

# Disclosure pursuant to articles 3, 4 and 5 of Regulation (EU) 2019/2088 (Disclosure Regulation or Sustainable Finance Disclosure Regulation - "SFDR")

## Preliminary remark:

This disclosure applies to swisspartners Versicherung AG (swisspartners) in its role as a financial market participant as well as in its role as a financial advisor.

## Disclosure on the handling of sustainability risks (Art. 3 SFDR)

The EU Regulation "sustainability-related disclosure requirements in the financial services sector" entered into force on March 10, 2021. It forms part of the EU action plan with the goal of sustainable finance, which aims, among other things, to achieve the specifications and target values of the Paris Climate Agreement. Sustainability and the transition to a secure, climate-neutral, climate-smart, more resource-efficient and more circular economy are central to ensuring the long-term competitiveness of the EU economy.

The sustainability strategy of swisspartners includes the consideration of legal requirements resulting from ESG issues. This includes, among other things, education regarding the handling of sustainability risks in the context of swisspartners' services.

## What is sustainability?

Sustainability risks are defined in Art. 2 (22) SFDR as "an environmental, social or governance event or condition, the occurrence of which could have an actual or potential material adverse effect on the value of the investment."

Sustainability factors are divided into three categories:

- **Environment**
- **Social**
- **Corporate Governance.**

They can be macroeconomic in nature or directly related to a company's activities.

Macroeconomic sustainability factors include physical climate risks such as global warming and the resulting extreme weather events such as storms or floods. They also include the so-called transition risks associated with the transition to a low-carbon economy. For example, policies such as a carbon tax on fossil fuels may favor manufacturers of alternative propulsion systems. Sustainability factors that relate to a company's activities can include environmentally friendly production, compliance with basic labor rights, or measures to prevent corruption.

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### Responsible investment

swisspartners currently does not take sustainability risks into account in its investment decisions, as customers can choose the investments of the product offered (unit-linked life insurance) themselves and sustainability risks have not been classified as relevant for the selectable standardised investment strategies of swisspartners.

### Responsible products

Within the scope of unit-linked life insurance for the account and risk of the policyholder, the policyholder chooses investment funds or standardised investment strategies. The policyholder alone decides whether and to what extent ESG risks should be taken into account.

### Disclosure of the consideration of adverse impacts of investment decisions in products and insurance advice (Art. 4 SFDR)

Article 4 of the SFDR requires financial market participants to provide transparent information about adverse sustainability impacts at the corporate level.

### No consideration of adverse impacts of investment decisions on sustainability factors

swisspartners currently does not take into account at company level the relevant negative impacts of investment decisions on sustainability factors, i.e. negative impacts of ESG risks, in particular on environmental, social and employee concerns, respect for human rights and the fight against corruption and bribery.

The reason for not taking adverse impacts on sustainability factors into account in investment decisions is that swisspartners offers only one product in insurance consulting – unit-linked life insurance (ULLI) – the individual structure of which depends on the client's respective investment strategy. Accordingly, adverse impacts on sustainability factors can only be taken into account in investment decisions if the client decides to do so. swisspartners does not offer its own investment strategies that take adverse impacts on sustainability factors into account.

### No consideration of adverse effects on sustainability factors in insurance advice

Sustainability risks and the adverse effects of investment decisions on sustainability factors are not integrated into swisspartners' advice.

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#### Disclosure of remuneration policy taking into account sustainability risks (Art. 5 SFDR)

The remuneration policy of swisspartners evaluates the performance of employees, taking into account qualitative and quantitative performance targets. The remuneration system is designed in such a way that it does not encourage the assumption of excessive risks, avoids conflicts of interest and promotes the sustainable success of the company. In this respect, the consideration of sustainability aspects within the framework of the remuneration system has no influence on managers and employees.

The remuneration policy of swisspartners consists of fixed and variable components. Sustainability risks are taken into account insofar as the amount of the variable remuneration does not create incentives to take increased risks (incl. sustainability risks).

Version	Date of revision	Revision made
1.0	July 2021	Initial publication
2.0	September 2022	Fundamental revision of the document: formal adjustments, note on the non-consideration of sustainability risks and adverse effects on sustainability factors
3.0	March 2023	Adjustment of the document regarding non-consideration of sustainability risks and adverse impacts on sustainability factors