



Sustainable investing

ESG concept of Bank CIC

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Bank CIC is well aware of its responsibility to society and the environment. That's why we offer sustainable investment solutions. Sustainable investing not only has a positive impact on nature and the environment, it can also generate favourable returns.

On request, the concept of sustainability can be included in the advisory process. We look forward to assisting you in your sustainable investments.

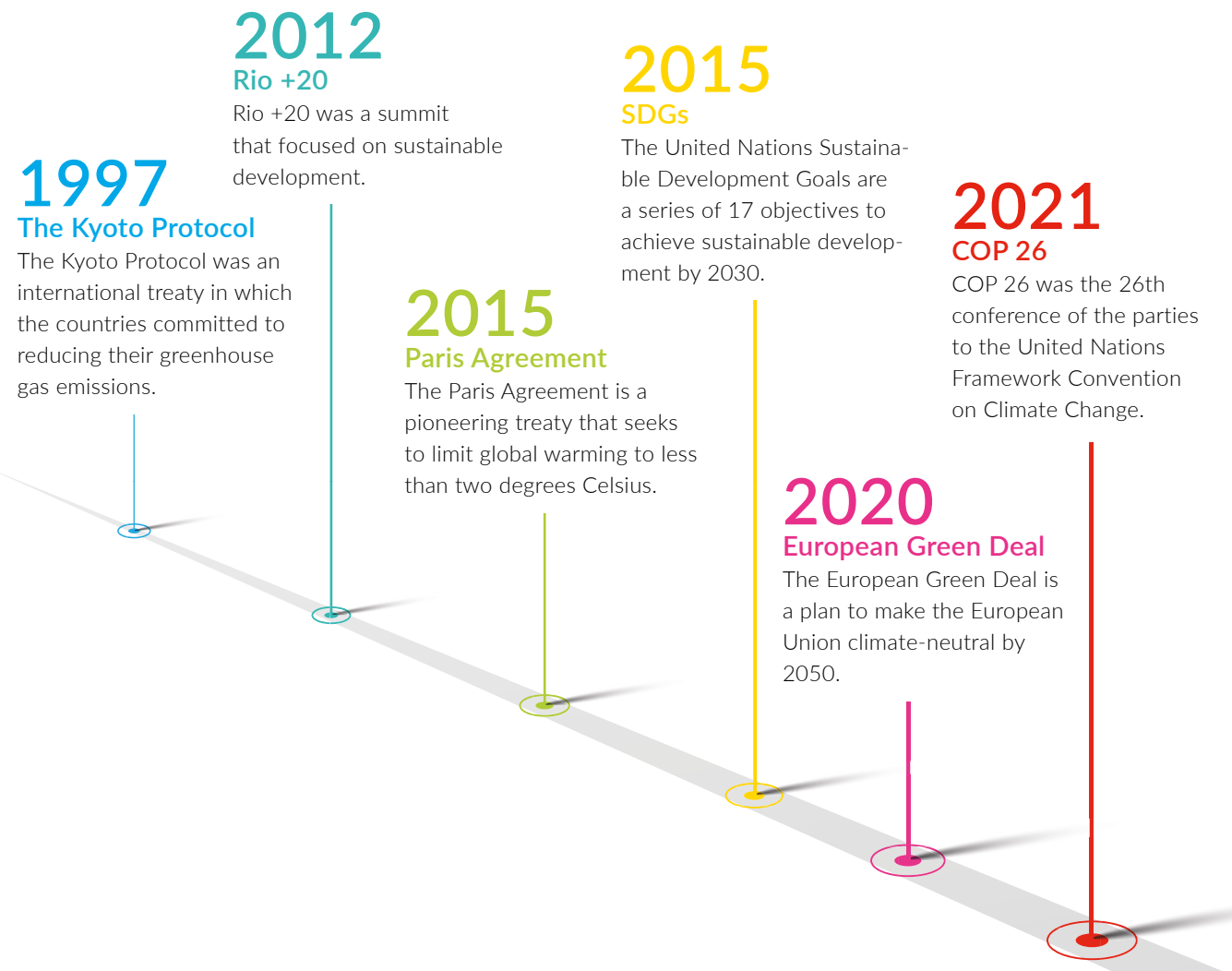
What does sustainability mean?

Sustainability is the idea that the needs of the current generation can be satisfied without endangering the ability of future generations to meet their own requirements. The aim is to strike a balance between the environment, the economy and society.

This balance became shaky many years ago. That is why international climate conferences are held on a regular basis. The first took place in Rio de Janeiro in 1992. Since then they have taken place at brief intervals, with ever more countries participating. The climate conferences are a key step on the way to combating climate change. They

have brought about significant progress, but the objectives are still far from being achieved. The actions they decide should help to protect the environment, strengthen the economy and improve society. They make an important contribution to sustainable development.

Key international climate conferences



The 17 UN Sustainable Development Goals

The 17 United Nations Sustainable Development Goals (SDGs) are a global programme to make the world a better place by 2030. The SDGs aim to combat poverty, inequality, climate change and other global challenges.



Find out more about the goals and what they mean by scanning the QR code:



What does sustainable investing mean?

Sustainable investing means investing in the future. You invest in companies that have given a commitment to sustainability. It also means investing in a better society and a more healthy environment.

ESG stands for environmental, social and governance. These three areas form the basic pillars of sustainability and play a major role when selecting sustainable investments. ESG investments are based on the idea that companies which are committed to sustainability enjoy greater success in the long term. Companies with a sustainability

commitment are often more innovative and have a greater sense of responsibility. Taking ESG criteria into account when making investment decision also has a role to play when identifying the potential risks in a company. It means, for example, that some investments associated with sustainability risks are excluded.



Environmental

E is for environmental

The criterion considers the extent to which a company or country pollutes the environment, emits greenhouse gases or harmful substances, consumes resources or uses energy efficiently. Climate risks in particular are becoming more important: climate change is not just a problem for the environment, it also represents an economic threat.



Social

S is for social

The S in ESG stands for the social aspects of the activities of companies and countries. Respect for human dignity is given the highest priority. For example, the situation of a company's employees is considered, in terms of diversity, occupational safety and health protection.



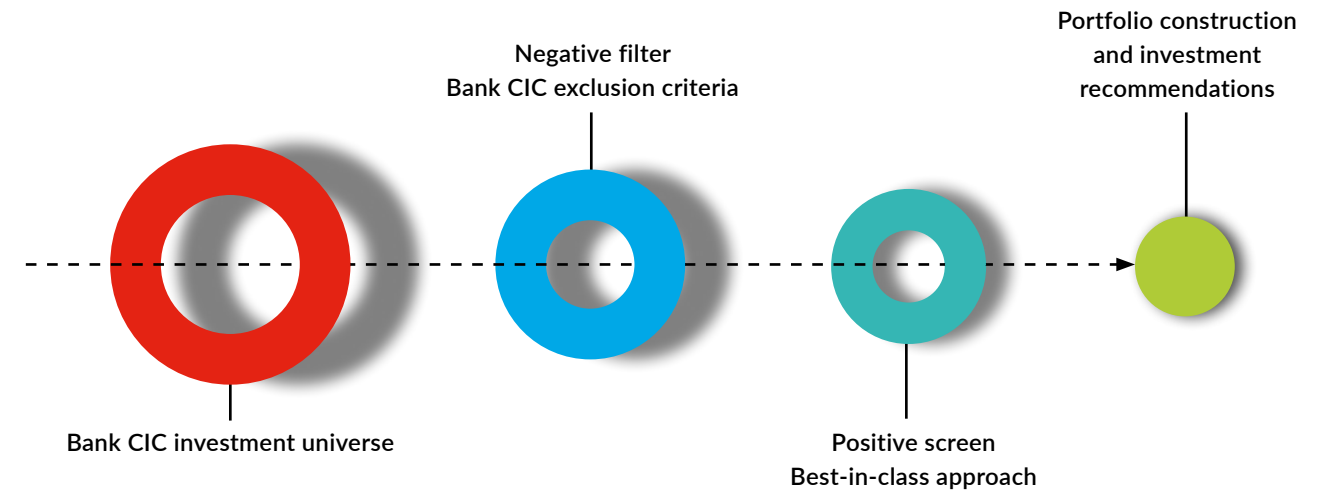
Governance

G is for governance

Governance refers to the way companies, countries and financial products are run. It includes, for instance, transparency, reporting and compliance with laws and regulations.

Sustainable investing at Bank CIC

Companies committed to ESG principles are generally better positioned for the long term. This can have a positive effect on company performance, and hence the return on ESG investments.



Bank CIC investment universe

Our investment universe is the totality of investment opportunities from which our CIO and his team choose when making its investment decisions.

Negative filter and Bank CIC exclusion criteria

We have a series of exclusion criteria we apply to pick out companies that do not meet our sustainability standards. These include:

- Prohibited weapons under the guidelines in the UN Weapons Convention
- Breaches of the UN Global Compact, which has ten principles including human rights, protection of the environment and combating corruption.
- Child labour
- Genetic technology
- Gambling (>5% of revenue)
- Pornography (>5% of revenue)
- Coal mining (>5% of revenue)

Positive screening using the best-in-class approach

Bank CIC uses MSCI ESG ratings to assess companies' sustainability risks. Applying the best-in-class approach means only the companies with the best ESG rating in their sector are chosen. We do not recommend companies with an insufficient MSCI ESG rating.

Investment funds are selected in a three-stage investment process. First, the performance of the fund, the tracking error* and the management team are reviewed. We then analyse the cost structure and compare it with the peer group. Finally, the leaders and laggards at the sustainability level are identified. We favour funds with a better MSCI ESG rating.

Portfolio construction and investment recommendations

Portfolio construction for discretionary mandates and our investment recommendations are based on reconciling to the greatest possible degree investment objectives, risk tolerance, risk appetite and ESG requirements.

* Difference between the performance of a replica portfolio (e.g. index fund) and that of the underlying reference portfolio.

ESG control and monitoring of portfolios

Within your discretionary mandate we conduct regular ESG reviews of your portfolio to ensure they fit with our sustainable investing objectives. We also monitor ESG data monthly to spot potential risks or controversies.

Where do the ESG data come from?

The ESG assessment is based solely on data obtained from MSCI, a provider of financial and ESG data. MSCI is a recognised supplier of ESG data and applies a rule-based methodology to identify sector leaders and laggards based on their vulnerability to ESG risks and the way they deal with these risks compared to other companies.

Reporting

We are continuing to expand our ESG offering and our services. In a future stage of development, we will provide you with a regular report showing your portfolio's ESG score.

Risks involved in trading financial instruments

The special risks in connection with sustainability (ESG risks) can be found in the brochure „Risks involved in trading financial instruments“ (cic.ch/en/fidleg).

You have the choice

At Bank CIC we offer you two ways of investing. We draw a distinction between neutral investing and investing focused on sustainability. You decide which best suits you and matches your personal sustainability objectives.

Sustainable investing

Our investment solutions focused on sustainability contain companies that are committed to sustainability and have a positive impact on the environment, society and the economy. Sustainable companies are often more innovative and efficient than non-sustainable companies. They can also be more resistant to crises and be better placed for long-term growth.

Neutral investing

Under this approach, everything stays the same as before. Investment solutions may contain assets that meet our sustainability criteria, but no effort is made to integrate them on a systematic basis



Crédit Mutuel Group

We build the financial future of our clients on the stable foundations of the Crédit Mutuel Group. With over 36 million clients, 8.6 million cooperative members and more than EUR 62 billion in equity, this long-standing group is one of the best-capitalised banks in Europe. Bank Crédit Mutuel Alliance Fédérale is committed to sustainability

and works to reduce its environmental impact, promote social and economic development and create a sustainable future. The Crédit Mutuel Group affirms its unique commitment as an "Entreprise à Mission" and introduced a social dividend in 2023.



Visit our website to learn more about our offering.
Scan the following QR code:



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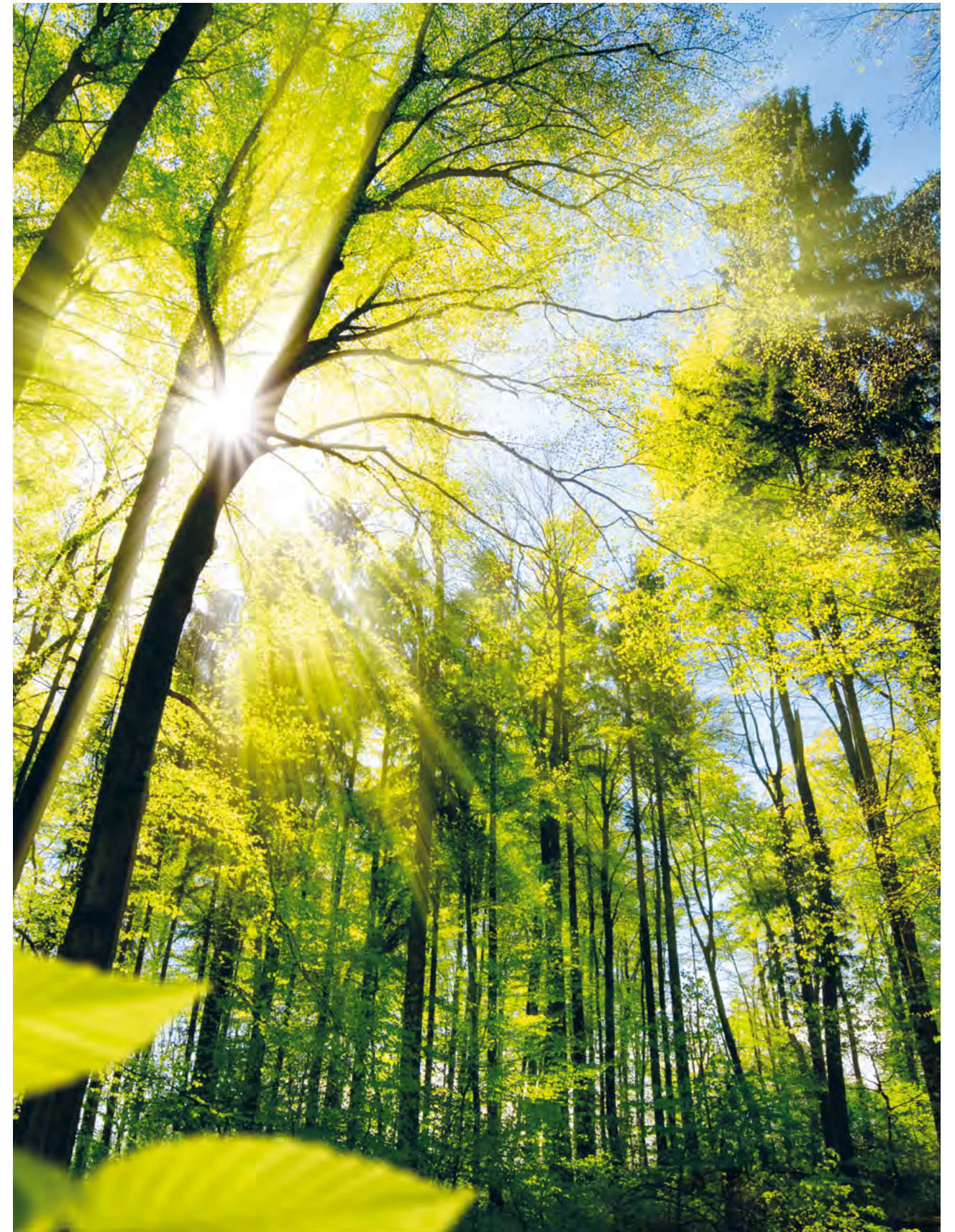
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