

APAC Green Forum 2022

Sustainability at Asset Management



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More than just talk for us: Our goal is to create an ecosystem where we lead by walking the walk.

Our goal is to mobilize capital toward the UN Sustainable Development Goals. We look at this purpose through three different lenses:



Planet

Taking climate action and supporting the transition to a net zero world



People

Shaping a diverse, equitable and inclusive society



Partnership

Working with thought leaders, entrepreneurs, and clients to achieve impact on a global scale

The strong commitment among senior leaders at UBS, from the board all the way down, shapes everything we do.

We have a notable pedigree and deep understanding of sustainability:

- 1997: Launched our first sustainability-related fund
- 2017: Launched our first impact strategies and climate aware strategies
- 2020: Founding signatory to the Net Zero Asset Managers Initiative

Our Sustainable Investing capability sits across multiple teams:

- We take a top-down approach to corporate engagement, using our research to engage with corporates and encourage change.
- We take a bottom-up approach to stewardship, voting our proxy on idiosyncratic issues, such as remuneration and board independence.
- Sustainable investment specialists have a global presence, which is important for understanding client needs.
- The Quantitative Evidence & Data Science (QED) team employs big data, artificial intelligence and natural language processing to analyze ESG data to achieve a fuller picture, including using multiple sources to generate proprietary carbon scores.
- The regulatory landscape is changing fast, and our team brings the latest developments to our clients.
- The Group Chief Sustainability Office supports all the business divisions.
- Fundamental analysts collaborate with the investment teams. Having an equity analyst, credit analyst and sustainability analyst all at the table for engagement with corporates leads to constructive dialogue and better outcomes.

We recognize that the whole system needs to change in order to achieve a net zero economy.

Best practice standards are being reset every year. We help clients navigate them and stay up to date. Recent trends include:

From exclusion to impact

Moving from a focus on what investors don't want to looking at what their capital is contributing to

From off-the-shelf to customized

Creating strategies and solutions that meet the sustainability preferences of individual clients

From ESG for risk management to ESG for alpha

Using ESG to avoid tail risk and improve quality is still valid, but now there is a recognition that sustainability can bring opportunity.

From active ownership of companies to active ownership of the ecosystem

We still engage with corporates individually to foster change, but we recognize that the whole system needs to change in order to achieve a net zero economy: working with industry organizations, exchanges, index providers, and other stakeholders to make the whole system more robust.

We bring these trends together for clients in three ways:

Rules-based strategies to reflect clients' sustainability preferences

Active strategies that reflect sustainability themes

Stewardship through our thought leadership, senior-level firm commitment, and global scale across asset class breadth. This gives us a seat at many tables, and a degree of influence to support better sustainability outcomes.

Sustainability across UBS Asset Management – more than just talk for us: Our goal is to create an ecosystem where we lead by walking the walk.

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