

## IST Portfolio

|                            |                        |
|----------------------------|------------------------|
| Portfolio Manager          | IST Investmentstiftung |
| ESG Rating <sup>1</sup>    | Not available          |
| SFDR Category <sup>2</sup> | Not applicable         |
| Investment strategy        | Active                 |

<sup>1</sup> MSCI ESG Report: [www.msci.com](http://www.msci.com)

<sup>2</sup> SFDR: The Sustainable Finance Disclosure Regulation is a European regulation introduced to improve transparency in the market for sustainable investment products. <https://www.eurosif.org/policies/sfdr/>

## Applied ESG Approaches

### Exclusion

IST IMMO INVEST SCHWEIZ („IIS“) is an actively managed fund-of-funds investment group focusing on NAV-based and non-listed Swiss real estate investment foundations and funds. The investment objective is to achieve risk-adjusted and sustainable long-term capital and earnings growth through real estate investments. This includes the active management, repositioning and, if necessary, resale of funds and/or investment foundations. IST is committed to the economic, energy-efficient and resource-saving management of its investments. However, IIS has not defined any explicit exclusion criteria for its investments. All investment decisions are discussed in an open direct manner among Investment committee members („IC“). Every investment decision requires a majority approval.

### Proxy Voting



#### Yes.

There are several factors incorporated in our process for exercising voting rights. We consider the alignment of shareholder's and underlying investment fund's interest of great importance. In addition, we're analyzing if the remuneration report is in the interest of existing shareholders and doing comparison checks among peers.

### Engagement

**Not applicable**

### ESG Integration

**Not applicable**

### Best-in-Class

**Not applicable**

The basis of every investment decision is an investment recommendation, which the portfolio manager provides to the investment committee. To include ESG related factors to such a recommendation, we are currently producing an ESG overview of all NAV-based Swiss real estate investment products. The ESG factors are judged separately enabling us to determine the sustainability level of the IIS portfolio.

On the one hand, we are analyzing public information of the respective funds and investment foundations. On the other hand, questionnaires are sent out to get specific information about ESG guidelines and gain further insight into each investment product.

### Thematic/ Impact Investing

**Not applicable**

## Portfolio manager: IST Investmentstiftung

### Facts & figures

|   |   |
|---|---|
| Assets under management   | CHF 10 bn   |
| Whereof in sustainable investment strategies                              | USD 2.4 bn  |
| Number of inv. profess.   | 23  |
| Whereof dedicated to ESG  | 2   |
| Signatory to UNPRI  | External managers are signatories   |
| UNPRI rating  | Not applicable  |
| Memberships (selection only):   |   |
| <ul style="list-style-type: none"> <li>• ASIP</li> <li>• KGAST</li> </ul> | <ul style="list-style-type: none"> <li>• Swiss Sustainable Finance (SSF)</li> </ul> |

### Consultant/ Partnerships

- zRating/Inrate for proxy voting
- Sustainability for Engagement

### Carbon Strategy

Carbon footprint is being measures since 2019

### Voting Activity

Yes, report on exercise of voting rights is available

Source: <https://istfunds.ch/en/esg-ist/>

### Engagement

Yes, Engagement report for 2021 is available.

Source: [https://istfunds.ch/media/5397/ist\\_d\\_engagementbericht-2021.pdf](https://istfunds.ch/media/5397/ist_d_engagementbericht-2021.pdf)

### Investment Approach and Sustainability

The investment strategy of IIS and portfolio guidelines are approved by the IC and drafted together with the dedicated portfolio manager. Those guidelines are then submitted for approval to the Board of Trustees („BoT“) Committee „Traditional Investments“ („STRA-TA“). There are no external consultants advising on those guidelines. However, given that the IC comprises of experienced experts and investors and the BoT Committee STRA-TA comprises of multiple representatives of the investor base, it is assured that the requirements and interests of the investors are being fully reflected in the investment guidelines of IIS. As stated in the section above, IIS has not defined any explicit exclusion criteria for its investments.

With few exceptions such as IIS, the management of the investment groups is in the hands of external portfolio managers. Their selection is based on IST's broad best-in-class approach, which has proven its value over many years. This focuses not only on performance and risk indicators, but also on the successful and seamless integration of ESG criteria into the investment and risk control process of the external asset managers. These criteria are analyzed in a detailed Operational Due Diligence („ODD“) prior to mandating the portfolio manager and are regularly monitored onwards. Since 2013, a basic prerequisite for the award of a mandate has been the signing of the UNPRI by the portfolio manager.

As described, ESG inclusion takes place at portfolio manager level, but also at IST level. As a company, IST accepts its responsibility towards all stakeholders and has enshrined aspects of sustainability in its mission statement and corporate strategy. As an investor, IST illustrates this, among other things, by consistently exercising voting rights for its equity investments in Switzerland and abroad. This approach is supplemented by engagement where necessary. The approval of IST's ESG policy and its implementation are the responsibility of the Foundation Board Committee „Corporate Strategy & Organization“ (STRA-UO).

[https://istfunds.ch/media/4255/ist\\_d\\_nachhaltigkeitsbericht-2021\\_neu.pdf](https://istfunds.ch/media/4255/ist_d_nachhaltigkeitsbericht-2021_neu.pdf)

### Next steps and further developments

IST timely implements new regulatory requirements respectively industry standards and continuously enhances its ESG reporting - on a corporate but also on a product level.