

DISCLAIMER

This document is only an excerpt from the annual report of the mentioned investment fund and is not legally binding. The current binding annual report, including the appendix on sustainability-related information, is available at www.erste-am.com.

Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name:
ERSTE STOCK ENVIRONMENT

Legal entity identifier:
529900EQIHERY286X060

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

For improved readability, for the purpose of this document, "Taxonomy Regulation" means Regulation (EU) 2020/852, "Disclosure Regulation" means Regulation (EU) 2019/2088, and "RTS" means Delegated Regulation (EU) 2022/1288.

Did this financial product have a sustainable investment objective?	
<div><div><div></div><div></div></div><div><input checked="" type="checkbox"/> Yes</div></div>	<div><div><div></div><div></div></div><div><input type="checkbox"/> No</div></div>
<div><div><input checked="" type="checkbox"/></div><div>It made sustainable investments with an environmental objective: 96.55 %</div></div>	<div><div><input type="checkbox"/></div><div>It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of __ % of sustainable investments</div></div>
<div><div><input checked="" type="checkbox"/></div><div>in economic activities that qualify as environmentally sustainable under the EU Taxonomy</div></div>	<div><div><input type="checkbox"/></div><div>with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</div></div>
<div><div><input checked="" type="checkbox"/></div><div>in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</div></div>	<div><div><input type="checkbox"/></div><div>with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</div></div>
<div><div><input checked="" type="checkbox"/></div><div>It made sustainable investments with a social objective: 96.55 %</div></div>	<div><div><input type="checkbox"/></div><div>with a social objective</div></div>
	<div><div><input type="checkbox"/></div><div>It promoted E/S characteristics, but did not make any sustainable investments</div></div>



To what extent was the sustainable investment objective of this financial product met?

The Fund invests at least 85% of its assets in units of ERSTE WWF STOCK ENVIRONMENT (the master fund) at all times.

Description of the sustainable investment objectives of the master fund:

Conformity with the defined sustainable investment objective was ensured by the continuous application of the process described below:

The investment fund aims to promote environmental technologies through its investments, and in this way to generate a positive environmental sustainability impact.

To this end, the Management Company has defined three themes, and the target companies must be active in one or more of these areas to a predominant degree:

1) Energy

The Fund invests in shares of companies offering environmentally sustainable solutions in the fields of renewable energy and mobility. Promoting and using renewable energy sources contributes to the reduction of greenhouse gas emissions. Public transport, alternative vehicle drive systems such as electricity and hydrogen, and autonomous driving reduce the need for fossil fuels for mobility and thus contribute to minimising the associated greenhouse gas emissions.

2) Water

The Fund invests in shares of companies offering environmentally sustainable water infrastructure solutions. The sustainable use of water is a prerequisite for environmentally intact water cycles and thus promotes a stable water supply for people and the economy. The responsible handling of wastewater also plays an important role in this.

3) Recycling and responsible resource use

The Fund invests in shares of companies offering environmentally sustainable solutions in the fields of recycling, resource management, and pollution avoidance. Transitioning to a circular economy is a prerequisite for sustainable growth. The sensible recycling of raw materials reduces the impact on the environment from waste and the extraction of (limited) raw materials. The reduction of hazardous emissions into the atmosphere and other biospheres contributes to the protection of intact environmental systems.

To meet this objective, the Fund only invests in issues from companies that meet sustainable investment criteria and that have been categorised by the Management Company as environmentally and socially sustainable on the basis of a predefined screening process and that comply with the good corporate governance standards.

This is ensured by the application of the Management Company's ESG toolbox as part of the investment process.

The selection process provides, among other things, for investing in economic activities or assets that contribute to or promote one or more environmental objectives within the meaning of Art. 9 of the Taxonomy-Regulation. At the same time, the selection process does not exclude the possibility of promoting other environmental, social and corporate governance objectives with the investments underlying the investment fund than those currently provided for in the Taxonomy-Regulation.

The Taxonomy-Regulation (Art. 9) identifies environmentally sustainable activities based on their contribution to the following six environmental objectives:

- Climate change mitigation;
- Climate change adaptation;
- The sustainable use and protection of water and marine resources;
- The transition to a circular economy;
- Pollution prevention and control;
- The protection and restoration of biodiversity and ecosystems.

An economic activity is considered environmentally sustainable if it makes a significant contribution to one or more of the six environmental objectives, does not significantly compromise any of the environmental objectives, and is carried out in compliance with the minimum safeguards set forth in Art. 18 of the Taxonomy-Regulation.

The investment fund contributes to the objectives mentioned in Art. 9 of the Taxonomy-Regulation.

The breakdown of the share of investments for the EU taxonomy objectives mentioned in the previous questions, to which the Fund contributed, is currently only possible to a limited extent due to the insufficient data situation.

A statement is currently only possible for the following environmental objectives as defined by the Taxonomy-Regulation:

- Climate protection: 46.30 %

- Climate change adaptation: 2.45 %

Due to the insufficient data situation, it is currently not possible to make a more differentiated allocation of the contribution of the sustainable facility to the stated goals.

Compliance with the criteria for environmentally sustainable economic activities according to Art. 3 of the Taxonomy-Regulation is ensured by the investment processes outlined above and below.

In the past reporting period, sustainable investments were made with social objectives, among others. Their description is discussed above.

No derivatives have been used to meet the sustainable objectives.

If the disclosure of the companies in which investments are made does not readily indicate the extent to which the investments are made in environmentally sustainable business activities, data, if available, from ESG research partners is used.

Exclusion Criteria			ESG Analysis / Best in Class		Integration	Engagement	Voting	Thematic funds	Focused sustainability Impact	Fulfill Austrian ecolabel or FNG label criteria
Minimum criteria	Exclusion criteria	Norm-based Screening	ESG Risk Analysis	Best in Class						
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

The Management Company makes the investment decisions for this Fund on the basis of the investment universe defined through the screening process.

No benchmark has been designated for the purpose of attaining the sustainable investment objective.

The Fund has the objective of reducing carbon emissions.

There is no reference benchmark that qualifies as an EU Climate Transition Benchmark or an EU Paris-aligned Benchmark under the Regulation (EU) 2016/1011.

The reduction of carbon emissions is achieved through the investment process described above. In this, the methodological requirements of the Regulation (EU) 2020/1818 for the design of EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks are applied analogously in the management of the Fund without creating or applying such a reference benchmark:

1. The focus areas of the Fund contribute to reducing global carbon emissions through the corresponding products and solutions. In line with the recitals and Art. 5 of the Regulation (EU) 2020/1818, special attention is paid to the effect of the investee companies on the reduction of Scope 3 emissions. The economic activity of the investee companies contributes continuously to reducing global greenhouse gas emissions. This orientation is monitored in collaboration with ESG Plus and the Environment Council of WWF Austria before the definition of the eligible investment universe and is a selection criterion for inclusion in the Fund's investable universe. The emission reductions facilitated by the investee companies are measured annually.
2. The GHG intensity of the investee companies is also calculated at least once per year by the Management Company. In accordance with Art. 9 of the Regulation (EU) 2020/1818, it is at least 30% lower than that of the global equity market.
3. The exclusion criteria defined by the Management Company fulfil the criteria in Art. 12 point 1 lit. a) to g) of the Regulation (EU) 2020/1818, especially with regard to the exclusion of fossil energy and companies that violate the UN Global Compact. Strict review by the Management Company, ESG Plus, and the Environment Council of WWF Austria ensures compliance with the requirements in Art. 12 point 2 of the Regulation (EU) 2020/1818 that no investment may run counter to the sustainable objectives

of the Fund. In accordance with Art. 12 point 3 of the Regulation (EU) 2020/1818, all relevant exclusion criteria of the Fund can be viewed on the following website.

<https://www.erste-am.at/en/private-investors/sustainability/publications-and-guidelines>

The decisions thus taken shall be documented in accordance with the requirements of Art. 13 the Regulation (EU) 2020/1818 and the methods of fund management shall be made publicly available.

Sustainability

Indicators measure how the sustainable objectives of this financial product are attained.

● **How did the sustainability indicators perform?**

The Fund invests at least 85% of its assets in units of ERSTE WWF STOCK ENVIRONMENT (the master fund) at all times.

Description of the sustainable indicators used to measure the attainment of each of the sustainable objectives promoted by the master fund:

The overall sustainability impact of the Fund is measured annually.

This focuses in particular on carbon emission reductions through the use of renewable energy and environmentally friendly forms of mobility, the contribution to the supply of clean water and renewable energy, and the recycling of materials.

The following indicators that reflect selected topics covered by the Fund are calculated to depict the overall sustainability impact of the Fund. These are evaluated annually.

The data presented is based on the latest available analysis as of March 31, 2023.

1. Energy, energy efficiency, and mobility

- Carbon emission savings through the new installation of renewable energy facilities during the reporting period, calculated over the useful life of the installed facilities

517 million tons

- Households supplied with renewable electricity

11 million

- Share of renewable energy in the energy mix of the power utilities in the Fund

100% (cf. 28.6% in the global energy mix)

- Carbon emission savings through the shift of freight transport from the road to rail

No relevant companies included in the portfolio as of April 28, 2023

2. Water

- Persons supplied with clean drinking water during the reporting period

2,5 million

3. Recycling, waste, and resource efficiency

- Waste prevented through recycling

26,6 million tons

The above indicators represent the environmental contributions and performance of the portfolio companies in the course of their normal business operations. They are not calculated proportionally based on the shares held by the Fund. The Fund participates in the environmental performance of the portfolio companies through its investments. No additionality is assumed, meaning the effect is not caused directly by the Fund's investment in the individual companies.

The indicators and the methods used to calculate them are subject to continuous refinement and may thus be adapted to the current state of the art between reporting dates.

The data were collected and analysed in cooperation with ESG Plus (a spin-off of WWF Austria).

Exclusion criteria:

Continuous compliance with the Fund's exclusion criteria is assessed. This verification is performed daily by the Management Company's Risk Management department.

Indicator: Compliance with the Fund's exclusion criteria
100% of the fund assets comply with the Fund's exclusion criteria.

Sustainable Development Goals:

The Management Company assesses and reports to what degree the investments held by the Fund contribute to the 17 United Nations Sustainable Development Goals (SDGs). The contributions to the individual goals and the positive and negative overall contribution to the SDGs are reported.

Indicator 1: Share of the fund assets that makes a positive contribution to each of the 17 SDGs (As of 04/28/2023)

SDG	% fund volume
No Poverty #1	0.00
No Hunger #2	0.03
Good Health and Well Being #3	1.03
Quality Education #4	0.00
Gender Equality #5	0.00
Clean Water and Sanitation #6	4.22
Affordable and Clean Energy #7	40.63
Decent Work and Economic Growth #8	0.00
Industry, Innovation and Infrastructure #9	0.00
Reducing Inequality #10	5.93
Sustainable Cities and Communities #11	3.05
Responsible Consumption and Production #12	7.08
Climate Action #13	41.54
Life Below Water #14	0.00
Life on Land #15	4.68
Peace, Justice and Strong Institutions #16	0.00
Partnerships for the Goals #17	0.00

Indicator 2: Proportion of impacts/contributions to SDGs generated by the investment fund's investments that are positive in nature
99.72 % of the generated impacts/contributions to SDGs are positive in nature as of 04/28/2023

Indicator 3: Proportion of impacts to SDGs generated by the investment fund's investments that are negative in nature:
0.28 % of the generated impacts to SDGs are negative in nature as of 04/28/2023

A comprehensive description of the indicators, the most important contributions to the SDGs broken down by issuer, and the methodology upon which the calculation is based can be viewed on the following website:

<https://www.erste-am.at/en/private-investors/sustainability/publications-and-guidelines/green-pledge/sdg-report>

Carbon footprint:

The Management Company calculates the Fund's carbon footprint based on the 12-month average of scope 1 + 2 greenhouse gas emissions.

Indicator: Carbon footprint

The carbon footprint of the Fund amounts to 133.21 tones per 1 million EURO sales (As of 04/30/2023)

A description of the indicators and the methodology upon which the calculation is based can be viewed on the following website:

<https://www.erste-am.at/en/private-investors/sustainability/responsible#co2-footprint>

Water footprint:

The Management Company calculates the Fund's water footprint annually based on securities held directly in the Fund. The footprint is calculated and reported separately based on the degree of water scarcity in the regions in which the issuers in which the Fund invests consume water.

The indicator is calculated as far as there is sufficient data in the calculation systems.

Indicator: Water footprint relative to the overall global market, broken down by regions with low, medium, and high water scarcity as of 04/28/2023 (Unit of measurement: water withdrawal in m3 / thousand USD sales)

	Volume
High Stress Region	21.31
Medium Stress Region	783.31
Low Stress Region	68.40

A description of the indicators and the methodology upon which the calculation is based can be viewed on the following website:

<https://www.erste-am.at/en/private-investors/sustainability/responsible#wasserfussabdruck>

In case of subfunds, these factors are tracked based upon available look-through data. Tracking is only guaranteed for investment funds managed by the management company.

● **...and compared to previous periods?**

Not applicable

● **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

Description of the mitigation of a significant adverse impact on the sustainable investments of the master fund:

The sustainable investments described below, which comprise part of this financial product, do not cause significant harm to the environmental or social sustainable investment objectives because this financial product invests solely in issuers that have been qualified as sustainable by the Management Company based on the sustainable investment process described above. This categorisation sets forth that issuers may have no significant adverse impacts on environmental or social factors, as such a violation would preclude an investment based on the binding ESG characteristics of this investment process.

The sustainable investment process of the Fund ensures that no investments are made in issuers that would cause significant harm to the environmental or social sustainable investment objective.

All issuers in which the Fund invests are analysed and selected before acquisition on the basis of a predefined sustainability process. The comprehensive ESG analysis of each issuer in collaboration with ESG Plus and the Environment Council of WWF Austria guarantees compliance with this rule.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and bribery matters.

In addition, alignment with the social and environmental investment objective is ensured through the application of exclusion criteria.

These can be viewed on the following website:

<https://www.erste-am.at/en/private-investors/sustainability/publications-and-guidelines>

The investment universe is assessed regularly for compliance with these criteria and updated as needed. Compliance with the eligible investment universe is verified daily. Securities from issuers that no longer meet the sustainability criteria of the Fund are sold while protecting the Unit-holder interests.

The Management Company also exercises an active ownership function. Through Engagement with issuers with issuers in the analysed investment universe, contributions are made to the improvement of the environmental and social performance of these companies.

The focus topics of the ESG analysis, selection process, and active ownership practices are adapted to the specific ESG risk profile of each issuer.

How were the indicators for adverse impacts on sustainability factors taken into account?

The Fund invests at least 85% of its assets in units of ERSTE WWF STOCK ENVIRONMENT (the master fund) at all times.

Description of the incorporation of the adverse impact indicators on sustainability factors of the master fund:

Consideration and reduction of key adverse impacts on sustainability factors ("Principle Adverse Impact - "PAI") was performed during the reporting period through the following procedures and methods: Application of social and environmental exclusion criteria.

These can be viewed on the following website:

<https://www.erste-am.at/en/private-investors/sustainability/publications-and-guidelines>

All 14 PAIs from Table 1 of the RTS, that apply to the investment fund were taken into account. The investment fund also takes the following PAIs from Tables 2 and 3, Annex I of the RTS into account:

- Indicator 8 (Table 2) - Exposure to areas of high water stress (share of investments in investee companies with sites located in areas of high water stress without a water management policy)
- Indicator 14 (Table 3) - Number of identified cases of severe human rights issues and incidents (number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis)

In addition, all issuers in which the Fund invests are analysed and selected before acquisition on the basis of the predefined sustainability process described above.

During the reporting period, this led to a significant reduction in the principal adverse impacts on sustainability factors from the investments held by the Fund.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Fund invests at least 85% of its assets in units of ERSTE WWF STOCK ENVIRONMENT (the master fund) at all times.

Description of the incorporation of the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights by the master fund:

Sustainable investments are made by applying the exclusion criteria described above and taking into account the ESG analysis of issuers following the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. Details are available on the following website:

<https://www.erste-am.at/en/private-investors/sustainability/publications-and-guidelines>

The investment process described above was reviewed and adhered to throughout the reporting period.



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund invests at least 85% of its assets in units of ERSTE WWF STOCK ENVIRONMENT (the master fund) at all times.

Description of the incorporation of the principal adverse impacts on sustainability factors of the master fund:

The Management Company takes into account the principal adverse impacts (PAI) on sustainability factors in the investment strategy of this Fund.

The process described here was complied with throughout the reporting period.

All climate and other environment-related indicators and indicators for social and employee, respect for human rights, anti-corruption, and anti-bribery matters as set forth in Annex I of the RTS are taken into account in principle. However, it must be noted that not every indicator is relevant for every investment made by the Fund. The investment process ensures that all environmental, social, and corporate governance criteria that are relevant for the assessment of the respective investment are taken into account in the assessment of that investment.

In addition to taking the above indicators into account, the investment process also employs the optional indicators from Tables 2 and 3 of Annex I to the RTS where sufficient data is available

The Management Company considers the avoidance of greenhouse gas emissions, the responsible use of water, and respecting human rights to be the most important PAI.

Fundamentally, the PAI are taken into account not using quantitative requirements, but through the structured inclusion of the respective criteria in the sustainability analysis that is part of the Fund's investment process.

The most important PAI of the Fund are taken into account through multiple elements of the investment process. The following table shows the key process elements where this occurs on the basis of the Management Company's ESG toolbox.

Erste Asset Management ESG-Toolbox – PAI Consideration

Principal Adverse Impacts (PAI)		Exclusion Criteria			ESG Analysis / Best in Class		Integration	Engagement	Voting	Themed Funds	Focused sustainability impact	Austrian ECO label / FNG label
		Minimum Criteria	Exclusions	Normsbased Screening	ESG Risk Analysis	Best in Class						
Environment	Greenhouse gas emissions	✓	✓		✓	✓		✓	✓	✓	✓	not applicable
	Biodiversity	✓			✓	✓		✓	✓	✓	✓	
	Water				✓	✓		✓	✓	✓	✓	
	Waste		✓		✓	✓		✓	✓	✓	✓	
Social & employee matters	UN Global Compact		✓	✓	✓	✓		✓	✓			
	OECD Guidelines for Multinational Enterprise		✓	✓	✓	✓		✓	✓			
	Gender equality		✓	✓	✓	✓		✓	✓			
	Controversial weapons	✓										

In this, measures including the following are taken:

1. GHG emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity-sensitive areas
8. Emissions to water
9. Hazardous waste and radioactive waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)



What were the top investments of this financial product?

<i>Largest investments</i>	<i>Sector</i>	<i>% Assets</i>	<i>Country</i>
US29355A1079 - ENPHASE ENERGY INC.DL-,01	C - MANUFACTURING	3.59	US
US86771W1053 - SUNRUN INC. DL-,0001	F - CONSTRUCTION	3.56	US
US86745K1043 - SUNNOVA ENERGY INT.-,0001	F - CONSTRUCTION	3.45	US
US83417M1045 - SOLAREDGE TECHN. DL-,0001	C - MANUFACTURING	3.42	US
US82489W1071 - SHOALS TECHS A DL-,00001	C - MANUFACTURING	2.43	US

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

US30057T1051 - EVOQUA WATER TECHN.DL-,01	C - MANUFACTURING	2.37	US
ES0105563003 - CORPORACION A.E.R. EO 1	D - ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	2.37	ES
US2372661015 - DARLING INGRED.INC.DL-,01	E - WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES	2.34	US
FR0000121972 - SCHNEIDER ELEC. INH. EO 4	M - PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	2.31	FR
US04271T1007 - ARRAY TECHNOLOGIES -,001	C - MANUFACTURING	2.12	US
US9297401088 - WESTINGH.AI.BR.T. DL-,01	C - MANUFACTURING	2.10	US
JP3270000007 - KURITA WATER IND.	C - MANUFACTURING	2.09	JP
ES0127797019 - EDP RENOVAVEIS EO 5	D - ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	2.07	ES
LU1704650164 - BEFESA S.A. ORD. O.N.	K - FINANCIAL AND INSURANCE ACTIVITIES	1.85	LU
JP3154750008 - WEST HOLDINGS CO. LTD.	S - OTHER SERVICE ACTIVITIES	1.84	JP

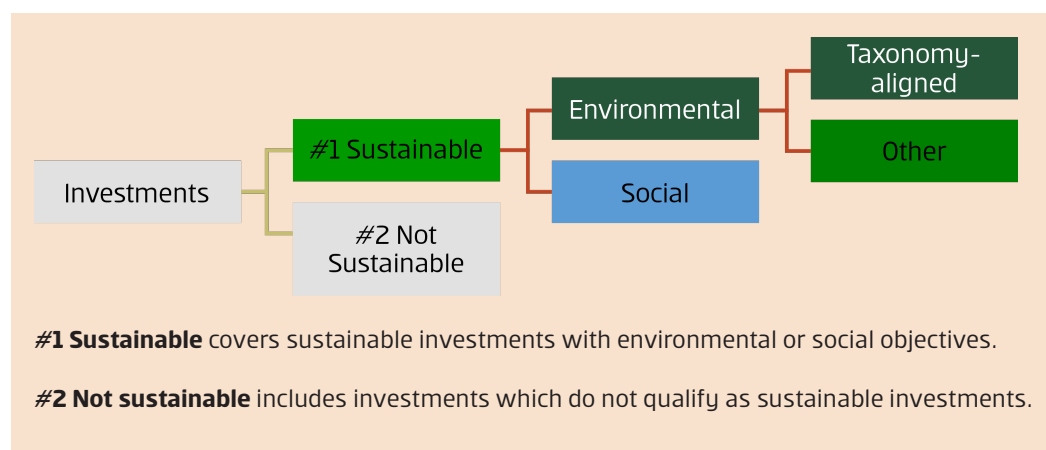


Asset allocation

describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

● What was the asset allocation?



Environmentally sustainable investments were made to the extent of 96.55 %.

Of this, 46.94 % were environmentally sustainable investments in accordance with the Taxonomy-Regulation.

Other environmentally sustainable investments comprised 49.61 % of the fund assets.

96.55 % of the fund assets fulfil the characteristics of socially sustainable investments.

Non-sustainable investments accounted for 3.45 %.

All investments must confirm with this sustainability approach at the time of purchase, and thus qualify as sustainable in the sense of the Disclosure Regulation. In the event that an investment is identified as no longer qualifying as sustainable during the regular update of the ESG analysis, it must be sold while protecting the interests of Unit-holders.

Apart from a possible certification of the sustainability process, compliance with the requirements for environmentally sustainable business activities set out in Art. 3 of the Taxonomy-Regulation is neither confirmed by an auditor nor verified by third parties.

The level of investment in environmentally sustainable business activities is measured in terms of sales revenue based on available data. This allows for better comparability (also for investors) with other indicators to show sustainability. The management company currently receives this data from third parties (research providers).

● **In which economic sectors were the investments made?**

Economic sectors	% Share
C - MANUFACTURING	54.83
M - PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	13.21
D - ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	10.07
F - CONSTRUCTION	8.67
K - FINANCIAL AND INSURANCE ACTIVITIES	4.39
E - WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES	3.91
S - OTHER SERVICE ACTIVITIES	1.84
G - WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	1.64
J - INFORMATION AND COMMUNICATION	1.10
B - MINING AND QUARRYING	0.27
A - AGRICULTURE, FORESTRY AND FISHING	0.06



● **To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?**

☐ Yes
 ☐ In fossil gas
 ☐ In nuclear energy

☒ No

Sales from fossil gas and/or nuclear energy are not included in the taxonomy report. Only after the completion of the corresponding calculation methods by the European legislator and the complete availability of data, the disclosure of a possible share can be made.

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

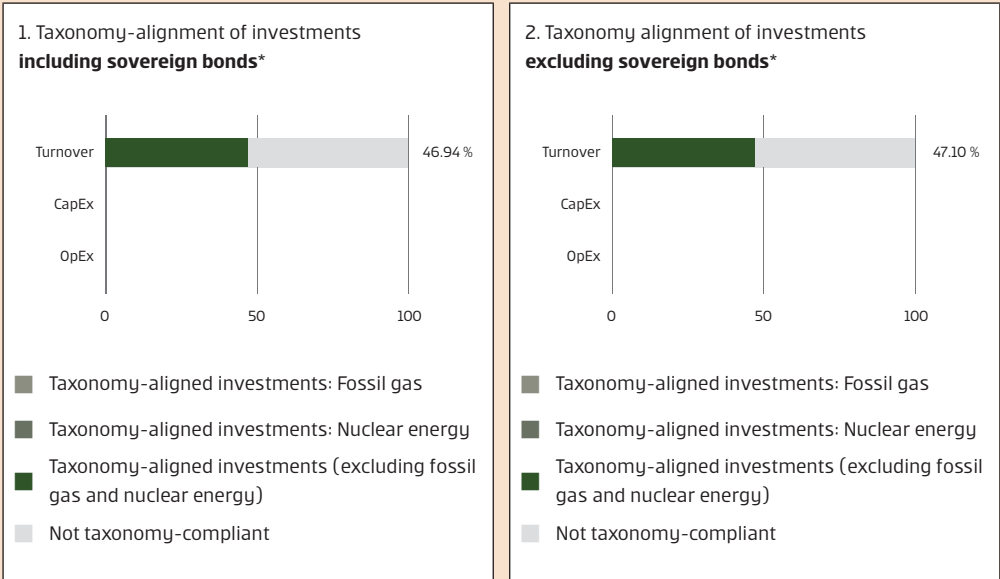
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made

by investee companies, e.g. for a transition to a green economy.

- operational expenditure (OpEx)** reflecting green operational activities of investee companies.



** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

The breakdown of the share of investments for the EU taxonomy objectives mentioned in the previous questions, to which the Fund contributed, is currently only possible to a limited extent due to the insufficient data situation.

A statement is currently only possible for the following environmental objectives as defined by the Taxonomy-Regulation:

- Climate protection: 46.30 %
- Climate change adaptation: 2.45 %

The stated values refer to the Taxonomy-alignment of investments including sovereign bonds.

Due to the insufficient data situation, it is currently not possible to make a more differentiated allocation of the contribution of the sustainable facility to the stated goals.

Where the disclosure of the companies invested in does not readily indicate the extent to which the investments are in environmentally sustainable business activities, data, where available, from ESG Research Partners is used.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

- What was the share of investments made in transitional and enabling activities?**
 No data available.
- How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**
 Not relevant for the first reporting period.

 are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

Other environmentally sustainable investments comprised 49.61 % of the fund assets.

The Taxonomy-Regulation currently only takes into account ecologically sustainable products and services from environmental technologies that are offered commercially. Ecologically sustainable business activities in the production of goods of other economic sectors are not referenced.

The management company believes that any action should also be evaluated according to its positive or negative contribution, and that such positive contributions are essential in the transition to a climate-friendly and/or environmentally sustainable economy. The investment process of this investment fund analyzes the ecologically sustainable business conduct of all invested companies and selects those companies where an ecologically responsible economic activity is recognized, also outside of pure environmental technologies as defined by the Taxonomy-Regulation. These investments had to comply with this sustainability approach at the time of acquisition and can therefore be classified as ecologically sustainable within the meaning of the Disclosure Regulation, irrespective of their categorization as ecologically sustainable economic activities within the meaning of the Taxonomy-Regulation.



What was the share of socially sustainable investments?

96.55 % of the fund assets qualify as socially sustainable investments.



What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

Item #2 includes only demand deposits, time deposits and derivatives. Derivatives held by the investment fund are for hedging purposes, demand deposits and time deposits refer to cash held as additional liquidity. The achievement of the sustainable investment objective is not permanently impaired by these investments falling under item #2 and their use because these assets are currently considered neutral from an environmental and social perspective.

All other investments held in the Fund (# Item 1) must be categorised by the Management Company as sustainable on the basis of the predefined screening process at the time of acquisition. The application of social and environmental exclusion criteria and the in-depth ESG analysis affords a minimum degree of comprehensive basic environmental and social protection for the entire Fund.



What actions have been taken to attain the sustainable investment objective during the reference period?

The investment process described above was applied in full. The ESG criteria were complied with continuously in terms of the environmental, social, and ethical exclusion criteria as well as the ESG analysis conducted via the Management Company's proprietary ESGenius model. This was ensured by the quarterly review and update of the investable universe by the responsible Responsible Investments team as well as a daily review of the investment fund by Risk Management.

The Fund is subject to the engagement policy that the Management Company has defined in accordance with Article 3g of Regulation (EU) 2007/36. This sets forth extensive focuses on environmental and social topics.

The complete engagement policy can be found on the Management Company's website:
https://cdn0.erstegroup.com/content/dam/at/eam/common/files/ESG/stewardship-policy/Stewardship_Policy_EN.pdf

All engagement activities undertaken by the Management Company are presented in the annual engagement reports.

These can be viewed on the following website:

<https://www.erste-am.at/en/private-investors/sustainability/publications-and-guidelines#/active-ownership>

The management company exercises its rights as a shareholder in accordance with its voting policy. This policy and the detailed voting behavior of the management company for the past calendar year are available on the following website:

https://cdn0.erstegroup.com/content/dam/at/eam/common/files/ESG/VotingPolicy/EAM_Voting_Policy_EN.pdf



How did this financial product perform compared to the reference sustainable benchmark?

No index has been designated as a reference benchmark for the purpose of attaining the sustainable investment objective.

- ***How did the reference benchmark differ from a broad market index?***
Not applicable
- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***
Not applicable
- ***How did this financial product perform compared with the reference benchmark?***
Not applicable
- ***How did this financial product perform compared with the broad market index?***
Not applicable

Reference benchmarks are indexes to measure whether the financial product attains the sustainable objective.