



March 2021

# Fontavis Engagement Principles

## Engagement Principles

Fontavis considers engagement as an integral part of its Responsible Investment Approach<sup>1</sup>. It exercises its ownership rights as part of its fiduciary duty, i.e. the prudent and responsible management of the entrusted assets. We actively seek to work with companies and relevant stakeholders to address environmental, social and governance challenges while safeguarding the financial interests of our clients. This encompasses, active governance, community and third-party dialogue and collaborative enhancements.

The following principles guide our engagement activities:

- Engagement activities aim at securing and enhancing the safety and the long-term value of the investments. These activities are generally considered as being more effective in safeguarding or creating value than exclusion-only strategies.
- We further support activities that contribute to reduce the impact of climate change and improve the general sustainability performance as long as the financial interests of the clients and investors in our products are safeguarded.
- Engagement activities shall not entail undue costs, neither direct costs nor asset depreciation.
- We follow the recommendations of best practice codes such as the Principles for Responsible Investment of the PRI Association.

## Governance

The Executive Committee of Fontavis coordinates the engagement activities. It may refer specific topics to the ESG Board of Swiss Life Asset Managers, chaired by their Head of ESG.

External providers may be involved for services such as research, mere execution of certain engagement activities or as providers of collaborative platforms to which we connect.

Engagement topics are primarily selected based upon materiality, i.e. issues that are likely to significantly affect an asset's long-term value. Such matters may include but are not limited to the governance, the business strategy, reporting and transparency issues or sustainability topics that are deemed likely to create or to increase financial risks, e.g. climate change. We regularly screen ESG aspects of the assets through our own research and business analysis.

## Engagement

For investments in non-listed companies, Fontavis ensures that the processes, the scope and the content of the engagement is appropriate to the investment level. This may include exercise of direct governance rights, such as through board representation, direct dialogue with key decision makers such as company managers or directors, or cooperation with other shareholders and key stakeholders such as joint venture partners.

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<sup>1</sup> See our Sustainability Code on [www.fontavis.ch](http://www.fontavis.ch)