This policy will apply to Allfunds Bank's sub-advisory business. All funds of mandates under Allsolutions SICAV have to comply with Allfunds' responsible investment guidelines, where they do not interfere with the fund's investment strategy.

Responsible Investment Guidelines

Companies with high sustainable, respectively ethical standards have a long-term competitive advantage. Therefore, **environmental** (e.g. climate change, pollution, sustainability of products), **social** (e.g. human & labour rights, consumer protection) and **governance criteria** (e.g. management structure & compensation, corruption) must be taken into account in the investment process. Asset managers have to be aware of any ESG risks that are associated with their investments.

Added to that, the following exclusion criteria must be applied:

Controversial Weapons

Allfunds considers certain weapons to be controversial due to their disproportionate and indiscriminate impact on civilians:

- Exclusion of companies that derive revenues from anti-personnel mines; 0% revenue threshold
- Exclusion of companies that derive revenues from biological weapons; 0% revenue threshold
- Exclusion of companies that derive revenues from chemical weapons; 0% revenue threshold
- Exclusion of companies that derive revenues from cluster munitions; 0% revenue threshold

- Exclusion of companies that derive revenues from depleted uranium weapons; 0% revenue threshold
- Exclusion of companies that derive revenues from non-detectable fragments, incendiary weapons and/or blinding laser weapons; 0% revenue threshold
- Exclusion of companies that derive revenues from nuclear weapons; 0% revenue threshold

Thermal Coal

Climate change is one of the greatest threats to humanity and the global economy. Allfunds will therefore restrict investments in thermal coal as it generates the highest volume of carbon emissions of all fossil fuel energy sources.

- Exclusion of companies that derive revenues from thermal coal extraction or from thermal coal-based power generation; max. 10% revenue threshold

Tobacco

Tobacco is an unhealthy product which places an economic burden on societies. Allfunds believes that investing in tobacco companies is an unsustainable investment.

- Exclusion of companies that produce tobacco and/or tobacco products; max. 5% revenue threshold

UN Global Compact

As a signatory to the UN Global Compact, Allfunds does not consider companies that violate these principles to be sustainable investments.

- Exclusion of companies that breach the UN Global Compact principles: companies are evaluated against the ten principles covering human rights, labour, environment and anti-corruption

Supervision and Updating

The responsible investment policy and activities are overseen by the Responsible Investment Committee of Allfunds Bank on a quarterly basis.