

STATEMENT ON PRINCIPAL ADVERSE IMPACTS OF INVESTMENT DECISIONS ON SUSTAINABILITY FACTORS

30.06.2023

Financial market participant Swiss Life Asset Managers Luxembourg (LEI: 549300Q140HRUQWQHE05)

Summary

Swiss Life Asset Managers Luxembourg considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of Swiss Life Asset Managers Luxembourg.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January to 31 December 2022.

Swiss Life Asset Managers Luxembourg has identified the following sustainability factors as being the most relevant and considers principal adverse impacts (“PAI”) related to:

- **Climate and environmental matters:** indicators related to the impact on climate change (e.g., greenhouse gas emissions, energy performance) and natural resources (e.g., biodiversity, water, waste).
- **Social and employee, respect for human rights, anti-corruption, and anti-bribery matters:** indicators related to sanctions and/or violation of international principles and conventions (e.g., labor, human rights, controversial weapons) and corporate behaviour (gender pay gap, board diversity).

The activity of investment advice, for which SLAM Luxembourg is authorized, is not carried out. Therefore, principal adverse impacts of investment decisions on sustainability factors in investment advice are not taken into consideration. To this end, the present reporting does not include data relating to investment advice. It is not intended to consider such adverse impacts as long as SLAM Luxembourg does not carry out such activity.

Please refer to Annex 1 at the bottom of this document for the translations of the summary.¹

¹ English version of the summary is the legally binding version whereas the translated versions in Annex 1 are translation only.

Description of the principal adverse impacts on sustainability factors

Indicators applicable to investments in investee companies					
Adverse sustainability indicator	Metric	Impact 2022	Impact 2021	Explanation	Actions taken, and actions planned and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	542,862	NA	<p>Coverage ratio: 45%</p> <p>Non-eligibility ratio: 35%</p> <p>Unit of measure: tCO₂eq</p> <p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • excluded issuers with more than 10% revenues deriving from activities in the thermal coal sector • conducted an ESG controversies assessment to exclude issuers with very severe controversies in relation to energy & climate change • limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the Scope 1 GHG emissions of the issuers. • where appropriate exercised proxy voting rights to incentivize issuers to reduce their own emissions from operations and incentivize the company to have GHG reduction targets/initiatives

						<p>and to align to Net Zero/other environmental goals.</p> <p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • adhered to the exclusions policy, subject to a threshold, with respect to investing in companies active in non-renewable oil and gas, coal, and nuclear sectors • assessed whether the company/asset monitors carbon footprint of its operations, alignment with Net-Zero and emissions reduction targets, its environmental initiatives and climate risk exposure via the internal and external ESG assessments • where appropriate, exercised governance rights (i.e., influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g., co-investors) to incentivize the investee company to install GHG emissions accounting practices, implement emissions reduction targets/initiatives and to align itself with Net- Zero/other environmental goals <p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg:</p>
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						<ul style="list-style-type: none"> • adhered to the exclusion policy and to thresholds with respect to financing companies active in oil and gas, coal, and nuclear sectors • assessed, based on information provided by the borrowers, whether the company/project monitors carbon footprint of its operations, alignment with Net-Zero and emissions reduction targets, its environmental initiatives and climate risk exposure via the internal and, where available, external ESG assessments <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period and may further develop its engagement approach (voting or any other engagement activity, as appropriate) in order to enhance its climate-related dialogue. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.</p>
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		Scope 2 GHG emissions	89,389	NA	<p>Coverage ratio: 45%</p> <p>Non-eligibility ratio: 35%</p> <p>Unit of measure: tCO2eq</p>	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • excluded issuers with more than 10% revenues deriving from activities in the thermal coal sector • conducted an ESG controversies assessment to exclude issuers with very severe controversies in relation to energy & climate change • limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the Scope 2 GHG emissions of the issuers • where appropriate exercised proxy voting rights to incentivize issuers to reduce their indirect emissions from purchased energy and consider the impact that they have on the climate change <p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • adhered to the exclusions policy, subject to a threshold, with respect to investing in companies active in non-renewable oil and gas, coal, and nuclear sectors
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						<ul style="list-style-type: none"> • assessed whether the company/asset monitors carbon footprint of its operations, alignment with Net-Zero and emissions reduction targets, its environmental initiatives and climate risk exposure via the internal and external ESG assessments • where appropriate, exercised governance rights (i.e., influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g., co-investors) to incentivize the investee company to install GHG emissions accounting practices, implement emissions reduction targets/initiatives and to align itself with Net-Zero/other environmental goals <p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • adhered to the exclusion policy and to defined thresholds with respect to financing companies active in oil and gas, coal, and nuclear sectors • Assessed, based on information provided by the borrowers, whether the company/project monitors carbon footprint of its operations, alignment with
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						<p>Net-Zero and emissions reduction targets, its environmental initiatives and climate risk exposure via the internal and, where available, external ESG assessments</p> <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset Managers Luxembourg will continue develop further the mitigation actions mentioned above in the next reference period and and may further develop its engagement approach (voting or any other engagement activity, as appropriate) in order to enhance its climate-related dialogue. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.</p>
		Scope 3 GHG emissions	2,139,752	NA	<p>Coverage ratio: 45%</p> <p>Non-eligibility ratio: 35%</p> <p>Unit of measure: tCO2eq</p>	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> excluded issuers with more than 10% revenues deriving from activities in the thermal coal sector

						<ul style="list-style-type: none"> • conducted an ESG controversies assessment to exclude issuers with very severe controversies in relation to energy & climate change • limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the Scope 3 GHG emissions of the issuers • where appropriate exercised proxy voting rights to incentivize issuers to reduce their indirect upstream and downstream emissions and consider the impact that they have on the climate change <p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • adhered to the exclusions policy, subject to a threshold, with respect to investing in companies active in non-renewable oil and gas, coal, and nuclear sectors. • assessed whether the company/asset monitors carbon footprint of its operations, alignment with Net-Zero and emissions reduction targets, its environmental initiatives and climate risk exposure via the internal and external ESG assessments
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						<ul style="list-style-type: none"> • where appropriate, exercised governance rights (i.e., influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g., co-investors) to incentivize the investee company to install GHG emissions accounting practices, implement emissions reduction targets/initiatives and to align itself with Net- Zero/other environmental goals <p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • adhered to the exclusion policy and to thresholds with respect to financing companies active in oil and gas, coal, and nuclear sectors • Assessed, based on information provided by the borrowers, whether the company/project monitored carbon footprint of its operations, alignment with Net-Zero and emissions reduction targets, its environmental initiatives and climate risk exposure via the internal and, where available, external ESG assessments <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset</p>
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						Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period and may further develop its engagement approach (voting or any other engagement activity, as appropriate) in order to enhance its climate-related dialogue. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.
		Total GHG emissions	3,102,378	NA	<p>Coverage ratio: 46%</p> <p>Non-eligibility ratio: 35%</p> <p>Unit of measure: tCO2eq</p>	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • excluded issuers with more than 10% revenues deriving from activities in the thermal coal sector • conducted an ESG controversies assessment to exclude issuers with very severe controversies in relation to energy & climate change • limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the total GHG emissions of the issuers

						<ul style="list-style-type: none"> • where appropriate exercised proxy voting rights to incentivize issuers to reduce their total emissions and start to consider the impact that they have on the climate change <p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • adhered to the exclusions policy, subject to a threshold, with respect to investing in companies active in non-renewable oil and gas, coal, and nuclear sectors • assessed whether the company/asset monitors carbon footprint of its operations, alignment with Net-Zero and emissions reduction targets, its environmental initiatives and climate risk exposure via the internal and external ESG assessments • where appropriate, exercised governance rights (i.e., influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g., co-investors) to incentivize the investee company to install GHG emissions accounting practices, implement emissions reduction targets/initiatives and to align
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						<p>itself with Net-Zero/other environmental goals</p> <p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • adhered to the exclusion policy and to defined thresholds with respect to financing companies active in oil and gas, coal, and nuclear sectors • Assessed, based on information provided by the borrowers, whether the company/project monitors carbon footprint of its operations, alignment with Net-Zero and emissions reduction targets, its environmental initiatives and climate risk exposure via the internal and, where available, external ESG assessments <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period and may further develop its engagement approach (voting or any other engagement activity, as appropriate) in order to enhance its climate-related dialogue. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions</p>
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						mentioned above in the next reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.
	2. Carbon footprint	Carbon footprint	122	NA	Coverage ratio: 46% Non-eligibility ratio: 35% Unit of measure: tCO2eq / mEUR of revenue	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> excluded issuers with more than 10% revenues deriving from activities in the thermal coal sector conducted an ESG controversies assessment to exclude issuers with very severe controversies in relation to energy & climate change limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the carbon footprint of the issuers where appropriate exercised proxy voting rights to incentivize issuers to reduce their carbon footprint and consider the impact that they have on the climate change <p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p>

						<ul style="list-style-type: none"> • adhered to the exclusions policy, subject to a threshold, with respect to investing in companies active in non-renewable oil and gas, coal, and nuclear sectors • assessed the company/asset environmental initiatives and climate risk exposure via the internal and external ESG assessments • assessed whether the company/asset monitors carbon footprint of its operations, alignment with Net-Zero and emissions reduction targets, its environmental initiatives and climate risk exposure via the internal and external ESG assessments • where appropriate, exercised governance rights (i.e., influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g., co-investors) to incentivize the investee company to install carbon footprint GHG emissions accounting practices, implement emissions reduction targets/initiatives and to align itself with Net-Zero/other environmental goals
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						<p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • adhered to the exclusion policy and to defined thresholds with respect to financing companies active in oil and gas, coal, and nuclear sectors • assessed, based on information provided by the borrowers, whether the company/project monitors carbon footprint of its operations, alignment with Net-Zero and emissions reduction targets, its environmental initiatives and climate risk exposure via the internal and, where available, external ESG assessments <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period and may further develop its engagement approach (voting or any other engagement activity, as appropriate) in order to enhance its climate-related dialogue. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next</p>
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						reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.
	3. GHG intensity of investee companies	GHG intensity of investee companies	582	NA	Coverage ratio: 45% Non-eligibility ratio: 35% Unit of measure: tCO2eq / mEUR of revenue	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • excluded issuers with more than 10% revenues deriving from activities in the thermal coal sector • conducted an ESG controversies assessment to exclude issuers with very severe controversies in relation to energy & climate change • limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the GHG intensity of the issuers • where appropriate exercised proxy voting rights to incentivize issuers to reduce their GHG intensity and consider the impact that they have on the climate change <p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • adhered to the exclusions policy, subject to a threshold, with respect to investing in

						<p>companies active in non-renewable oil and gas, coal, and nuclear sectors</p> <ul style="list-style-type: none"> assessed whether the company/asset monitors carbon footprint of its operations, alignment with Net-Zero and emissions reduction targets, its environmental initiatives and climate risk exposure via the internal and external ESG assessments where appropriate, exercised governance rights (i.e., influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g., co-investors) to incentivize the investee company to install GHG emissions accounting practices, implement emissions reduction targets/initiatives and to align itself with Net-Zero/other environmental goals <p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> adhered to the exclusion policy and to defined thresholds with respect to financing companies active in oil and gas, coal, and nuclear sectors Assessed, based on information provided by the borrowers, whether the
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						<p>company/project monitors carbon footprint of its operations, alignment with Net-Zero and emissions reduction targets, its environmental initiatives and climate risk exposure via the internal and, where available, external ESG assessments</p> <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period and may further develop its engagement approach (voting or any other engagement activity, as appropriate) in order to enhance its climate-related dialogue. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.</p>
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	11%	NA	<p>Coverage ratio: 43%</p> <p>Non-eligibility ratio: 35%</p> <p>Unit of measure: Percentage that has active fossil fuel sector exposure</p>	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> excluded issuers with more than 10% revenues deriving

						<p>from activities in the thermal coal sector</p> <ul style="list-style-type: none"> • conducted an ESG controversies assessment to exclude issuers with very severe controversies in relation to energy & climate change • limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the share of investments in companies active in the fossil fuel sector • where appropriate exercised proxy voting rights to incentivize issuers to reduce their involvement in fossil fuel related activities <p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • adhered to the exclusions policy, subject to a threshold, with respect to investing in companies active in non-renewable oil and gas, coal, and nuclear sectors • assessed whether the company/asset derived revenues from exploration, mining, extraction, production, processing, storage, refining or distribution of fossil fuels via the internal and external ESG assessments
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						<ul style="list-style-type: none"> • where appropriate, exercised governance rights (i.e., influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g., co-investors) to incentivize the company to reduce the percentage of revenues from fossil fuels related activities <p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • adhered to the exclusion policy and to defined thresholds with respect to financing companies active in oil and gas, coal, and nuclear sectors • Assessed, based on information provided by the borrowers, whether the company/project, derives value from exploration, production, transportation, storage or refining of fossil fuels, via the internal and, where available, external ESG assessments <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period and may further</p>
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						develop its engagement approach (voting or any other engagement activity, as appropriate) in order to enhance its climate-related dialogue. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.
	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	47%	NA	Coverage ratio: 37% Non-eligibility ratio: 35% Unit of measure: Percentage of non-renewable energy consumption production	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the share of non-renewable energy consumption and production • where appropriate exercised proxy voting rights to incentivize issuers to increase the use of renewable energy within their business <p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • assessed renewable/ non-renewable energy consumption and production, as well as internal practices to

						<p>monitor resource consumption via the internal and external ESG assessments</p> <ul style="list-style-type: none"> • where appropriate, exercised governance rights (i.e. influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g. co-investors) to incentivize the investee company to reduce its energy intensity and increase the use of renewable energy within the operations <p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg</p> <ul style="list-style-type: none"> • assessed, based on information provided by the borrowers, practices of the company/project with respect to energy consumption and share of renewable energy in the mix, via the internal, and where available, external ESG assessments. <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period and may further develop its engagement approach (voting or any other engagement</p>
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						activity, as appropriate) in order to enhance its climate-related dialogue. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.
	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	0.004	NA	Coverage ratio: 30% Non-eligibility ratio: 35% Unit of measure: GWh / mEUR of revenue	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the energy consumption intensity of investee companies in high impact climate sector • where appropriate exercised proxy voting rights to incentivize issuers to reduce their levels of energy consumption <p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • assessed whether the company/asset operated in the high-impact sectors and assessed its energy consumption via the internal

						<p>and external ESG assessments</p> <ul style="list-style-type: none"> • where appropriate, exercised governance rights (i.e. influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g. co-investors) to incentivize the investee companies to reduce their energy consumption intensity and increase the use of renewable energy within the operations <p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg</p> <ul style="list-style-type: none"> • assessed, based on information provided by the borrowers, whether the company/project operates in a high impact climate sector, and practices of the company/project with respect to energy consumption, via the internal, and where available, external ESG assessments. <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period and may further develop its engagement approach</p>
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						(voting or any other engagement activity, as appropriate) in order to enhance its climate-related dialogue. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.
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	6%	NA	Coverage ratio: 42% Non-eligibility ratio: 35% Unit of measure: Percentage that has operations located in biodiversity sensitive areas and is involved in controversies with severe impact on the environment	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • conducted an ESG controversies assessment to exclude issuers with very severe controversies in relation to biodiversity & land use • limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the share of investments in issuers with sites/operations located in or near to biodiversity sensitive areas • where appropriate exercised proxy voting rights to incentivize issuers to consider the impact of their operations on biodiversity

						<p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • adhered to the exclusions policy with respect to various activities involved in destruction of critical habitats • assessed whether the company/asset analyses its impact on biodiversity and whether its operations negatively impact biodiversity-sensitive areas • where appropriate, exercised governance rights (i.e. influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g. co-investors) to consider their impact on biodiversity <p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg</p> <ul style="list-style-type: none"> • assessed, based on information provided by the borrowers, whether the company/project operations may have a negative impact on biodiversity, via the internal and where available, external ESG assessments. <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset</p>
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						Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period and may further develop its engagement approach (voting or any other engagement activity, as appropriate) in order to enhance its environment-related dialogue. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	3.04	NA	Coverage ratio: 26% Non-eligibility ratio: 35% Unit of measure: tonnes / mEUR	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • conducted an ESG controversies assessment to exclude issuers with very severe controversies in relation to Toxic Emissions and Waste • limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the tonnes of emissions of water generated by the issuers • where appropriate exercised proxy voting rights to incentivize issuers to reduce their water emissions

						<p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • assessed whether the company/asset measured its water use and emissions to water • where appropriate, exercised governance rights (i.e. influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g. co-investors) to incentivize the investee company to reduce their emissions to water <p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg</p> <ul style="list-style-type: none"> • assessed, based on information provided by the borrowers, the company/project practices in terms of emissions to water (where relevant depending on the project activity sector) via the internal and where available, external ESG assessments. <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period and may further</p>
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						develop its engagement approach (voting or any other engagement activity, as appropriate) in order to enhance its environment-related dialogue. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	0.41	NA	Coverage ratio: 32% Non-eligibility ratio: 35% Unit of measure: tonnes / mEUR	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • conducted an ESG controversies assessment to exclude issuers with very severe controversies in relation to Toxic Emissions and Waste and Impact on Communities • limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the tonnes of hazardous waste and radioactive waste generated by the issuers • where appropriate exercises proxy voting rights to incentivize issuers to reduce their waste production

						<p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • adhered to the exclusions policy with respect to businesses linked to the generation of radioactive waste (e.g. trade in hazardous material such as radioactive materials) • assessed whether the company/asset measured its waste production and generated hazardous waste • where appropriate, exercised governance rights (i.e. influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g. co-investors) to incentivize the investee company to reduce waste production and advocate for circular economy initiatives <p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg</p> <ul style="list-style-type: none"> • assessed, based on information provided by the borrowers, the company/project practices in terms of hazardous waste (where relevant depending on the project activity sector) via the internal and where available, external ESG assessments.
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						<p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period and may further develop its engagement approach (voting or any other engagement activity, as appropriate) in order to enhance its environment-related dialogue. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.</p>
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	0.1%	NA	<p>Coverage ratio: 41%</p> <p>Non-eligibility ratio: 35%</p> <p>Unit of measure: Percentage that has very severe violation of the UN Global Compact principles</p>	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> excluded issuers involved in controversies related to violation of the UNGC principles limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model

						<p>taking into account the share of investments in issuers involved in violations of the UNGC principles or OECD Guidelines for MNEs</p> <ul style="list-style-type: none"> • where appropriate exercised proxy voting rights to incentivize issuers to implement processes to monitor compliance with the UNGC principles and OECD Guidelines for MNEs <p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • adhered to the exclusions policy with respect to business involved in the use of harmful or exploitative forms of forced labor and/or child labor, corruption or any corrupt practices and production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements • assessed whether the company/asset had processes in place to monitor compliance with the UNGC principles and the OECD Guidelines for MNEs and whether any violations of these principles had been recorded in the past three years • where appropriate, exercised governance rights (i.e.
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						<p>influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g. co-investors) to incentivize the investee company to implement processes and policies to comply with the UNGC principles and the OECD Guidelines for MNEs, and to engage with the investee companies to become a signatory of the UNGC</p> <p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg</p> <ul style="list-style-type: none"> assessed, based on information provided by the borrowers, the company/project practices in terms of compliance with UNGC principles or OECD guidelines (or, if not applicable in case of pure project companies of limited size, compliance with relevant equivalent applicable laws) via the internal and where available, external ESG assessments. <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period and may further</p>
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						develop its engagement approach (voting or any other engagement activity, as appropriate) in order to enhance the dialogue around social aspects. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.
	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	23%	NA	Coverage ratio: 42% Non-eligibility ratio: 35% Unit of measure: Percentage that has no evidence of mechanism to monitor compliance with the UN Global Compact	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the share of investments in issuers without policies to monitor compliance with the UNGC principles or OECD Guidelines for MNEs • where appropriate exercised proxy voting rights to incentivize issuers to implement processes to monitor compliance with the UNGC principles and OECD Guidelines for MNEs <p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p>

						<ul style="list-style-type: none"> assessed whether the company/asset had processes in place to monitor compliance with the UNGC principles and the OECD Guidelines for MNEs and whether any violations of these principles had been recorded in the past three years where appropriate, exercised governance rights (i.e., influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g., co-investors) to incentivize the investee company to implement processes and policies to comply with the UNGC principles and the OECD Guidelines for MNEs, and to engage with the investee companies to become a signatory of the UNGC <p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg</p> <ul style="list-style-type: none"> assessed, based on information provided by the borrowers, the company/project practices in terms of compliance with UNGC principles or OECD guidelines (or, if not applicable in case of pure project companies of limited size, compliance with relevant equivalent
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						<p>applicable laws) via the internal and where available, external ESG assessments.</p> <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period and may further develop its engagement approach (voting or any other engagement activity, as appropriate) in order to enhance the dialogue around social aspects. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.</p>
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	12.82%	NA	<p>Coverage ratio: 22%</p> <p>Non-eligibility ratio: 35%</p> <p>Unit of measure: Gender Pay Gap ratio</p>	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the average unadjusted gender pay gap of the issuer

						<ul style="list-style-type: none"> • where appropriate exercised proxy voting rights to incentivize issuers to adopt and implement proper business and labor practices to tackle unadjusted gender pay gap <p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • assessed whether the company/asset had a diversity and inclusion policy in place, current diversity at the board, and gender pay gap via the internal and external ESG assessments • where appropriate, exercised governance rights (i.e. influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g. co-investors) to incentivize the investee company to reduce the gender pay gap and increase diversity, and introduce diversity and inclusion policies where applicable <p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg</p> <ul style="list-style-type: none"> • assessed, based on information provided by the borrowers, the company/project practices in terms of diversity and
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						<p>inclusion and gender pay gap (when applicable, as limited size pure project companies may not have any direct employees) via the internal and where available, external ESG assessments.</p> <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period and may further develop its engagement approach (voting or any other engagement activity, as appropriate) in order to enhance the dialogue around social and diversity aspects. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.</p>
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	17%	NA	<p>Coverage ratio: 41%</p> <p>Non-eligibility ratio: 35%</p> <p>Unit of measure: Female directors percentage</p>	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the

						<p>average ratio of female to male board members of the issuer</p> <p>For its infrastructure equity investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> • assessed whether the company/asset had a diversity and inclusion policy in place, current diversity at the board, and gender pay gap via the internal and external ESG assessments • where appropriate, exercised governance rights (i.e. influence via board seats) and engaged in a dialogue with the investees' management or other key stakeholders (e.g. co-investors) to incentivize the investee company to increase board gender diversity, and introduce diversity and inclusion policies where applicable <p>For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg</p> <ul style="list-style-type: none"> • assessed, based on information provided by the borrowers, the company/project practices in terms of diversity (when applicable, as limited size pure project companies may not have a dedicated board) via the internal and where
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						<p>available, external ESG assessments.</p> <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>Both for its securities investments and infrastructure equity investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period and may further develop its engagement approach (voting or any other engagement activity, as appropriate) in order to enhance the dialogue around social and diversity aspects. For its infrastructure debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period, and may further request, when it is in a position to do so, inclusion of ESG related information covenants in the credit documentation.</p>
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0%	NA	<p>Coverage ratio: 45%</p> <p>Non-eligibility ratio: 35%</p> <p>Unit of measure: Percentage that have exposure to controversial weapons (landmines, cluster munitions, chemical weapons and biological weapons)</p>	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> excluded issuers involved in the direct or indirect production of nuclear weapons (including intended-use components, warheads and missiles), biological & chemical weapons (including components, systems), landmines, cluster munitions

						<ul style="list-style-type: none"> limited overall exposure to issuers with worst adverse sustainability impacts by using a proprietary PAI model taking into account the share of investments in issuers involved in the manufacture or selling of controversial weapons <p>For its infrastructure equity and debt investments, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> adhered to the exclusions policy with respect to any business involved in the manufacturing or selling of cluster ammunition, land mines or similar weapons <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>For its securities investments, infrastructure equity and debt investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above in the next reference period excluding companies directly exposed to controversial weapons.</p>
Indicators applicable to investments in sovereigns and supranationals						
Adverse sustainability indicator		Metric	Impact 2022	Impact 2021	Explanation	Actions taken, and actions planned and targets set for the next reference period
Environmental	15. GHG intensity	GHG intensity of investee countries	12.87	NA	Coverage ratio: 1%	Current reference period (1.1.2022 – 31.12.2022)

					<p>Non-eligibility ratio: 99%</p> <p>Unit of measure: tCO2eq / mEUR</p>	<p>For its securities investments in sovereign and supranationals issuers, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> excluded countries that have the highest GHG intensity, or did not commit to the Paris Agreement, or did not ratify the Convention on Biological Diversity. <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>For its securities investments, Swiss Life Asset Managers Luxembourg will develop further the mitigation actions mentioned above for the current reference period excluding countries which, amongst other indicators, present high level of GHG intensity.</p>
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	0%	NA	<p>Coverage ratio: 1%</p> <p>Non-eligibility ratio: 99%</p> <p>Unit of measure: Percentage of portfolio sovereign issuers with European Union sanctions</p>	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments in sovereign and supranationals issuers, Swiss Life Asset Managers Luxembourg:</p> <ul style="list-style-type: none"> excluded countries subject to social violations of the main ILO Conventions. <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>For its securities investments in sovereign and supranationals issuers, Swiss Life Asset Managers Luxembourg will continue to exclude countries which, amongst other indicators, are subject to social</p>

						violations of the main ILO Convention.
Indicators applicable to investments in real estate assets						
Adverse sustainability indicator		Metric	Impact 2022	Impact 2021	Explanation	Actions taken, and actions planned and targets set for the next reference period
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	1%	NA	Coverage ratio: 100% Non-eligibility ratio: 0% Unit of measure: Percentage of exposure to fossil fuels	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its real estate investments, Swiss Life Asset Managers Luxembourg has incorporated the PAI indicator on fossil fuel exposure in the due diligence process of each property acquisition.</p> <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>For its real estate investments, Swiss Life Asset Managers Luxembourg will continue to measure this PAI indicator in its due diligence process.</p>
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	43%	NA	Coverage ratio: 76% Non-eligibility ratio: 6% Unit of measure: Energy-inefficiency percentage based on EPC	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its real estate investments, Swiss Life Asset Managers Luxembourg has incorporated the PAI indicator on energy efficiency in the due diligence process of each property acquisition.</p> <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>For its real estate investments, Swiss Life Asset Managers</p>

						Luxembourg will continue to measure this PAI indicator in its due diligence process.
Others indicators for principal adverse impacts on sustainability factors						
ADDITIONAL CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Adverse sustainability indicator	Metric	Impact 2022	Impact 2021	Explanation	Actions taken, and actions planned and targets set for the next reference period	
Indicators applicable to investments in real estate assets						
Greenhouse gas emissions	18. GHG emissions	Scope 1 GHG emissions generated by real estate assets	16,801	NA	Coverage ratio: 84% Non-eligibility ratio: 16% Unit of measure: tCO ₂ eq	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its real estate investments, Swiss Life Asset Managers Luxembourg has incorporated the carbon performance monitoring on carbon intensity in the due diligence process of each property acquisition. Also for our standing portfolio we monitor GHG emissions including Scope 1. In addition, we plan constructive and/or operational measures to reduce GHG emissions where appropriate, and calculate the impact of our planned measures using available investment/project information. To promote a GHG emissions reducing tenant behaviour, we have started to introduce according green lease clauses.</p> <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>For its real estate investments, Swiss Life Asset Managers Luxembourg will continue to</p>

						implement the measures described above.
		Scope 2 GHG emissions generated by real estate assets	19,726	NA	Coverage ratio: 84% Non-eligibility ratio: 16% Unit of measure: tCO2eq	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its real estate investments, Swiss Life Asset Managers Luxembourg has incorporated the carbon performance monitoring on carbon intensity in the due diligence process of each property acquisition. Also for our standing portfolio we monitor GHG emissions including Scope 2. In addition, we plan constructive and/or operational measures to reduce GHG emissions where appropriate, and calculate the impact of our planned measures using available investment/project information. To promote a GHG emissions reducing tenant behaviour, we have started to introduce according green lease clauses.</p> <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>For its real estate investments, Swiss Life Asset Managers Luxembourg will continue to implement the measures described above.</p>
		Scope 3 GHG emissions generated by real estate assets	13,300	NA	Coverage ratio: 84% Non-eligibility ratio: 16% Unit of measure: tCO2eq	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its real estate investments, Swiss Life Asset Managers Luxembourg has incorporated the carbon performance monitoring on</p>

						<p>carbon intensity in the due diligence process of each property acquisition. Also for our standing portfolio we monitor GHG emissions including Scope 3 (including tenant energy use, excluding embodied carbon). In addition, we plan constructive and/or operational measures to reduce GHG emissions where appropriate, and calculate the impact of our planned measures using available investment/project information. To promote a GHG emissions reducing tenant behaviour, we have started to introduce according green lease clauses.</p> <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>For its real estate investments, Swiss Life Asset Managers Luxembourg will continue to implement the measures described above.</p>
		Total GHG emissions generated by real estate assets	49,826	NA	<p>Coverage ratio: 84%</p> <p>Non-eligibility ratio: 16%</p> <p>Unit of measure: tCO₂eq</p>	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its real estate investments, Swiss Life Asset Managers Luxembourg has incorporated the carbon performance monitoring on carbon intensity in the due diligence process of each property acquisition. Also for our standing portfolio we monitor total GHG emissions. In addition, we plan constructive and/or operational measures to reduce GHG emissions where appropriate, and calculate the impact of our planned measures using available investment/project information. To</p>

						<p>promote a GHG emissions reducing tenant behaviour, we have started to introduce according green lease clauses.</p> <p>Next reference period (1.1.2023 – 31.12.2023)</p> <p>For its real estate investments, Swiss Life Asset Managers Luxembourg will continue to implement the measures described above.</p>
ADDITIONAL INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
Adverse sustainability indicator		Metric	Impact 2022	Impact 2021	Explanation	Actions taken, and actions planned and targets set for the next reference period
Indicators applicable to investments in Sovereign Issuers						
Governance	21. Average corruption score	Measure of the perceived level of public sector corruption using a quantitative indicator explained in the explanation column	3.66	NA	<p>Coverage ratio: 1%</p> <p>Non-eligibility ratio: 99%</p> <p>Unit of measure: The Corruption Perception Index (CPI) is sourced from our Third-Party Data provider (MSCI) which reflects the country scores directly from Transparency International. Each country's score is a combination of at least 3 data sources drawn from 13 different corruption surveys and</p>	<p>Current reference period (1.1.2022 – 31.12.2022)</p> <p>For its securities investments in sovereign and supnationals issuers, Swiss Life Asset Managers Luxembourg excluded countries that do not provide a safe, reliable and sustainable environment for their population and institutions. Countries are evaluated through a proprietary methodology which, amongst others indicators, took into account the corruption perception index of the country.</p> <p>Next reference period (1.1.2023 – 31.12.2023)</p>

				<p>assessments. These data sources are collected by a variety of institutions, including the World Bank and the World Economic Forum. The CPI measures public sector corruption worldwide. As it combines many different manifestations of corruption into one globally comparable indicator, it provides a more comprehensive picture of the perceived level of public sector corruption situation in a particular country than each source taken separately. The CPI is measured on a range between 0 and 100, where countries with a higher score are perceived to be less corrupt than countries with a lower score.</p>	<p>For its securities investments in sovereign and supnationals issuers, Swiss Life Asset Managers Luxembourg will continue to exclude countries with a negative evaluation.</p>
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Description of policies to identify and prioritise principal adverse impacts on sustainability factors

As part of its approach towards sustainable investing Swiss Life Asset Managers Luxembourg has defined and implemented, through the adoption of a dedicated local PAI Policy, a set of methodologies specific for each asset class (i.e. Securities, Real Estate, Infrastructure Equity and Infrastructure Debt) to identify, prioritize, measure, monitor and mitigate PAI indicators.

The latest version of the PAI Policy has been approved by the Management Committee of Swiss Life Asset Managers Luxembourg on 08.02.2023.

The PAI policy, for which the Divisional Risk Management function is responsible, assigns roles and responsibilities at divisional and local level in relation to the identification, prioritization, measurement, monitoring and mitigation of the PAI within the organization as follow:

- *Executive Committee* ensures that sustainability risks and PAI are factored and considered into business strategy, risk appetite and risk management framework.
- *ESG Board* ensures, develops, and further improves Swiss Life Asset Managers' approach to responsible investment, including PAI.
- *ESG Committees* are responsible to discuss and decide on the incorporation of ESG aspect, including PAI, in the investment process, for the identification, for each asset class, of the PAI indicators which are more material, and for ensuring that the list of PAI indicators is reviewed at least annually and updated accordingly in case of a change in Swiss Life Asset Managers' sustainability priority or in the PAI's severity and probability of occurrence.
- *ESG Team* is responsible for the coordination of PAI related activities, including the maintenance of PAI related methodologies, the PAI data sourcing and the selection of PAI data providers.
- *Divisional Risk Management Function* is responsible at divisional level for the division-wide governance on PAI integration into the risk management process shaping the approach on internal PAI monitoring and reporting, for the drafting of the PAI Policy and for the annual review and update thereof. The *local Risk Management Function* is responsible for the integration of PAI monitoring activities in its daily business, including the monitoring of the development of PAI indicators overtime.
- *Divisional Legal & Compliance* is responsible for the monitoring of the development of relevant sustainability-related publications regarding SFDR implementation on EU Level. *Local Legal & Compliance* is responsible to monitor local implementation and regulation of such disclosures and timelines.

- *Portfolio Management* is responsible to integrate the sustainable investment rules and PAI thresholds in its operational business and to conduct pre-trade checks and, in relation to investments in infrastructure, to perform the PAI assessment.

Identification, prioritization, measurement, monitoring and mitigation of PAI indicators

Swiss Life Asset Managers Luxembourg identifies PAI indicators which are more material based on the current ESG strategy and approach to sustainable investments, the overall risk appetite, different asset classes, investment strategies and products' sectoral exposures.

Furthermore, Swiss Life Asset Managers Luxembourg identifies PAI indicators for all investment portfolios of its products which fall within the scope of Articles 8 and 9 of the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the so-called "**SFDR**"), taking into consideration their probability of occurrence, irremediable character and severity, and, even though it considers all PAI indicators listed above to be equally important, it acknowledges that different asset classes and investment portfolios' specific investment strategies might influence their prioritization at product level.

For this reason, Swiss Life Asset Managers Luxembourg measures and monitors PAI indicators for investments underlying its SFDR 8 and 9 investment portfolios across all asset classes (i.e. securities, real estate, infrastructure equity and infrastructure debt).

For securities, real estate and infrastructure equity products, Swiss Life Asset Managers Luxembourg also tracks on a best-effort basis the PAI indicators for all investment portfolios of its products which fall within the scope of Article 6 of the SFDR but do not take them into account for the investment decisions.

For **investment portfolios with investments in securities**, Swiss Life Asset Managers Luxembourg measures PAI through a proprietary methodology developed by Swiss Life Asset Managers that aggregates at issuer level the values of PAI indicators into a single PAI score. The PAI score is then addressed for products within the scope of Article 8 and 9 of the SFDR. In addition, for SFDR Art. 8 and Art. 9 products exposure in issuers with worst adverse sustainability impacts is limited. The limitations of the proprietary PAI model mainly concerns the following aspect; some of the underlying data is not available, which means that not all issuers are assessed with the same level of initial raw information.

For **investment portfolios with investments in real estate assets**, Swiss Life Asset Managers Luxembourg measures and monitors the relevant PAI information for products within the scope of Article 8 and 9 of the SFDR through an ESG assessment (ESG Due Diligence). PAIs 17 (exposure to fossil fuels through real estate assets) and 18 (exposure to energy-inefficient real estate assets) are

assessed at the asset level to check for their likely impact on the defined internal PAI thresholds at the portfolio level. While PAI 17 can be assessed with high accuracy by simply identifying the property type, a margin of error may exist in cases where the data on PAI 18 (EPC level) is not available and has to be estimated based on benchmark models. Also, it shall be noted that the methodological improvement and harmonization of EPC standards along different European countries is subject to ongoing efforts of working groups including different related European stakeholders. Next to the above mentioned aspects linked to the PAI 17 and 18, our ESG assessment may always be exposed to the following general uncertainties: assets are usually reviewed by a Technical Due Diligence (TDD) expert who produces a TDD report including assumptions and uncertainties (even if all relevant aspects are covered) that can lead to errors. Our internal ESG assessment incorporates a methodology which also includes assumptions and derives a rating that may generate significant biases in favour of, or against it, since it is not able to include all building specific aspects. Due to the limited time window available, only material aspects are checked.

In addition, for mandatory PAI 18 and the additional climate and other environment-related indicator number 18 GHG emissions, we use the methodology provided by the carbon risk real estate monitor (CRREM) to maintain our mitigation activities.

For **investment portfolios with investments in infrastructure equity**, Swiss Life Asset Managers Luxembourg measures PAI for products within the scope of Article 8 and 9 of the SFDR in the pre-transaction ESG assessment (PAI assessment) and monitors them across its portfolio companies as part of the regular post-transaction risk monitoring activities. The limitations to select, identify and assess PAIs come from the data quality of the inputs provided by the assets, the direct reliance on their reporting and accounting methods, and the timeline for PAI reporting which does not fit assets' annual disclosure of ESG KPIs. Further, within co-investments there might be limited opportunities to request extensive ESG data due to governance limitations.

For **investment portfolios with investments in infrastructure debt**, Swiss Life Asset Managers Luxembourg measures PAI for its product within the scope of Article 8 of the SFDR and mitigates them through exclusions and pre-trade due diligence. The limitations to assess PAIs come from the data quality of the inputs provided by the borrowers, our direct reliance on their own reporting and accounting methods, the absence of contractual obligations for the borrowers to provide the required data, the absence of monitoring of some metrics in the absence of appropriate internal processes at the borrowers' level, the fact that some PAIs may not be fully relevant for some borrowers (e.g. gender pay gap for project companies having only 1 employees) and the timing for the availability of the PAI data on the borrowers' side not fitting with the PAI reporting timeline.

Measurement of PAI indicators at 'aggregated level'

Based on the definition of 'all investments' expressed in the Q&A of 17 November 2022 on the SFDR Delegated Regulation by the European Supervisory Authorities, we understand 'all investments' as both direct and indirect investments funding investee companies

or sovereign through funds, funds of funds, bonds, equity, derivatives, loans, deposits and cash or any other securities or financial contracts. The understanding of Swiss Life Asset Managers Luxembourg is that this shall include physical real estate assets.

Eligibility Consideration

Based on the applicability of the PAI indicator, any investment can fall into the categories (1) investee companies, (2) sovereigns and supranationals, (3) real estate or (4) others. Therefore,

- for any PAIs applicable to investee companies, any investment not being made into an investee company is considered as not eligible.
- for any PAIs applicable to sovereigns and supranationals, any investment not being made into a sovereign and supranationals is considered as not eligible.
- for any PAIs applicable to real estate, any investment not being made into real estate is considered as not eligible;
- any investments into other categories as the ones mentioned above are considered as not eligible.

The portion of investments defined as not eligible, is considered as having 'no adverse impact' for that particular PAI. This portion is displayed in the 'non-eligible' ratio.

Data Coverage

The portion of data coverage is defined as the portion of investments for which the PAI indicator relevant data is available out of the sum of all investments.

Where data about the adverse impact related to an 'Eligible' investment for a PAI is not made publicly available, nor estimated by our current third-party data provider (e.g., PAI data is missing), the conservative assumption chosen is to normalize (i.e., proxy by the portfolio's average of the available values) the PAI value based on available PAI data for eligible assets.

Data sources

Swiss Life Asset Managers Luxembourg relies on different data sources depending on each asset class. For all asset classes, data availability is highly dependent on companies/assets/investments disclosing the respective information, especially outside of the EU, where regulatory requirements might be different. If data providers are used, some relevant investments might not be covered by the

provider, or estimates are used. By displaying the coverage ratio Swiss Life Asset Managers Luxembourg creates transparency on the availability of data for each PAI indicator.

Securities

For PAI data related to investments in securities issued by corporate and sovereign issuers, Swiss Life Asset Managers Luxembourg relies on MSCI ESG Research (“MSCI”). In relation to investments in third party funds, PAI data are provided, where available, by third-party fund owner through EETs or data providers (e.g. MSCI ESG fund metrics).

Further, products invested in securities issued by sovereign issuers are addressing PAIs through PAI data from MSCI which are combined with other indicators from public sources. For the environmental PAI, Swiss Life Asset Managers Luxembourg complements MSCI data on Country GHG intensity with an environmental assessment considering also countries that did not commit to the Paris Agreement objective or ratified the Convention on Biological Diversity. For the social PAI, Swiss Life Asset Managers Luxembourg relies on public sources to assess countries subject to social violations of the main ILO conventions.

Real estate

PAI data for real estate assets are provided, in most locations, by internal or external property management companies which are responsible for collecting consumption data at asset level and for providing it to Swiss Life Asset Managers as part of their duties under service agreements. Notwithstanding, considering the evolution of the market, it is possible that data sources will evolve as smart metering solutions and big data companies will start to deliver this type of service.

Infrastructure

With regard to infrastructure equity, Swiss Life Asset Managers Luxembourg collects the data related to infrastructure investments directly from the portfolio companies and/or from the lead co-investors through the use of a structured questionnaire and an assessment template as part of the investment due diligence process and asset management activities. If data is not made available during the investment due diligence process, PAI data may be estimated based on the latest reported data by the investee companies/assets or gathered after the closing of the transaction. PAI data collection is part of the regular monitoring practices during the holding period.

With regard to infrastructure debt, Swiss Life Asset Managers Luxembourg collects the data related to its infrastructure financings directly from the borrowers (subject to data availability at borrower’s level) through the use of an ESG questionnaire and a PAI template, as part of the investment due diligence process and portfolio monitoring.

Engagement policies

Engagement forms an integral part of Swiss Life Asset Managers Luxembourg's approach towards PAI.

For investments in securities, Swiss Life Asset Managers' current primary engagement method is the exercise of proxy voting, but it may also consider corporate dialogue when appropriate. For non-listed companies (i.e., real estate and infrastructure) Swiss Life Asset Managers may exercise governance rights (e.g. influence via board seats) and engage directly with stakeholders such as tenants and investee companies' management, and lead co-investors.

For further information on engagement practices and policy please refer to Swiss Life Asset Managers Luxembourg's [Engagement policy](#), which is currently under review, as well as the [Voting policy](#).

References to international standards

Swiss Life Asset Managers Luxembourg adheres to various international initiatives which are setting standards and best practice for responsible investing in the asset management industry.

The present statement is based on the following internationally recognized standards for due diligence and reporting and are relevant to mitigate the PAIs mentioned above:

- **UN Global Compact (UNGC):** The UN Global Compact is the world's largest initiative for corporate responsibility. The vision of the UN Global Compact is an inclusive and sustainable global economy based on ten universal principles relating to human rights, labour standards, the environment, and the fight against corruption. Companies' adherence to UNGC standards is assessed by MSCI ESG, Swiss Life Asset Managers Luxembourg's ESG data provider (see above for details). Using the MSCI ESG attributes on UNGC, we set clear investment limits to restrict exposure in companies that fail the UNGC standards. Forward looking scenarios are not applied for UNGC assessments. However, the usage of those is planned for the future as part of Swiss Life Asset Managers' Net Zero Asset Managers initiative (NZAM) commitment. The adherence to NZAMi will be included in the next year's PAI Statement relevant for the reference period 2023. Adherence to UNGC standards allows to mitigate all mandatory PAIs for corporates, i.e., PAI 1 to 14.
- **Carbon Risk Real Estate Monitor (CRREM):** The Carbon Risk Real Estate Monitor (CRREM) is the leading global initiative regarding target setting and additional resources aimed at enabling market participants to manage and reduce their operational carbon emissions for standing real estate investments. The initiative provides institutional real estate investors, managers, and

other stakeholders globally, with a clear Paris-aligned direction to set and control ambitious 1.5-aligned decarbonization targets in order to stay in the downscaled “fair share” of the GHG budget for real estate in the use phase (operational emissions). CRREM has published decarbonization pathways that translate the ambitions of limiting global warming to 1.5°C by the end of the century, into SBTi-aligned, regionally and property-type-specific trajectories against which real estate assets and portfolios can be benchmarked. The pathways can be downloaded and used separately (see www.crrem.org/pathways/). Also, these pathways are integrated into the CRREM-tool (see www.crrem.eu/tool). Using the CRREM-tool enables us to insert our property-specific energy consumption data, and then directly benchmark the results against the science-based target paths and therefore also serves for the assessment of the mandatory principal adverse impact on sustainability factor 18 and the additional climate and other environment-related indicator number 18. A detailed reference guide explains all steps of the application in various sections (see [www.crrem.eu/ tool/reference-guide/](http://www.crrem.eu/tool/reference-guide/)). The resources provided is used to assess asset alignment in relation to 1.5-degree pathways (The Representative Concentration Pathway (RCP) is a GHG concentration trajectory adopted by the Intergovernmental Panel on Climate Change (IPCC). As a forward-looking scenario, RCP 4.5 designed in 2014 (IPCC, Fifth Assessment Report) is used and help the market to price risks associated with carbon emissions from buildings. They are in line with the TCFD requirements. CRREM is aligned with the leading international accounting and reporting frameworks, disclosure guidelines and recommendations published by initiatives working within the field of decarbonization and real estate. This approach is used together with the suggested Scope 1, 2 and 3 allocation approach provided by the global real estate sustainability benchmark (GRESB Documents) which is also a partner of CRREM.

Historical comparison

The first historical comparison will be provided by 30 June 2024.

ANNEX 1

Zusammenfassung

Swiss Life Asset Managers Luxembourg berücksichtigt die wichtigsten nachteiligen Auswirkungen ihrer Investitionsentscheidungen auf Nachhaltigkeitsfaktoren. Die vorliegende Erklärung ist eine konsolidierte Erklärung zu den wichtigsten nachteiligen Auswirkungen auf Nachhaltigkeitsfaktoren von Swiss Life Asset Managers Luxembourg.

Das Statement bezieht sich auf den Referenzzeitraum vom 1. Januar bis zum 31. Dezember 2022.

Swiss Life Asset Managers Luxembourg hat folgende Nachhaltigkeitsfaktoren als am relevantesten identifiziert und berücksichtigt die wichtigsten nachteiligen Auswirkungen („principal adverse impacts“, oder „PAI“) in Bezug auf:

- **Klima und Umwelt:** Indikatoren im Zusammenhang mit den Auswirkungen auf den Klimawandel (z. B. Treibhausgasemissionen, Energieeffizienz) und natürliche Ressourcen (z. B. Biodiversität, Wasser, Abfall).
- **Soziale und Arbeitnehmerbelange, Achtung der Menschenrechte, Bekämpfung von Korruption und Bestechung:** Indikatoren im Zusammenhang mit Sanktionen und/oder Verstößen gegen internationale Grundsätze und Konventionen (z. B. Arbeits- und Menschenrechte, kontroverse Waffen) und dem Unternehmensverhalten (Gender Pay Gap, Vielfalt im Verwaltungsrat).

Die Tätigkeit der Anlageberatung, für die SLAM Luxembourg zugelassen ist, wird nicht ausgeübt. Daher werden wesentliche nachteilige Auswirkungen von Investitionsentscheidungen auf Nachhaltigkeitsfaktoren in der Anlageberatung nicht berücksichtigt. Aus diesem Grund enthält der vorliegende Bericht keine Daten, die sich auf die Anlageberatung beziehen. Es ist nicht beabsichtigt, solche nachteiligen Auswirkungen zu berücksichtigen, solange SLAM Luxembourg keine solche Tätigkeit ausübt.

Résumé

Swiss Life Asset Managers Luxembourg se penche sur les principales incidences négatives de ses décisions d'investissement sur les facteurs de durabilité. La présente déclaration résume l'état consolidé des principales incidences négatives sur les facteurs de durabilité de Swiss Life Asset Managers Luxembourg.

La présente déclaration concernant les principales incidences négatives sur les facteurs de durabilité couvre la période de référence allant du 1er janvier au 31 décembre 2022.

Swiss Life Asset Managers Luxembourg a identifié les facteurs de durabilité suivants comme les plus pertinents et prend en compte les principales incidences négatives («principal adverse impacts», ou «PAI») liées:

- **aux questions climatiques et environnementales** : indicateurs relatifs à l'incidence sur les changements climatiques (p. ex. émissions de gaz à effet de serre, performance énergétique) et sur les ressources naturelles (p. ex. biodiversité, eau, déchets).
- **aux questions sociales et d'emploi, de respect des droits de l'Homme et de lutte contre la corruption** : indicateurs relatifs aux sanctions et/ou aux violations des conventions et principes internationaux (p. ex. travail, droits de l'Homme, armes controversées) et au comportement des entreprises (écart salarial entre les sexes, diversité au sein des conseils d'administration).

L'activité de conseil en investissement pour laquelle SLAM Luxembourg est agréée n'est pas exercée. Par conséquent, les principales incidences négatives des décisions d'investissement sur les facteurs de durabilité dans le cadre de conseils en investissement ne sont pas prises en compte. A cette fin, le présent rapport n'englobe pas de données relatives à des conseils en investissement. Il n'est pas envisagé de prendre en compte de telles incidences négatives tant que SLAM Luxembourg n'exercera pas cette activité.

Sintesi

Swiss Life Asset Managers Luxembourg tiene conto dei principali effetti negativi delle sue decisioni d'investimento sui fattori di sostenibilità. La presente è la dichiarazione consolidata sui principali effetti negativi sui fattori di sostenibilità di Swiss Life Asset Managers Luxembourg.

La dichiarazione copre il periodo di riferimento compreso tra il 1° gennaio e il 31 dicembre 2022.

Swiss Life Asset Managers Luxembourg ha identificato i seguenti fattori di sostenibilità come i più rilevanti e considera i principali effetti negativi («principal adverse impacts», o «PAI») in relazione a:

- **Clima e ambiente**: indicatori relativi all'impatto sul cambiamento climatico (p.es. emissioni di gas a effetto serra, efficienza energetica) e sulle risorse naturali (p.es. biodiversità, acqua, rifiuti).

- **Questioni sociali e concernenti il personale, rispetto dei diritti dell'uomo, lotta alla corruzione attiva e passiva:** indicatori relativi a sanzioni e/o violazioni di principi e convenzioni internazionali (ad es. diritti dell'uomo e del lavoro, armi controverse) e al comportamento aziendale (gender pay gap, diversità nei consigli di amministrazione).

L'attività di consulenza in investimenti per la quale SLAM Luxembourg è autorizzata, non viene svolta. Pertanto, nella consulenza in investimenti non si tiene conto dei principali effetti negativi delle decisioni d'investimento sui fattori di sostenibilità. A tal fine, il presente reporting non include i dati relativi alla consulenza in investimenti. Non si intende tener conto di tali effetti negativi finché SLAM Luxembourg non svolgerà tale attività.