

## Position Statement on Nature

This position statement sets out the scope and principles of Vontobel's nature and biodiversity loss journey. We acknowledge the devastating consequences of natural ecosystems collapse to society and the economy. The ongoing loss of natural capital and decline of ecosystems services<sup>1</sup> have reached concerning levels for the planet. Nature comprises a complex set of natural ecosystems, biomes, species, natural resources and flows and services therefrom. We recognize nature assets and services are fundamental building block of industry and manufacturing and the collapse of ecosystems services can have a serious repercussion on financial assets.

### Our beliefs:

- Healthy natural ecosystems and a resilient natural world play a pivotal role in fostering a dynamic and sustainable global economy, and a stable geopolitical landscape.
- Our fiduciary duty as capital allocators is to invest in the best interests of our clients. Seeking to deliver future-proof investment solutions involves the consideration of biodiversity and natural capital at large.
- Biodiversity loss as a proxy to nature's health is intrinsically interconnected with climate change. Both issues are urgent and require attention.

### Our approach to Nature encompasses five key pillars:

#### Risk management

Nature plays a material role in the stability and resilience of financial assets. We recognize the importance of incorporating nature-related risk assessments, as they develop and mature, into our

investment processes. This supports us to better understand our exposure to nature-related risks. We also understand nature loss and climate change are intrinsically connected. We seek a holistic approach in considering natural capital into our investment decisions in conjunction with climate change.

#### Opportunity identification

We believe there are investment opportunities related to nature protection, restoration, and sustainable use<sup>2</sup>. We continue to develop investment opportunities for clients seeking more active exposure in financial products addressing nature conservation and regeneration.

#### Engagement and Advocacy

We acknowledge the importance of engaging with companies, policymakers, and other stakeholders to promote greater transparency, accountability, and action on nature-related issues. Via investor engagement, voting and appropriate advocacy initiatives we seek to encourage companies to assess and disclose their impacts and dependencies on nature<sup>3</sup>, and adopt more sustainable business practices to mitigate their ecological footprint.

#### Collaboration and Partnership

We understand that addressing nature loss requires a collective approach across different stakeholders. We seek opportunities to collaborate with industry peers, data providers and NGOs for knowledge sharing and advancing the inclusion of nature considerations in financial assessments and to building our in-house knowledge and disseminating learning across investment teams.

#### Transparency and Disclosure

Our commitment is to ensure clear and comprehensive communication to our clients, regulators, and other stakeholders about how we integrate environmental factors into our investment processes, the

<sup>1</sup> Taskforce on Nature-related Financial Disclosures (TNFD) defines Nature loss as "the loss and/or decline of the state of nature. This includes, but is not limited to, the reduction of any aspect of biological diversity e.g. diversity at the genetic, species and ecosystem levels in a particular area through death (including extinction), destruction or manual removal.

<sup>2</sup> Conservation, restoration, and sustainable use of nature are overarching concepts in the global landmark agreement leading to the Kunming-Montreal Global Biodiversity Framework which aims

to halt and reverse the loss of biodiversity by 2030. For further information: <https://www.cbd.int/doc/decisions/cop-15/cop-15-dec-04-en.pdf>

<sup>3</sup> Considering international developments such as e.g. Kunming-Montreal Global Biodiversity Framework, the TNFD, or the work from the [Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services](https://www.internationalsciencepolicy.org/) (IPBES).

associated risks and opportunities in our portfolios,  
and the advancements towards our goals.

Note: Information provided is reflective of the Vontobel Group's standards and processes as a global investment firm and not necessarily specific to a Vontobel investment strategy or a product. Unless otherwise stated within our products or strategies' offering documents, and/or client agreements, information herein does not infer a product or strategy has a sustainable or ESG investment objective but rather describes how Vontobel commits to integrate environmental factors into our overall investment processes and strategies.