

## Sustainability-related disclosures

### Product name:

Raiffeisen Azionario SmartEnergy ESG (R)

ISIN a distribuzione (A): AT0000A2DFG6 ISIN ad accumulazione (T): AT0000A2DFF8 ISIN ad accumulazione totale (VT): AT0000A2ETT8

**Legal entity identifier:** 529900GURG9FCGT0XH76

Il prodotto (il Fondo) è gestito da Raiffeisen Kapitalanlage-Gesellschaft m. b. H. in qualità di società di gestione. Gestore del Fondo: Raiffeisen Kapitalanlage-Gesellschaft m.b.H.

### Sintesi

Il Fondo ha come obiettivo investimenti sostenibili (art. 9 del Regolamento (UE) 2019/2088 relativo all'informativa sulla sostenibilità nel settore dei servizi finanziari).

Nella gestione del Fondo vengono presi in considerazione i principali effetti negativi delle decisioni di investimento sui fattori di sostenibilità.

Il focus del Fondo è posto sulla mitigazione dei cambiamenti climatici. Per quanto riguarda i criteri negativi vincolanti in ambito ESG ("environment", "social", "governance"), la strategia d'investimento include un'analisi approfondita della sostenibilità e una costruzione del portafoglio che prende in considerazione la valutazione ESG, il momentum ESG e l'obiettivo di riduzione costante dell'intensità di CO2 del portafoglio. La selezione cade su aziende il cui fatturato derivi per almeno il 25% dalla tematica "smart energy" o che può dimostrare una quota in netta ascesa in questo ambito. Trova applicazione quanto previsto negli „Orientamenti sull'utilizzo di termini ambientali, sociali e di governance o relativi alla sostenibilità nelle denominazioni dei fondi" dell'Autorità europea degli strumenti finanziari e dei mercati (European Securities and Markets Authority, ESMA) del 21/8/2024.

La quota minima di investimenti sostenibili è pari al 90%.

Di questi, almeno il 25% è considerato sostenibile ai sensi della tassonomia dell'UE.

L'andamento dell'indicatore della sostenibilità (si veda in merito „Metodologie relative alle caratteristiche ambientali o sociali") è sottoposto a verifica alla fine dell'esercizio finanziario e indicato nel rendiconto di gestione del Fondo. Nell'ambito del "limitsystem" interno si provvede a monitorare di continuo il punteggio ESG MSCI e a confrontarlo con i valori limite definiti relativi all'obiettivo di investimento sostenibile.

I criteri negativi definiti sono verificati quotidianamente nell'ambito del "limitsystem" interno.

Per finalità di gestione del rischio, verifica dei criteri negativi, valutazione di controversie e analisi riguardanti la tassonomia dell'UE e i principali effetti negativi sui fattori di sostenibilità, la Società di gestione ricorre ai dati di MSCI ESG Research Inc. e di Institutional Shareholder Services. I dati provenienti dai fornitori di dati vengono introdotti nei sistemi della Società di gestione mediante un processo mensile sottoposto a controllo di qualità. La qualità dei dati viene garantita mediante monitoraggio regolare dei dati introdotti ed esecuzione di verifiche della plausibilità.

La pubblicazione dei dati da parte delle aziende è parzialmente limitata, di conseguenza, è necessario affidarsi a stime. Per questo motivo, i fornitori di dati effettuano stime regolari dei punti di rilevamento; il tasso di copertura e la metodologia sono soggetti a costante adeguamento.

Grazie alle metodologie solide e al tasso di copertura elevato dell'universo di investimento, il soddisfacimento degli obiettivi di sostenibilità promossi con il prodotto finanziario non è compromesso da eventuali limitazioni delle metodologie o delle fonti di dati. Per quanto riguarda l'universo di investimento, il tasso di copertura dei fornitori di dati è, in genere, molto alto. Per alcuni processi della Società di gestione sono stati stabiliti tassi minimi di copertura; di solito la copertura è nettamente superiore.

In conformità all'art. 30 della Legge austriaca sui fondi d'investimento (Investmentfondsgesetz, InvFG), la Società di gestione è tenuta a esercitare una particolare diligenza nella selezione e nel monitoraggio continuo degli investimenti, tutto ciò nel migliore interesse del Fondo e dell'integrità del mercato. La conformità degli investimenti del Fondo al suo Regolamento è controllata di continuo dal sistema. Allo stesso modo sono sottoposti a controllo continuo l'obiettivo di investimento sostenibile e i rischi legati alla sostenibilità. Il rispetto del Regolamento del Fondo nel corso dell'investimento viene, inoltre, controllato di continuo dalla Banca depositaria, nonché dal revisore nell'ambito della verifica contabile.

Raiffeisen KAG esercita un dialogo attivo (engagement) con le aziende al fine di garantire nel miglior modo possibile gli interessi dei suoi clienti. È possibile trovare ulteriori informazioni sulle politiche di impegno, sui principi dell'esercizio del diritto di voto e sul rendiconto annuale in merito sul nostro sito web all'indirizzo [www.rcm.at](http://www.rcm.at) o su [www.rcm-international.com](http://www.rcm-international.com) alla voce Corporate Governance

Il Fondo non viene confrontato con un indice di riferimento per quel che riguarda il raggiungimento dell'obiettivo di investimento sostenibile.

## **No significant harm to sustainable investment objective**

### **How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?**

In terms of sustainability, no company/issuer in this universe may violate the negative criteria established by the management company in order to avoid investments in controversial sectors and practices. The negative criteria are subject to constant monitoring. Furthermore, companies that are rated negatively according to the internal "Future Transformation Topics" research do not count as sustainable investment. For details on the handling of negative criteria and the integration of the assessments provided by our proprietary "Future Transformation Topics" research, please see the section "What investment strategy does this financial product follow? / What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?". These negative criteria and the incorporation of the assessments from the proprietary "Future Transformation Topics" take into consideration the requirements for compliance with the minimum safeguards of the Taxonomy Regulation at the issuer level. The negative criteria as well as the list of "Future Transformation Topics" may be amended or adjusted on the basis of new information and developments on the market.

## **Sustainable investment objective of the financial product**

### **What is the sustainable investment objective of this financial product?**

The fund pursues sustainable investment. The focus is on climate change mitigation.

### **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

The 'Raiffeisen ESG Indicator' will be applied as the management company's internal sustainability indicator. The management company continually analyses companies and sovereigns with the help of internal and external research providers. Together with an overall ESG rating including an ESG risk assessment, the results of the sustainability research are converted into the so-called Raiffeisen ESG Indicator. The Raiffeisen ESG Indicator is measured on a scale of 0-100. The assessment is made in consideration of each company's respective branch of business.

## **Investment strategy**

### **What investment strategy does this financial product follow?**

The fund's focus is on climate change mitigation.

Climate change is a global challenge that makes investing in renewable energy and "more efficient energy" indispensable.

The fund invests in companies whose product portfolio includes products that contribute to the reduction of greenhouse gases related to energy (production, transport and use) – theme "smart energy". Global equities are selected from companies concerned with renewable energy, energy distribution, solutions for a more efficient energy approach, energy management and transport, which facilitate the transformation process in the energy sector and can benefit from this.

### Investments in individual securities

The following principles shall be applied for direct investments in individual securities and money market instruments:

On the first analysis level, preselection is made of the overall investment universe.

The selected companies must generate at least 25% of their income from the theme "smart energy" or show a substantial increase of income from this sector.

The integrated approach pursued by Raiffeisen KAG starts with an analysis focusing on internal and external data and information: a corporate and sovereign ESG indicator developed by the management company on the basis of internal and external ESG data forms the centerpiece of the investment strategy.

The first pillar of the Raiffeisen ESG indicator for corporate stocks focuses on internal assessments linked to the so-called "Future Transformation Topics", reflecting an evaluation of the potential of sectors and subsectors from a sustainability perspective. At present, the "Future Transformation Topics" specifically include energy, infrastructure, commodities, technology, healthcare/nutrition/wellbeing, circular economy, and mobility.

Calculating the ESG corporate assessment is the second pillar of the investment process. This includes various scores from external partners, comprising a stakeholder assessment, an assessment of ESG risks, a corporate governance assessment, an assessment of controversies and an SDG assessment (the SDGs, are the Sustainable Development Goals of the United Nations and were unanimously adopted by 193 countries and also implemented by the Austrian Federal Government), as well as an assessment against the negative criteria defined by the management company. At this analysis level, a preselection is made of the overall investment universe.

The third pillar in the corporate segment is the engagement rating, which involves a combination of three dimensions:

1. the intensity and form of engagement
2. communication

This assesses the company's willingness to respond to questions raised by the management company, the frequency of communication and the swift and timely response to these questions.

3. the impact of the engagement

This is an assessment of the company's implementation of its engagement objectives.

Where reputational risks are identified in the context of the engagement process, the company will be excluded from any investment. If engagement did not yet occur, the company is rated neutral.

For the purpose of assessing countries, the management company has developed the Raiffeisen Sovereign Indicator. Various topics have been identified for the calculation that describe the level of sustainability of the sovereigns, both in their legislation and in their conduct towards the environment and the citizens. In the calculation model, these themes are represented by so-called factors, with each factor assigned to either the environment, social or governance category, and to one of the subcategories biodiversity, climate change

mitigation, resources, environmental protection, basic needs, justice, human capital, satisfaction, institutions, politics, finance and transparency. Data from external research providers is also incorporated into the calculation.

Based on the above-mentioned assessments a broadly diversified portfolio is constructed from the selected companies and sovereigns on the basis of the above analyses, taking into account the ESG indicator, its development (ESG momentum) and fundamental aspects. A high degree of sustainability and fundamental strength are of crucial importance for an investment.

The following criteria in particular are decisive when investing in individual securities:

- Selection of companies with an above-average ESG score (ESG indicator) – with the fund pursuing a higher value than the sustainable investment universe – and positive development (ESG momentum).
  - Pursuing a continual reduction of the fund's carbon footprint. The measurement applied here is the carbon intensity indicator (tCO<sub>2</sub>e/mil. turnover), represented by the ratio of 1 ton of carbon dioxide equivalent to 1 mil. euros of turnover. The carbon dioxide equivalent (CO<sub>2</sub>e) is the standard unit of measurement for the climate impact of various greenhouse gasses. All Scope 1 and Scope 2 emissions are used for calculating the carbon intensity. Scope 1 emissions comprise all direct emissions of a company. Scope 2 includes the emissions from energy that is acquired.
- The carbon intensity (Scope 1 + Scope 2) is calculated for all of the securities in the portfolio. In doing so, the fund's carbon intensity must be at least 20% lower than that of the sustainable investment universe.
- Good financial development with a consistently high ESG level
  - Positive influence in the area of sustainable development goals (SDG); these goals for sustainable development were established by the United Nations and unanimously adopted by 193 countries, and are also implemented by the Austrian Federal Government.
  - Positive impact on sustainability factors as compared to the traditional market – carbon footprint calculation, work accidents, waste production and water consumption.

Please see Part II / Item 15 of this prospectus for details of the investment policy and the investment objective of the fund.

### **What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?**

The European Securities and Markets Authorities (ESMA) has established its "Guidelines on fund names using ESG or sustainability-related terms" dated August 21, 2024, to establish the criteria for the investment in companies. Based on these guidelines, no direct or indirect investment shall be made in companies that are affected by the criteria in Article 12 (1) letters (a) through (g) of Delegated Regulation (EU) 2020/1818 (minimum standards for so-called "EU Paris-aligned Benchmarks"):

- a) companies involved in any activities related to controversial weapons; (regarding international agreements and conventions, the principles of the United Nations and pursuant to Austrian law);
- b) companies involved in the cultivation and production of tobacco;
- c) companies that the management company finds in violation of the United Nations Global Compact (UNGC) principles or the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises;



- d) companies that derive 1% or more of their revenues from exploration, mining, extraction, distribution or refining of hard coal and lignite;
- e) companies that derive 10% or more of their revenues from the exploration, extraction, distribution or refining of oil fuels;
- f) companies that derive 50% or more of their revenues from the exploration, extraction, manufacturing or distribution of gaseous fuels;
- g) companies that derive 50% or more of their revenues from electricity generation with a GHG intensity of more than 100 g CO<sub>2</sub> e/kWh.

The management company has established additional negative criteria for the direct investment in individual securities in order to prevent investments from being made in controversial sectors and practices. Negative criteria do not necessarily mean the total exclusion of a sector or a business practice. In some cases, thresholds are established in consideration of the significance.

Some of the negative criteria mentioned are typically not discovered until after the occurrence of an event (for example, accusations of manipulating balance sheet figures) and therefore support the estimation of future behavior for an investment decision. These negative criteria are subject to constant monitoring and may be amended or adjusted on the basis of new information and developments on the market. Any issuer who has demonstrably violated these negative criteria will be subject to an in-depth review of its ESG assessment. Then the management company decides on whether to keep the position in the fund or to divest.

For corporate issuers, sensitive sectors and aspects are analyzed in detail. These include violations of human rights and the infringement of labor laws (according to the protocol of the International Labour Organization), environmental protection (massive destruction of the environment), corruption and nuclear energy (producers of nuclear energy and uranium; services in connection with nuclear energy production) and producers of military equipment for combat purposes. The following subject areas are also taken into consideration: fossil fuels (exploration, extraction, processing and distribution, energy production), genetic engineering, tobacco (trade). During the in-depth analysis conducted in the course of the investment process for investments in sovereigns, these subject areas are taken into consideration: environmental protection (non-ratification of the Paris Agreement on Climate Change or the UN Convention on Biological Diversity), authoritarian regimes, sovereigns that are not free, corruption (in consideration of the Transparency International corruption perception index) and the non-ratification of the Treaty on the Non-Proliferation of Nuclear Weapons. The following subjects are also considered: nuclear energy as a dominant energy source, lack of cooperation in relation to money laundering (according to the Financial Action Task Force on Money Laundering of the Organisation for Economic Cooperation and Development (OECD)), a particularly high defense budget and the death penalty, where it has not been abolished altogether according to Amnesty International.

Derivative instruments that may enable or support speculative deals with food commodities are excluded from purchase altogether.

For violations of the negative criteria defined by the management company or for instances of investment-relevant ESG questions regarding the above-named subjects, the fund management shall perform an in-depth analysis of the issuer regarding sustainability criteria. Key information for the ESG assessment includes findings of the proprietary

"Future Transformation Topics" research, internal ratings given by the fund management, proprietary engagement and data from external information and research providers. During this process, it is examined as to how the company reacts to the case and which precautions will be taken in the future. A decision is made on the basis of this examination as to whether to keep the position in the fund or divest.

### **What is the policy to assess good governance practices of the investee companies?**

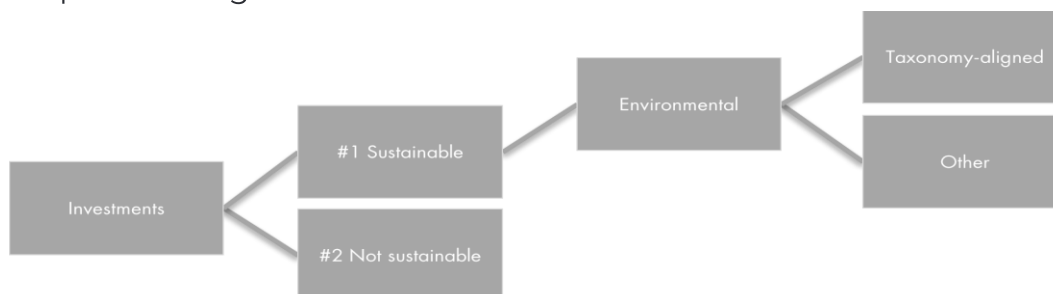
The assessment of good corporate governance in the investment process of the management company is conducted by applying negative criteria, the integration of ESG research in the investment process (ESG scores) for the assessment of companies and for stock picking (best-in-class approach), and the constant evaluation of the fund's governance-related score. Direct investments in companies that the management company believes are violating the principles of the United Nations Global Compact (UNGC) or the Organisation for Economic Co-operation and Development (OECD) guidelines for multinational enterprises are excluded from investment in any case.

## **Proportion of investments**

### **What is the asset allocation and the minimum share of sustainable investments?**

The principles described in the section on the investment strategy apply to the entire securities holdings. Raiffeisen SmartEnergy ESG Equities is an equity fund whose investment objectives are long-term capital growth subject to higher risks as well as sustainable investment (focusing on climate change mitigation). The fund invests at least 51% of the fund assets in the form of directly purchased individual securities in equities or in equity-equivalent securities issued by companies whose product portfolio includes products that pursue a reduction of energy-related greenhouse gases with smart solutions ("smart energy") and/or in equities or in equity-equivalent securities whose issuers have been selected on the basis of so-called ESG (environmental, social, governance) criteria. It may also invest in sight deposits and deposits at notice. The minimum amount of sustainable investments within the meaning of the Sustainable Finance Disclosure Regulation with environmental objectives and within the meaning of the EU Taxonomy totals 90% of the fund assets. The fund therefore invests at least 90% of the fund assets in investments that are used to fulfill sustainable investment objectives of the investment fund. To this end, the fund invests exclusively in individual securities and money market instruments which are used to fulfill sustainable investment objectives of the investment fund. No investment shall be made in companies that are affected by the criteria in Article 12 (1) letters (a) through (g) of Delegated Regulation (EU) 2020/1818 (minimum standards for so-called "EU Paris-aligned Benchmarks"). Furthermore, derivative instruments that may enable or support speculative deals with food commodities are excluded from purchase. More information on the negative criteria can be found in Appendix 1 "Sustainable investment objective" to the prospectus. Following the analysis of negative criteria, an analysis of companies/issuers will be conducted on various aspects of sustainability. Finally, a diversified portfolio is created from the remaining companies based on their ESG score and its development.

The fund pursues sustainable investment (Art. 9 of Regulation (EU) 2019/2088 / Disclosure Regulation).



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

### How does the use of derivatives attain the sustainable investment objective?

As part of the investment scheme, derivative instruments shall be used at the discretion of the management company both for hedging purposes and as an active instrument of the investment (to safeguard or increase income, as a replacement for securities, to control the investment fund's risk profile or for synthetic liquidity control). This means that derivative instruments will also be used as a substitute for a direct investment in assets and, in particular, with the goal of increased income. The loss risk associated with the investment fund may thus increase. When using derivatives for hedging purposes, the environmental or social characteristics promoted minimum exclusions according to the ESMA Guidelines on fund names using ESG or sustainability-related terms (pursuant to Article 12 (1) letters (a) through (g) of Delegated Regulation (EU) 2020/1818: minimum standards for so-called "EU Paris-aligned Benchmarks") are not considered. For the use of derivatives not used for hedging purposes, the environmental or social characteristics will be considered insofar as possible, and the minimum exclusions are taken into account in any case.

### Monitoring of sustainable investment objectives

The attainment of the sustainable objectives is continuously monitored against defined limits as part of the internal limit system.

The development of the sustainability indicator (see "Methods" for more information) is reviewed at the end of the accounting year and presented in the annual report of the fund (available at <https://www.rcm.at/at-de/global/fonstdokumente>, or in the case of registration in other countries at [www.rcm-international.com](http://www.rcm-international.com) on the website of the respective country in the section "Prices and Documents").

The relevant negative criteria for the fund (see the annex "Sustainable Investment Objective" to the prospectus available at <https://www.rcm.at/at-de/global/fonstdokumente/>, or in the case of registration in other countries at [www.rcm-international.com](http://www.rcm-international.com) on the website of the respective country in the section "Prices and Documents") are checked daily within the scope of the internal limit system.

In terms of any minimum share of sustainable investments with an environmental objective within the meaning of the EU Taxonomy (Regulation [EU] 2020/852), the share is not verified by an auditor or other third party.

## Methodologies

The management company continually analyses companies and sovereigns based on internal and external research sources. The results of this sustainability research are combined with a comprehensive ESG evaluation, including an ESG risk assessment, to create the so-called Raiffeisen ESG indicator. The Raiffeisen ESG indicator is measured on a scale from 0 to 100. The assessment also takes into account the relevant sector. The development of the Raiffeisen ESG indicator as the sustainability indicator is shown in the annual report of the fund (available at <https://www.rcm.at/at-de/global/fondsdokumente/>, or in the case of registration in other countries at [www.rcm-international.com](http://www.rcm-international.com) on the website of the respective country in the section "Prices and Documents").

As part of the internal limit system, the MSCI ESG Score is monitored continuously and checked against defined limits in terms of the sustainable investment objective. In this scoring model of MSCI ESG Research Inc., aspects of ESG risk and the related risk management at the company in question are assessed in particular on the basis of key sustainability performance indicators (KPIs). The assessment results in the so-called MSCI ESG Score, which is measured on a scale of 0 to 10. The assessment also takes into account the relevant sector.

The relevant negative criteria for the fund (see the annex "Environmental and/or Social Characteristics" to the prospectus or the Information for Investors pursuant to § 21 AIFMG, available at <https://www.rcm.at/at-de/global/fondsdokumente/>, or in the case of registration in other countries at [www.rcm-international.com](http://www.rcm-international.com) on the website of the respective country in the section "Prices and Documents") are checked daily within the scope of the internal limit system.

## Data sources and processing

The ESG assessment in the management company's sustainability process is based on internal and external research sources. Two external data providers augment the internal research.

The research input from the management company's fund managers focuses on high-value, quality growth of the companies. A company's potential value add for the environment and society is analysed and also discussed within the framework of engagement talks.

The two external data providers employ complementary ESG research approaches and provide distinct input variables for the analysis.

The first approach, applied by the research provider Institutional Shareholder Services, is based on a comprehensive stakeholder and sustainability analysis of the company in question, using a methodology which draws on the Frankfurt-Hohenheim Guidelines.

The second approach, applied by the research provider MSCI ESG Research Inc., especially analyses aspects of ESG risk and the related risk management at the company in question on the basis of key sustainability performance indicators (KPIs).

The analysis is adjusted for sectoral conditions so that companies can be assessed on an equal basis and the aspects relevant for each company are taken into account.

When selecting funds that are not managed by the management company, data from the research providers MSCI ESG Research Inc. and Morningstar Deutschland GmbH are used.

The management company uses data from Institutional Shareholder Services to assess negative criteria, alignment with the EU Taxonomy, and the principal adverse impacts on sustainability factors as well as to evaluate controversies.

The management company uses data from MSCI ESG Research Inc. for the internal limit system and the identification of controversial business fields.

The data obtained from the research partners are imported into the systems of the management company via a quality-controlled monthly process. Especially for research processes, some data are also obtained directly through a web-based solution of Institutional Shareholder Services.

The data quality is ensured through the regular monitoring of the imported data and through plausibility checks.

The selection of data providers is based primarily on the degree coverage (in relation to the investment universe and the available data points), the methodology, and the usability of the data. In some cases, companies are limited in what information they can disclose and estimates need to be made. For this reason, data providers regularly estimate data points, with continuous improvements being made to the coverage and methodology. The management company itself makes no estimates of sustainability indicators. The need for estimates will decrease continuously, in part due to the expansion of sustainability-related reporting obligations for companies, for example in relation to the criteria for the EU Taxonomy.

## **Limitations to methodologies and data**

The applied methodologies and relevant data sources are limited by the limited availability of data. To mitigate these limitations, our research providers use a wide range of alternative data including media sources, recognised international and local non-governmental organisations, government authorities, and intergovernmental organisations.

A further limitation of the data stems from the time delay associated with the data and evaluation results. The involved companies generally release annual reports for the previous financial year, which means that the information contained in them is provided with a considerable delay. An additional delay can arise from the difference between the time at which the information is published by the company in question and the point in time at which these data are collected and processed by the data provider. Beyond this, the data providers make use of alternative data such as media reports, which are typically closer to real time and are integrated on an ad hoc basis.

Forward-looking assessments naturally involve a certain degree of uncertainty, in part because declared obligations or strategies may not be fulfilled or executed as expected. The employed data providers apply robust methods to evaluate the credibility of obligations in terms of the future performance of the companies in question.

If companies are not covered by data providers, the management company prepares its

own analysis. These ratings are used until the issuer has been evaluated by one of the data providers.

Data on the attainment of the objectives of the EU Taxonomy are still subject to significant limitations. Because of the (planned) changes in corporate reporting obligations relating to sustainability and the EU Taxonomy, the data basis is likely to improve substantially. Because of the fund's focus on renewable energy, the assessment of Taxonomy data is already possible at a sufficient level of quality.

In general, the data providers offer very high coverage of the investment universe. Minimum coverage levels were defined for individual processes of the management company, and these are usually exceeded by a wide margin.

Due to solid methods and high coverage with regard to the investment universe, the attainment of the promoted sustainability objectives is not endangered by limitations of the methods or data sources.

## Due diligence

In accordance with § 30 InvFG, the management company is obligated to ensure special diligence in the selection and ongoing monitoring of investments, in the best interests of the fund and the integrity of the market. The fund's investments are monitored continuously by the system to ensure compliance with the fund rules. Beyond this, compliance with the fund rules in the making of investment decisions is monitored continuously by the custodian bank and by the auditor during the audit.

In terms of the assessment of the targeted sustainable investments and sustainability risks, the MSCI ESG Scores of the fund are monitored on an ongoing basis and checked against defined limits within the scope of the internal limit system. In this scoring model of MSCI ESG Research Inc., aspects of ESG risk and the related risk management at the company in question are assessed in particular on the basis of key sustainability performance indicators (KPIs). The assessment results in the MSCI ESG Score, which is measured on a scale of 0 to 10. The assessment also takes into account the relevant sector.

The relevant negative criteria for the fund (see the annex "Sustainable Investment Objective" to the prospectus available at <https://www.rcm.at/at-de/global/fondsdokumente/> or in the case of registration in other countries, at [www.rcm-international.com](http://www.rcm-international.com) on the website of the respective country in the section "Prices and Documents") are checked daily within the scope of the internal limit system.

The data quality in the context of the ESG research procured by the management company is ensured through the regular monitoring of the imported data and through plausibility checks.

## Engagement Policy

As one of Austria's leading asset managers, Raiffeisen KAG is conscious of its fiduciary responsibility to its customers. As part of this, it actively engages with companies in order to best preserve its customers' interests. Engagement can serve different purposes. On the

one hand, it is used for a more careful assessment of a company's financial situation and development. This provides a look behind the scenes, so to speak. On the other hand, in conjunction with a proactive approach, engagement on ESG issues helps companies move towards improvement in corporate social responsibility (CSR) and sustainability. For the company and ultimately for the owners as well, this improvement should lead to "sustainable" benefits, which are reflected over the long term in better operating results. In terms of corporate dialogue, Raiffeisen KAG makes a distinction between proactive engagement and responsive engagement. Proactive, constructive dialogue with companies serves to identify potential financial and non-financial opportunities and risks, and addressing current events – for example relating to sustainability-related controversies – in a targeted manner via responsive dialogue allows for an accurate assessment of the company in the context of its environment and potential risks. The exercise of shareholders' voting rights occurs either directly or indirectly via proxy. Raiffeisen KAG acts according to internal principles that are based on a transparent, sustainable corporate governance policy and cover significant topics that regularly arise at annual general meetings.

Further information on the engagement policy, including the voting rights policy, and the annual engagement report can be found on our website [www.rcm.at](http://www.rcm.at) or [www.rcm-international.com](http://www.rcm-international.com) under Corporate Governance

### **Attainment of the sustainable investment objective**

No reference benchmark has been designated to measure the fund's attainment of the sustainable investment objective.

### **Information on the annual fund report/ Consideration of sustainability risks**

Details on how the environmental and/or social characteristics of the fund are fulfilled can be found in the Annex "Environmental and/or social characteristics" to the prospectus. Details on how the environmental and/or social characteristics of the fund were fulfilled in the previous accounting year can be found in the Annex "Environmental and/or social characteristics" to the annual fund report. Details on the consideration of sustainability risks and their anticipated impact on the fund's return can be found in Part II / Item 17 of the prospectus, 'Risk profile for the fund'.

The above-mentioned documents can be found at [www.rcm.at](http://www.rcm.at) under "Prices and documents" and, for funds registered outside Austria, at [www.rcm-international.com](http://www.rcm-international.com) on the website of the corresponding country under "Prices and documents".