

Statement on principal adverse impacts of investment decisions on sustainability factors.

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1. Summary.

Helvetia Holding AG (Legal Entity Identifier: 5299007FNTNU3NBQPQ17) considers principal adverse impacts of its investment decisions on sustainability factors as part of its investment due diligence process and procedures. The statement on principal adverse impacts of investment decisions on sustainability factors, pursuant to Art. 4 (3) of Regulation (EU) 2019/2088, considers the reference period of 1. January 2022 to 31. December 2022 and covers investments of all subsidiaries included in the scope of consolidation of Helvetia Holding AG (as described in [Annual report](#), p.201–204).

The statement summarizes Helvetia's due diligence policies for identifying and prioritizing adverse sustainability impacts and indicators, a description of the adverse sustainability impacts identified and of the actions taken to reduce these impacts and the internationally recognized due diligence and reporting standards applied by Helvetia Group. Helvetia considers such principal adverse impacts of its investment decisions through screening and exclusion criteria, as well as increasing integration of sustainability considerations in investment processes.

The process of identifying and prioritizing adverse sustainability impacts and indicators is embedded within Helvetia's Sustainability Strategy 2025. As part of our Sustainability Strategy, we want to contribute to the fight against climate change by avoiding, minimizing or at least reducing our potential adverse sustainability impact. Our Sustainability Strategy is structured into four sustainability pillars, and we coordinate the implementation of the Sustainability Strategy within these priority areas:

- a) Sustainable products and customer relationships
- b) Responsible investment
- c) Sustainable business operations
- d) Sustainability culture and governance

For the pillar of responsible investment, Helvetia publicly committed to reduce the CO₂ emissions in its investment portfolio to net zero emissions by 2050.

2. Description of the principal adverse impacts of investment decisions on sustainability factors.

Table 1 below outlines the mandatory indicators that the SFDR has defined. For each of these indicators, we have provided details of the measures we have already taken, as well as our plans for future actions and the targets we have set to prevent or minimize any adverse impacts. For the first time, we publish the impacts of our fund's investments, covering the period from 1 January 2022 to 31 December 2022. For the period from 1

January 2023 to 31 December 2023 and every year thereafter, we will also report on the impact compared to the previous year by 30 June 2024. In this PAI statement, the impact data from the previous reporting period of 2021 were not yet available. To be consistent with the units defined by the template for this statement, all currency figures are calculated in EUR.

Table 1: Description of the principal adverse impacts on sustainability factors

Indicators applicable to investments in investee companies

Climate and other environment-related indicators

Adverse Sustainability Indicators	Metric	Impact 2022	Impact ¹ 2021	Explanation ²	Actions taken, and actions planned, and targets set for the next reference period	
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions, in metric tons	63'013.83	NA	Reported or estimated (MSCI ESG methodology) scope 1 GHG emissions.	Helvetia publicly committed to supporting the goal of net zero greenhouse gas emissions for its investment portfolio by 2050, in line with global efforts to limit warming to 1.5°C.
		Scope 2 GHG emissions, in metric tons	9'398.43	NA	Reported or estimated (MSCI ESG methodology) scope 2 GHG emissions.	
		Scope 3 GHG emissions, in metric tons	371'852.30	NA	Estimated (MSCI ESG methodology) scope 3 GHG emissions.	For listed equities and corporate fixed income assets, Helvetia performs a regular portfolio screening of principal adverse impacts along selected key performance indicators such as GHG emissions and carbon footprint.
		Total GHG emissions, in metric tons	444'264.55	NA	Sum of scope 1, 2 and 3 emissions.	
	2. Carbon footprint	Carbon footprint, in metric tons per M EUR invested	366.99	NA	Total GHG emissions per million EUR invested.	
	3. GHG intensity of investee companies	GHG intensity of investee companies, in metric tons per M EUR sales	661.67	NA	Total GHG emissions intensity.	

¹ Information on impact compared to previous reporting year will be reported by 30 June 2024, and continuously on an annual basis.

² The explanation on the development of the specific principal adverse impact indicators against the previous reference period, will be provided by 30 June 2024.

					In the next reference period, Helvetia implements a GHG accounting to measure financed emissions in our investment portfolio. Our GHG accounting methodology is aligned with the international PCAF standard recommended by the TCFD. Based on the carbon accounting we will develop a climate strategy, including targets and next steps to reduce GHG emissions.
4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0.33%	NA	Share of investments in companies with exposure to fossil fuels related activities, including extraction, processing, storage and transportation of petroleum products, natural gas, and thermal and metallurgical coal.	As part of net-zero path of Helvetia's investment portfolio, Helvetia has, as a first step, defined revenue-based exclusions for companies involved in thermal coal and oil sands. This approach aims to phase out fossil fuels and energy generation from fossil fuels from our investment portfolio.
5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	53.67%	NA	Market-value-weighted average of investee companies' energy consumption and/or production from non-renewable sources as a percentage of total energy use and/or generation.	
6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector			Market-value-weighted average of energy consumption intensity of investee companies per high climate impact NACE sector.	With the definition of the climate strategy in the next period, the energy sector will be analyzed, and targets and action points set.
	Sector A – Agriculture, Forestry and Fishing	0.70	NA		
	Sector B – Mining and Quarrying	1.76	NA		
	Sector C – Manufacturing	0.69	NA		
	Sector D – Electricity, Gas, Steam and Air Conditioning Supply	5.01	NA		
	Sector E – Water Supply, Sewerage, Waste Management and Remediation Activities	2.85	NA		

		Sector F - Construction	0.27	NA		
		Sector G - Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	0.55	NA		
		Sector H - Transportation and Storage	1.17	NA		
		Sector L - Real Estate Activities	0.96	NA		
Biodiversity	7. Activities negatively affecting biodiversity- sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity- sensitive areas where activities of those investee companies negatively affect those areas	1.29%	NA	Share of investments in companies with operations located in biodiversity sensitive areas and involvement in controversies with severe impact on the environment and/or operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	To date, we do not majorly focus on measures on biodiversity.
Water	8. Emissions to water	Tons of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.0000008	NA		To date, no actions targeting emissions to water are being conducted or planned in the close future.
Waste	9. Hazardous waste and radioactive waste ratio	Tons of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	0.000005	NA		To date, no actions targeting emissions hazardous waste are being conducted or planned in the close future.
Indicators for social and employee, respect for human rights, anti-corruption, and anti-bribery matters						
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.38%	NA		We adhere to the UN Global Compact principles, and we aim to invest only in investee companies that comply with these norms. Therefore, we defined conditional exclusions for counterparties violating the UN Global Compact. Our Responsible Investment team periodically performs desktop analysis of actual and potential investee companies, based on MSCI ESG research and other publicly available information. If for an actual or potential investee company a material risk of an

						adverse impact is identified and this risk cannot be sufficiently mitigated, this will generally lead to terminating the exposure. In the next reporting period, an Active Ownership approach will be built up to work alongside the exclusions and give us more opportunities to deal with these risks and promote best practices in investee companies.
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	5.16%	NA	Share of investments in investee companies where no evidence of processes around the compliance with UNGC principles or OECD Guidelines could be found.	Currently, we do not consider this criterion. However, going forward, we aim to monitor this indicator and provide progress reports for companies committed to the UNGC, as mandated since 2023. Investee companies showing higher risks in this regard may undergo further analysis and potential measures alongside our Active Ownership approach. This includes leveraging our voting policy to exert our influence as investors and contribute to enhancing the practices of investee companies.	
12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	17.02%	NA	Market-value-weighted average of unadjusted gender pay gap of investee companies.	Currently, we do not consider the unadjusted gender pay gap of investee companies. In the future we aim to monitor this indicator and investee companies showing higher risks in this regard may be subject to further analysis and potential actions alongside our Active Ownership approach, especially our voting policy.	
13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	37.22%	NA	Market-value-weighted average of female board members as percentage of all board members of investee companies.	Currently, we do not consider the board gender diversity of investee companies. In the future we aim to monitor this indicator and investee companies showing higher risks in this regard may be subject to further analysis and potential actions alongside our Active Ownership approach, especially our voting policy.	
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions,	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00%	NA		Counterparties involved in anti-personnel mines, cluster munitions, chemical weapons, and biological weapons are excluded from the investable universe for	

chemical weapons and
biological weapons)

direct investments. The investment portfolio
is regularly monitored to there is no
exposure through direct investments.

Indicators applicable to investments in sovereigns and supranationals

Environmental	15. GHG intensity	GHG intensity of investee countries, in tons per M EUR GDP	252.14	NA	Tons of CO ₂ e emissions per EUR million GDP of the country. National territorial emissions are sourced from EDGAR. Nominal GDP level is sourced from WDI. Currency conversion of Nominal GDP to euros uses the average annual nominal exchange rate level.	For sovereign fixed income assets, Helvetia performs a regular portfolio screening of principal adverse impacts along selected key performance indicators such as GHG intensity of investee countries. In the next reference period, a climate strategy is to be defined where targets and next steps to reduce GHG emissions are identified.
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law			Due to the form of the available data, we decided to split the absolute and the relative factor by direct investments and indirect investments in third-party funds. For third-party funds no information is available on which countries are responsible for the absolute or relative exposure of the fund to investee countries with social violations. Therefore, for funds, we disclose the maximum absolute number of countries in one fund with social violations as well as the average relative exposure.	Regarding international sanctions, Helvetia abstains from investments and business relations related to a specific set of countries for which comprehensive human rights motivated economic sanctions provisions prevail (imposed by the UNSC). Helvetia regularly monitors the investment portfolio to ensure there is no unconscious exposure to such companies. In the future Helvetia will also perform pre- and post-trade checks for all listed securities, issuers, and further counterparties.
		Absolute number in direct investments	NA	NA		
		Relative number in direct investments	0.00%	NA		
		Maximum absolute number in funds	7	NA		
		Average relative number in funds	0.00004%	NA		

Indicators applicable to investments in real estate assets

Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	NA	NA	No consistent data available on group level. For data on market unit level, please refer to the respective reports.	Helvetia does not invest in real estate related to the extraction, storage, transport or production of fossil fuels and this strategy will be pursued further.
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	NA	NA	No consistent data available on group level. For data on market unit level, please refer to the respective reports.	For property investment, Helvetia assesses adverse impacts of fossil fuel consumption through real estate assets, the exposure to energy-inefficient real estate assets, greenhouse gas emissions and energy consumption intensity. There is a focus on energy-efficient investments in future investment decisions.

Other indicators for principal adverse impacts on sustainability factors

In addition to the mandatory indicators, we selected additional indicators subject to our materiality analysis as well as data availability and quality. As shown in Table 2, we chose

one additional climate and other environment-related indicator applicable to investments in investee companies, as well as 5 additional indicators for social and employee, respect for human rights, anti-corruption, and anti-bribery matters, shown in Table 3.

Table 2: Additional climate and other environment-related indicators

Climate and other environment-related indicators

Indicators applicable to investments in investee companies

Adverse Sustainability Indicators	Metric	Impact 2022	Impact 2021	Explanation ³	Actions taken, and actions planned, and targets set for the next reference period	
Emissions	4. Investments in companies without carbon emissions reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	5%	NA	Share of investments in investee companies, where sensitive research did not discover a carbon emission reduction initiative aimed at aligning with the Paris Agreement. Due to incomplete coverage of the total investments, this does not imply that 78,53% of our investee companies do have a carbon emission reduction initiative aimed at aligning with the Paris agreement.	Helvetia publicly committed to supporting the goal of net zero greenhouse gas emissions for its investment portfolio by 2050, in line with global efforts to limit warming to 1.5°C. In the next reference period, Helvetia defines a climate strategy, where targets and next steps to reduce GHG emissions according to that goal are identified.

Table 3: Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters

Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters

Indicators applicable to investments in investee companies

Adverse Sustainability Indicators	Metric	Impact 2022	Impact 2021	Explanation ⁴	Actions taken, and actions planned, and targets set for the next reference period
Human Rights	9. Lack of a human rights policy	Share of investments in entities without a human rights policy	0%	NA	We adhere to the UN Global Compact principles, and we aim to invest only in investee companies that comply with these norms. Therefore, we defined conditional exclusion for counterparties violating the UN Global Compact. Our Responsible Investment team periodically performs

³ The explanation on the development of the specific principal adverse impact indicators against the previous reference period, will be provided by 30 June 2024.

⁴ The explanation on the development of the specific principal adverse impact indicators against the previous reference period, will be provided by 30 June 2024.

						desktop analysis of actual and potential investee companies, based on MSCI ESG research and other publicly available information. If for an actual or potential investee company a material risk of an adverse impact is identified and this risk cannot be sufficiently mitigated, this may lead to terminating the exposure. In the next period, an Active Ownership approach will be built up to work alongside the exclusions.
Anti-corruption and anti-bribery	15. Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption	0%	NA		We adhere to the UN Global Compact principles, and we aim to invest only in investee companies that comply with these norms. Therefore, we defined conditional exclusion for counterparties violating the UN Global Compact. Our Responsible Investment team periodically performs desktop analysis of actual and potential investee companies, based on MSCI ESG research and other publicly available information. If for an actual or potential investee company a material risk of an adverse impact is identified and this risk cannot be sufficiently mitigated, this may lead to terminating the exposure. In the next period, an Active Ownership approach will be built up to work alongside the exclusions.
Indicators applicable to investments in sovereigns and supnationals						
Human Rights	20. Average human rights performance	Measure of the average human right performance of investee countries using a quantitative indicator explained in the explanation column	0.77	NA	This indicator is the 'Fundamental Rights' sub-score from the World Justice Project (WJP) Rule of Law Index. The sub-score measures a country's performance on human rights issues, as per Factor 4 of the WJP Rule of Law Index. Scores can range from 0-1.0, and higher values denote stronger national performance across a broad range of human rights issues.	Regarding international sanctions, Helvetia abstains from investments and business relations related to a specific set of countries for which comprehensive human rights motivated economic sanctions provisions prevail (imposed by the UNSC). Helvetia regularly monitors the investment portfolio to ensure there is no unconscious exposure to such companies. In the future Helvetia will also perform pre- and post-

Governance	21. Average corruption score	Measure of the perceived level of public sector corruption using a quantitative indicator explained in the explanation column	60.15	NA	Corruption perception measures the degree to which public sector corruption is perceived to exist in different countries around the world. Data source: Transparency International. Countries with lower score are perceived to be more corrupt. Range 0 to 100.	trade checks for all listed securities, issuers and further counterparties.
	24. Average rule of law score	Measure of the level of corruption, lack of fundamental rights, and the deficiencies in civil and criminal justice using a quantitative indicator explained in the explanation column	0.83	NA	Capturing perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence. Data source: Worldwide Governance Indicators (WGI). Countries with higher score demonstrate better rule of law. Range -2.5 to 2.5.	

3. Description of policies to identify and prioritize principal adverse impacts on sustainability factors.

3.1 Material factors

Helvetia undertakes a process to identify how its investment activities are linked to adverse sustainability impacts. The approach is based on a comprehensive materiality analysis on various factors concerning Environmental, Social and Governance pillars. The Corporate Sustainability Team of the Helvetia Group, led by our Chief Sustainability Officer, performed a materiality analysis in April 2023. Following a "double materiality" approach, internal stakeholders from all market units examined both financial materiality (impact of sustainability matters on the company's finances) and impact materiality (impact of the company's activities on sustainability matters). In the selection process of the additional indicators from the PAI statement framework, we chose indicators that are closely related to the material topics identified by our double materiality analysis.

Consequently, Helvetia is developing and implementing step-by-step the concepts and processes around the

identified material topics. This enables us to comprehensively monitor possible adverse impacts in order to manage them better with regard to our investment decisions.

3.2 Data sources

Helvetia uses mainly data from MSCI ESG to measure and monitor the principal adverse impacts of the investment portfolio. Where possible and necessary, especially for the calculation of the greenhouse gas emissions of the portfolio, the inputs are enhanced or verified with Bloomberg data. Since there is still a lot of development going on concerning data availability and quality, data sources are regularly reviewed and can be subject to change. For deeper research on single companies, especially concerning controversies, Helvetia also conducts its own research to ensure to have the most complete picture possible.

4. Engagement policies.

Helvetia expects its investee companies to operate their businesses in a way that considers all relevant legal and regulatory guidelines and to be supportive of good stakeholder relations. This is a prerequisite to safeguard our clients' expectations, fulfil the associated fiduciary duty and protect stakeholder interest. To promote such behavior, we plan to leverage our influence as an investor by making use of our shareholder rights at general assemblies as well as through direct or indirect dialogue with investee companies.

Currently, Helvetia exercises the shareholder rights associated with stocks for the benefit of its policyholders and the objective to promote good corporate governance. As mentioned in the description of planned actions for relevant indicators, we will develop a complementary approach to systematically integrate and monitor adverse impact indicators in the voting process as well as to engage with our management and board members in order to identify and understand ESG issues and to monitor ESG performance.

Additional to engaging with investees, Helvetia as a financial market player also aspires to influence the development of sustainable standards, especially in its Swiss home market. As a founding member of the Swiss Sustainable Finance (SSF) association Helvetia is guided in its actions by raising awareness of sustainability issues in the industry, actively helping to shape sustainability measures and their further development. Active participation in working groups of SSF and the Swiss Insurance Association to drive such developments substantiate these goals. To live up to a high level of responsibility, Helvetia has committed itself as an institutional asset owner to the Principles for Responsible Investment (PRI). This voluntary commitment developed by the United Nations aims to give greater consideration to environmental, social and governance factors in investment decisions.

5. References to international standards.

The management of Helvetia Group is working to align all corporate activities in such a way that they are sustainable and valuable for the society and for the environment. Currently, we are revising our Code of Compliance to become a comprehensive Code of Conduct. The Code of Conduct will contain the basic principles and rules of conduct that Helvetia expects from its employees in the performance of their duties. It thus will form the regulatory foundation for compliance with legal regulations and ethical standards. Our Code of Compliance is available on Helvetia's webpage.

To date, Helvetia does not apply forward-looking climate scenarios. Our portfolios are globally diversified and take into account environmental, but also social and governance factors. Helvetia is currently analyzing the different climate scenarios and aims to incorporate fitting scenarios to its investment strategy.

Helvetia is highly committed to fully adhere to the various relevant embargoes and economic sanctions regulations as this regards the investments in our funds, but also our clients, employees, and vendors. A complete list of all Helvetia memberships and partnerships can be accessed on our [website](#). Moreover, Helvetia takes into consideration the following commitments to uphold compliance with the highest standards of ethics and professional conduct:

5.1 Paris Agreement

Reference to sustainability indicators:

- Table 1, PAI 1-6 (Greenhouse gas emissions)

Helvetia publicly committed to align its investments and strategy to the 1.5-degree goal of the Paris Agreement. In

that regard, Helvetia also committed to gradually reduce the emissions of its investment portfolio to net zero by 2050.

5.2 UN Global Compact (UNGC) and OECD Guidelines for Multinational Enterprises

Reference to sustainability indicators:

- Table 1, PAI 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises)
- Table 1, PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises)

Helvetia has signed the United Nations Global Compact (UNGC) and endorses the OECD Guidelines for Multinational Enterprises. The UNGC and OECD outline minimal behavioral standards that serve as the basis for the enhanced engagement program as well as the exclusion policy.

5.3 Convention on Cluster Munitions and OTTAWA treaty

Reference to sustainability indicators:

- Table 1, PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)

6. Historical comparison.

For the period of 1 December 2023 to 31 December 2023 and every year thereafter, a historical comparison of the period reported compared to the previous reported period will be prepared.

In 2023, Helvetia published its PAI statement following the template set out in Annex I. of the Commission Delegated Regulation (EU) 2022/1288. Therefore, the statement was

completely restructured and varies significantly from the previously published version.

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