



# Socially responsible investing at BCV



**Socially responsible investing (SRI) refers to investment approaches that incorporate environmental, social, and governance (ESG) criteria into the process of selecting and managing investments.**

## SRI at BCV

- We incorporate ESG criteria into our investment processes while generating competitive long-term returns.
- We act as a responsible asset manager.
- We provide our clients with products that meet their SRI expectations.

## Our goals



- To offer our clients a wide range of responsible investment solutions in line with market best practices
- To progressively integrate SRI into our existing investment products
- To help advance research with leaders in the field, anticipate changes in the regulatory framework, and tailor our SRI approach accordingly

## Our values



### Fiduciary duty

We incorporate ESG approaches into our investment policy to improve the risk/return profile over the long term.



### Promoting sustainable development

As a cantonal bank, we are responsible for managing assets in a way that meets the needs of future generations.



### Transparency

We communicate on our SRI efforts in a transparent, clear, and simple manner.



### Investor expectations

We systematically integrate investors' sustainability requirements into the investment solutions we propose.



### Awareness-raising, training, and education

We actively raise awareness of SRI issues among all our stakeholders and provide them with training in this area.

## Our ESG product range

We offer two product ranges tailored to different levels of SRI expectations.

	ESG	ESG Ambition
Objectives	Takes <b>ESG criteria</b> into account while optimizing risk management	Builds on the SRI approaches used for the ESG range, with a portion of the assets allocated to thematic investments that <b>help drive positive change in the economy, society, and the environment</b> , in accordance with the UN Sustainable Development Goals
Negative screening	✓	✓
ESG integration	✓	✓
Positive screening/ best-in-class selection	✓	✓
Stewardship (active ownership)	✓	✓
Thematic investments		✓



## SRI approaches



### **Negative screening**

Screening out companies whose practices are incompatible with our SRI approach



### **ESG integration**

Making our portfolios more resilient by taking ESG risks and opportunities into account



### **Positive screening and best-in-class selection**

Positive screening: we select companies with good ESG scores in order to build a portfolio with an ESG score higher than that of the benchmark index.

Best-in-class selection: we select companies that outperform their peers on ESG metrics with respect to a given threshold.



### **Stewardship (active ownership)**

Positively influencing companies' practices using two main tools: AGM voting and shareholder engagement



### **Thematic investments**

Investing in companies that provide solutions to environmental and social issues

Banque Cantonale Vaudoise  
Case postale 300  
1001 Lausanne

[www.bcv.ch/en/sri](http://www.bcv.ch/en/sri)

#### **Important legal information:**

The information and opinions provided in this document were obtained from reliable sources at the time of publication. BCV disclaims all liability relating to such information, which may be changed at any time without notice. This document is for information purposes only. It does not constitute a request for an offer, an offer to buy or sell, or a personalized investment recommendation. The BCV logo and trademark are protected. This document is subject to copyright and may not be reproduced unless the reproduction mentions its author, copyright, and the legal information it contains. Prior written authorization from BCV is required to use this document for public or commercial purposes.

## Our track record

Introduced SRI principles for our asset management division in step with the needs of our private and institutional clients

2016–  
2018

2019

Became a signatory to the United Nations Principles for Responsible Investments (UNPRI) and launched a research partnership with the University of Lausanne (UNIL)

Entered into a partnership with Ethos, joined Swiss Sustainable Finance (SSF) and took part in the PACTA climate assessment

2020

2021

- Participated in the Swiss Sustainable Finance study and issued our first report in accordance with the UNPRI
- Communicated on the votes we cast at shareholders' meetings for Swiss companies as well as on our voting guidelines

- Published our SRI policy and introduced staff training on this topic
- Extended our shareholder voting guidelines to international companies
- Set up an ESG reporting process

2022

2023–  
2024

- Ongoing:
- Creating a climate strategy for our asset management activities that takes into account Switzerland's climate commitments
  - Developing a shareholder engagement policy
  - Setting up a performance reporting system for BCV products and institutional client portfolios that includes various ESG indicators, such as Swiss Climate Scores for some products