

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

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.

Product name: **Ethna-DEFENSIV**

Legal entity identifier: **529900U8G97ZTLVL3W28**

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?	
<p><input checked="" type="radio"/> <input checked="" type="radio"/> <input type="radio"/> Yes</p> <p><input type="checkbox"/> Sustainable investments with an environmental objective were made: %</p> <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <p><input type="checkbox"/> Sustainable investments with a social objective were made: %</p>	<p><input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it had 0.00% of sustainable investments</p> <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <p><input checked="" type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments</p>

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To what extent were the environmental and/or social characteristics promoted by the financial product fulfilled?

In its bond and equity investments, the Fund favours companies that already have low exposure to material ESG risks or that actively manage and so reduce the ESG risks inevitably associated with their business activities.

The analyses of the external rating agency Sustainalytics are used to assess the ESG risks that are relevant for the individual companies and to evaluate the active management of ESG risks within the companies. The ESG Risk Score calculated by Sustainalytics assesses three factors that are crucial for a risk assessment:

- Governance
- Material ESG risks at sector level and the individual measures taken by the company to counter them
- Idiosyncratic risks (controversies that companies are involved in)

The corporate governance assessment is an important feature for assessing the financial and ESG risks associated with an investment. The analysis of the environmental and social characteristics focuses on material risks for the sector. Besides social factors, resource consumption is always a risk factor in the manufacturing sector. Consequently, the analysis incorporates ecological features, for example:

- Greenhouse gas emissions and greenhouse gas intensity,
- Protection of natural resources, especially water,
- Limiting of soil sealing,
- Protection of biodiversity.

Service companies have a much lower environmental impact due to their activities, and so they focus on social characteristics, which include, for example:

- Fair working conditions and adequate pay,
- Health and safety at work,
- Prevention of corruption,
- Prevention of fraud,
- Control of product quality.

As such, the Fund focuses on taking into account relevant environmental and social risks, which may vary from company to company. The Fund seeks not only to avoid environmental risks by investing in companies whose environmental risks are already low based on the company's activities, but also to consider companies that use appropriate management policies to limit and reduce the environmental risks associated with their business model.

There are also comprehensive exclusions that prohibit the Fund from making a large number of investments that are generally regarded as critical. Specifically, investments in companies with a core activity in the areas of armaments, tobacco, pornography, staple food speculation and/or the production/distribution of coal are prohibited. Additionally, investments in companies are prohibited when serious violations of the principles of the UN Global Compact have been identified and there is no compelling prospect that the violations will be remedied. For sovereign issuers, investments in bonds of countries declared "unfree" in the annual analysis by Freedom House (www.freedomhouse.org) are prohibited.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

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

The analyses of the external rating agency Sustainalytics are used to assess the ESG risks that are relevant for the individual companies and to evaluate the active management of ESG risks within the companies.

Sustainalytics summarises the results of its analyses in an ESG risk score ranging from 0 to 100, where the risk assumptions are assessed as follows:

less than 10: minor risks

from 10 to 19.99: low risks

from 20 to 29.99: medium risks

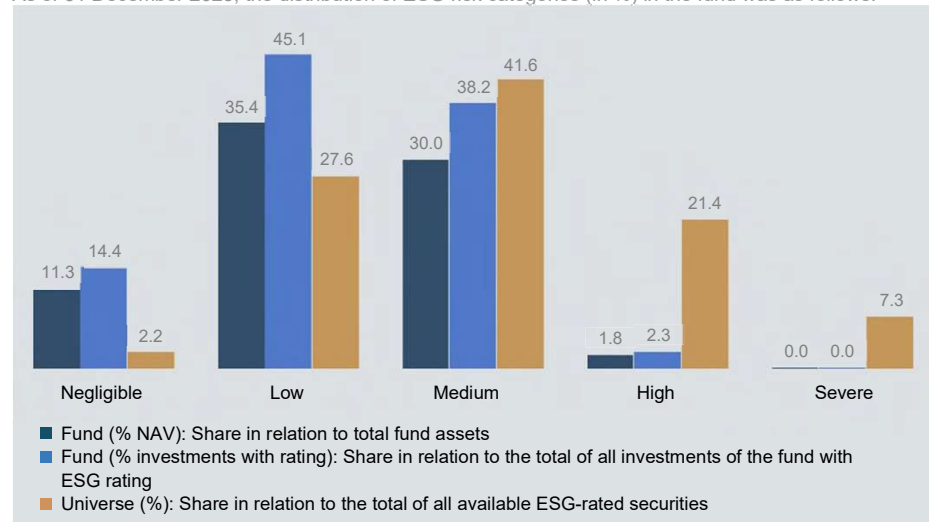
from 30 to 39.99: high risks

greater than 40: serious risks.

Measured against this ESG risk score, the Fund is expected to achieve on average at least a medium ESG risk profile (ESG risk score less than 30). This objective was achieved. During the reporting period, the fund's ESG risk score was consistently below 30. The average ESG risk score for the reporting period was 19.4. As of 31 December 2023, the ESG risk score was 18.2.

Individual securities with serious risks (ESG risk score greater than 40) will only be considered for inclusion as an investment in the Fund in justified exceptional cases and should be accompanied by an active engagement process to improve the ESG risk profile of the investment. There were two investments in the fund with a correspondingly high ESG risk score during the reporting period. One investment from the agricultural sector crossed the threshold of 40 based on an amended assessment by Sustainalytics. An engagement process was launched in this area. The investment was sold before the end of the year. The second investment from the commodity sector also crossed the threshold due to a downgrade by Sustainalytics. As the company was also facing financial difficulties at the same time and was unable to make interest payments and repayments, we initially supported the restructuring process, which is still ongoing.

As of 31 December 2023, the distribution of ESG risk categories (in %) in the fund was as follows:



The fund excludes investments in companies or products issued by companies that violate the UN conventions on cluster munitions, chemical weapons and other outlawed weapons of mass destruction or that finance such companies/products. Additional product-related exclusions apply if the turnover of a company from the production and/or distribution of certain goods exceeds the revenue volumes listed below: coal (25%), armaments (10%), small arms (10%), adult entertainment (10%), tobacco (5%).

Additionally, investments in companies are prohibited when serious violations of the principles of the UN Global Compact have been identified and there is no compelling prospect that the violations will be remedied.

For sovereign issuers, investments in bonds of countries declared "unfree" in the annual analysis by Freedom House (www.freedomhouse.org) are prohibited.

All listed exclusion criteria were met during the reporting period.

The development of the sustainability indicators was calculated and made available by the outsourced fund management or by the investment advisor used.

● **... and in comparison with previous periods?**

The average ESG risk score for 2022 was 20.3. This was lower than the average for the current reporting period (19.4). In both years, however, the averages were well below the target of 30.

As of 31 December 2022, the ESG risk score was 20.7. This was therefore also lower than the figure at the end of the current reporting period (18.2). In both years, however, the figures were well below the target of 30.

All listed exclusion criteria were also met during the previous year (2022).

● **What were the objectives of the sustainable investments that the financial product partially intended to make and how does the sustainable investment contribute to such objectives?**

E/S characteristics are promoted with the financial product, but no sustainable investments will be made.

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 antibribery matters.

- **How have the sustainable investments, which were in part made with the financial product, not caused significant harm to any environmental or social sustainable investment objective?**

E/S characteristics are promoted with the financial product, but no sustainable investments will be made.

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

E/S characteristics are promoted with the financial product, but no sustainable investments will be made.

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

E/S characteristics are promoted with the financial product, but no sustainable investments will be made.

The EU Taxonomy sets out a “do no significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



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

Within the Fund, the principal adverse impacts of investment decisions on sustainability factors from the following groups of issues from Annex 1 of Table I of Regulation (EU) 2022/1288 of the European Parliament and of the Council of 6 April 2022 are taken into consideration: greenhouse gas emissions, biodiversity, water, waste, and social and employment issues.

The portfolio managers draw on the external analyses of ESG agencies, public documents of the companies and notes from direct dialogues with company leaders to identify, measure and assess adverse sustainability impacts. The adverse sustainability impacts can then be subjected to comprehensive analysis and taken into account in investment decisions.

Different sustainability aspects are weighted in the sustainability assessment of investments depending on their relevance for the respective business model. For example, greenhouse gas emissions are significantly more relevant in particularly CO2-intensive sectors than in less CO2-intensive sectors.

Regular reporting of the sustainability factors is based on the raw data provided by the Sustainalytics rating agency.



What are the main investments of this financial product?

Average of four reporting dates (31/03/2023; 30/06/2023; 30/09/2023 and 31/12/2023):

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is:
01/01/2023 – 31/12/2023

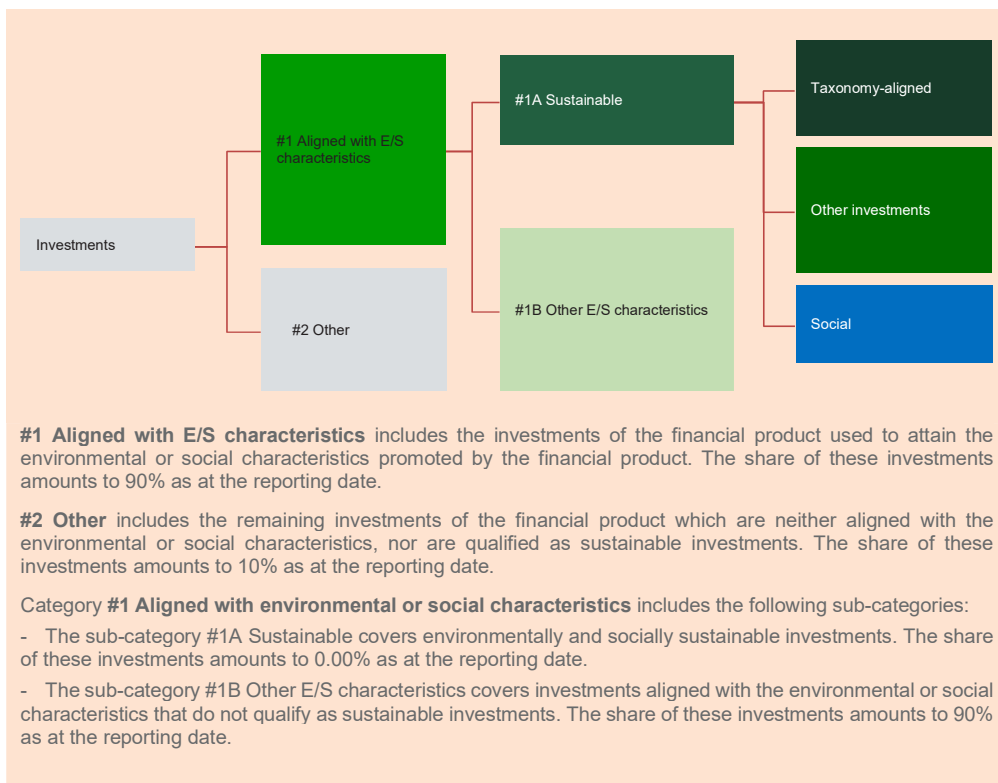
Largest investments	Sector	% assets	Country
Federal Republic of Germany Reg.S. v.23(2025)	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	2.49	Germany
Spain 144A Reg.S. v.14(2024)	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	2.00	Spain
United States of America v.22(2024)	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.79	United States of America
Morgan Stanley Fix-to-Float v.23(2029)	FINANCIAL AND INSURANCE ACTIVITIES	1.68	United States of America
Landesbank Hessen-Thüringen Girozentrale EMTN Reg.S. Green Bond v.23(2030)	FINANCIAL AND INSURANCE ACTIVITIES	1.65	Germany
Federal Republic of Germany Reg.S. v.22(2024)	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	1.52	Germany
V.F. Corporation EMTN v.23(2026)	MANUFACTURING	1.49	United States of America
JAB Holdings BV Reg.S. v.23(2033)	FINANCIAL AND INSURANCE ACTIVITIES	1.32	Luxembourg
Banque Fédérative du Crédit Mutuel S.A. [BFCM] EMTN Reg.S. v.23(2029)	FINANCIAL AND INSURANCE ACTIVITIES	1.30	France
Zürcher Kantonalbank Reg.S. Fix-to-Float v.23(2029)	FINANCIAL AND INSURANCE ACTIVITIES	1.29	Switzerland
BMW Finance NV EMTN Reg.S. v.23(2024)	FINANCIAL AND INSURANCE ACTIVITIES	1.28	Germany
Siemens Energy Finance B.V. Reg.S. Green Bond v.23(2029)	FINANCIAL AND INSURANCE ACTIVITIES	1.27	Germany
WPP Finance S.A. EMTN Reg.S. v.23(2028)	FINANCIAL AND INSURANCE ACTIVITIES	1.06	UK
Coöperatieve Rabobank U.A. Reg.S. Fix-to-Float v.23(2029)	FINANCIAL AND INSURANCE ACTIVITIES	1.03	Netherlands
La Banque Postale EMTN Reg.S. v.23(2030)	FINANCIAL AND INSURANCE ACTIVITIES	1.01	France



What was the share of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

● What were the asset allocations?



● In which economic sectors were the investments made?

Average of four reporting dates (31/03/2023; 30/06/2023; 30/09/2023 and 31/12/2023):

Sector	Sub-sector	% assets
BUILDING TRADE/CONSTRUCTION	Development of building projects	0.59
MINING AND QUARRYING	Extraction of crude oil and natural gas	0.07
ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	Electricity distribution	0.82
ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	Distribution of gaseous fuels through mains	0.46
FINANCIAL AND INSURANCE ACTIVITIES	Equity investments	5.13
FINANCIAL AND INSURANCE ACTIVITIES	Securities and commodities exchanges	1.18
FINANCIAL AND INSURANCE ACTIVITIES	Other monetary intermediation	17.48
FINANCIAL AND INSURANCE ACTIVITIES	Activities auxiliary to financial services and insurance activities	0.52
FINANCIAL AND INSURANCE ACTIVITIES	Other financial service activities (other not specified)	13.67
FINANCIAL AND INSURANCE ACTIVITIES	Other activities auxiliary to financial services, except insurance and pension funding	0.43
FINANCIAL AND INSURANCE ACTIVITIES	Other monetary intermediation	0.10
FINANCIAL AND INSURANCE ACTIVITIES	Activities of trust, estate and agency accounts	5.94
PROVISION OF PROFESSIONAL, SCIENTIFIC AND TECHNICAL SERVICES	Research and development on natural sciences, engineering, agricultural sciences and medicine	0.28
PROVISION OF PROFESSIONAL, SCIENTIFIC AND TECHNICAL SERVICES	Business and other management consultancy activities	8.33

ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	Other business support service activities (other not specified)	0.24
ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	Services to buildings and landscape activities	0.07
ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	Travel agencies and tour operators	0.74
ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	Vehicle renting	0.85
ACCOMMODATION AND FOOD SERVICE ACTIVITIES	Restaurants, pubs, snack bars, cafés, ice cream parlours, etc.	0.14
REAL ESTATE ACTIVITIES	Real estate activities with own property and development of building projects	0.53
REAL ESTATE ACTIVITIES	Rental and operating of own or leased real estate	0.25
TRADE, MAINTENANCE AND REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	Retail sale of clothing	0.06
TRADE, MAINTENANCE AND REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	Retail sale of computers, peripheral equipment and software	0.32
TRADE, MAINTENANCE AND REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	Retail sale of hardware, building materials, paints and glass	0.33
TRADE, MAINTENANCE AND REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	Non-specialised retail sale (on the sales floor)	0.18
TRADE, MAINTENANCE AND REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	Mail order and internet retail trade	0.34
INFORMATION AND COMMUNICATION	Wireless telecommunication activities	0.57
INFORMATION AND COMMUNICATION	Computer programming, consultancy and related activities	1.05
INFORMATION AND COMMUNICATION	Motion picture, video and television programme production, sound recording and music publishing activities	0.06
INFORMATION AND COMMUNICATION	Wired telecommunication activities	1.02
INFORMATION AND COMMUNICATION	Software publishing	0.19
MANUFACTURING	Manufacture of beer	0.37
MANUFACTURING	Manufacture of computers and peripheral equipment	0.07
MANUFACTURING	Manufacture of computer, electronic and optical products	0.06
MANUFACTURING	Manufacture of rusks, biscuits, preserved pastries and cakes	0.07
MANUFACTURING	Manufacture of soft drinks and production of natural mineral waters	0.39
MANUFACTURING	Manufacture of communication equipment	0.07
MANUFACTURING	Manufacture of domestic appliances	0.49
MANUFACTURING	Manufacture of industrial gases	0.57
MANUFACTURING	Manufacture of perfume and toilet preparations	0.05
MANUFACTURING	Manufacture of leather, leather goods and footwear	0.19
MANUFACTURING	Manufacture of food products	0.38
MANUFACTURING	Manufacture of soaps, detergents, cleaning agents, body care products and fragrances	0.27
MANUFACTURING	Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	0.49
MANUFACTURING	Manufacture of electronic components	0.33
MANUFACTURING	Manufacture of non-domestic air conditioning equipment	0.09
MANUFACTURING	Manufacture of basic pharmaceutical products	0.07
MANUFACTURING	Manufacture of other furniture	0.25
MANUFACTURING	Manufacture of other food products (other not specified)	0.97
MANUFACTURING	Manufacture of other apparel and clothing accessories (other not specified)	0.19
MANUFACTURING	Manufacture of other outerwear	1.49
MANUFACTURING	Manufacture of grain mill products, starches and starch products	0.55
MANUFACTURING	Manufacture of basic metals	0.03
TRANSPORTATION AND STORAGE	Service activities incidental to land transportation	0.16
WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES	Collection of non-hazardous waste	0.19
PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	Public administration	15.31
		-0.09

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.



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

E/S characteristics are promoted with the financial product, but no sustainable investments will be made. We are not seeking conformity with the EU Taxonomy.

- **Did the financial product invest in EU Taxonomy-aligned fossil gas and/or nuclear energy activities¹?**

Yes:

in fossil gas in nuclear energy

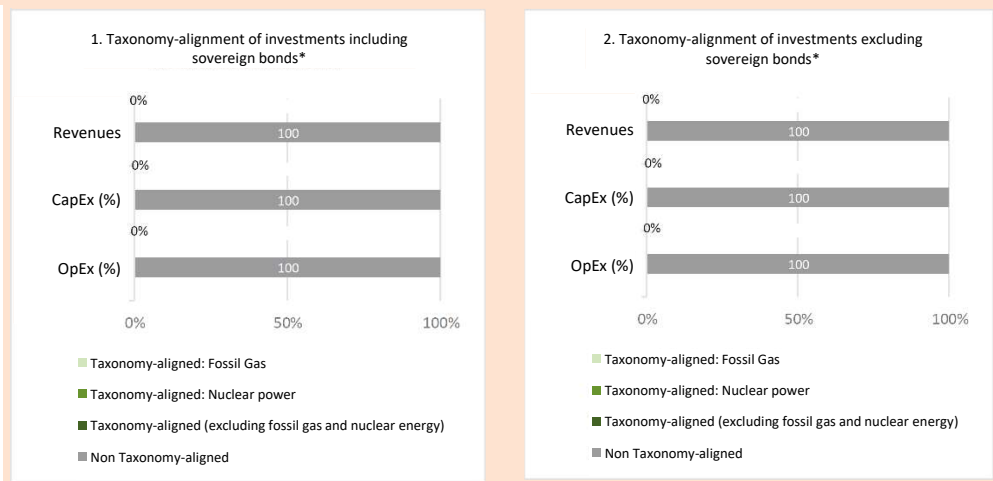
No

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Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the current “environmental friendliness” of investee companies
- **capital expenditure (CapEx)** showing the relevant green investments made by investee companies for a transition to a green economy
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies

The following charts present the minimum percentage of EU Taxonomy-aligned investments in green. 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.



This chart reflects 100.00% of the total investment.

* For the purpose of these graphs, ‘sovereign bonds’ excludes sovereign exposures.

- **What is the share of investments made in transitional and enabling activities?**

Enabling activities: 0%
 Transitional activities: 0%

- **How has the share of investments brought into line with the EU Taxonomy evolved compared to previous reference periods?**

E/S characteristics are promoted with the financial product, but no sustainable investments will be made. We are not seeking conformity with the EU Taxonomy.

¹ Fossil gas and/or nuclear energy activities are only EU Taxonomy-aligned if they contribute to climate change mitigation and do not significantly affect any EU Taxonomy objective - see explanation in the left margin. The detailed criteria for EU Taxonomy-aligned economic activities in the sector of fossil gas and nuclear energy are set out in Commission Delegated Regulation (EU) 2022/1214.



are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of non-EU- Taxonomy-compliant sustainable investments with an environmental objective?

E/S characteristics are promoted with the financial product, but no sustainable investments will be made.



What was the share of socially sustainable investments?

E/S characteristics are promoted with the financial product, but no sustainable investments will be made.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

This includes hedging instruments, investments used for diversification purposes (for example commodities and other investment funds), investments for which no data is available, and cash.

“#2 Other investments” in particular is used for diversification of the Fund and for liquidity management in order to achieve the investment objectives described in the investment policy.

The sustainability indicators used to measure the achievement of the individual environmental or social characteristics in “#1 Investments focused on environmental or social characteristics” do not apply systematically in “#2 Other investments”. There is no minimum protection for “#2 Other investments”.



What measures were taken during the reference period to fulfil the environmental and/or social characteristics?

A key measure was the consideration of the comprehensive exclusions that permanently prohibit the fund from making a large number of investments that are generally regarded as critical. Specifically, investments in companies or products issued by companies that violate the UN conventions on cluster munitions, chemical weapons and other outlawed weapons of mass destruction or that finance such companies/products were excluded during the reporting period. Additional product-related exclusions apply if the turnover of a company from the production and/or distribution of certain goods exceeded the revenue volumes listed below: coal (25%), armaments (10%), small arms (10%), adult entertainment (10%), tobacco (5%). Additionally, investments in companies were prohibited when serious violations of the principles of the UN Global Compact have been identified and there was no compelling prospect that the violations will be remedied. For sovereign issuers, investments in bonds of countries declared “unfree” in the annual analysis by Freedom House (www.freedomhouse.org) were prohibited.

Another significant measure was the fundamental approach in the selection of bond investments for the fund. Here, the focus continued to be on companies that already had low exposure to material ESG risks or that actively managed and consequently reduced the ESG risks inevitably associated with their business activities.

The analyses of the external rating agency Sustainalytics were used to assess the ESG risks that are relevant for the individual companies and to evaluate the active management of ESG risks within the companies.

The ESG Risk Score calculated by Sustainalytics assesses three factors that are crucial for a risk assessment: corporate governance, sector-level material ESG risks, as well as individual company countermeasures and idiosyncratic risks (controversies involving companies).

The corporate governance assessment is an important feature for assessing the financial and ESG risks associated with an investment.

The analysis of the environmental and social characteristics focuses on material risks for the sector. Besides social factors, resource consumption is always a risk factor in the manufacturing sector. Consequently, the analysis incorporates environmental characteristics, such as greenhouse gas emissions and intensity, the protection of natural resources, especially water, the limiting of soil sealing and the protection of species diversity (biodiversity). Service companies have a much lower environmental impact due to their activities, and so they focus on social characteristics, which include, for example: fair working conditions and adequate remuneration, health and safety at work, prevention of corruption, prevention of fraud and control of product quality.

As such, the fund focused on taking into account relevant environmental and social risks, which may vary from company to company. The Fund was seeking not only to avoid environmental risks by investing in companies whose environmental risks are already low based on the company’s activities, but also to consider companies that use appropriate management policies to limited and reduced the environmental risks associated with their business model.

Another measure was engagement with the fund’s investee companies. In addition to the dialogues with the representatives of the fund’s investee companies, discussions were held in particular with companies where the investment was above average in relation to the size of the company. Companies in the real estate sector faced an extremely difficult economic environment in 2023, which in one case led to a company’s inability to meet interest and principal repayments. We actively participated in the restructuring process here in order to ensure the continued existence of the company and the highest possible return for investors. The restructuring process is not yet complete.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

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

No benchmark was defined within the framework of the sustainability strategy.

- **How does the reference benchmark differ from a broad market index?**

No index is designated as a reference benchmark to determine whether this Fund is aligned with the environmental and/or social characteristics that it promotes.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

No benchmark was defined within the framework of the sustainability strategy.

- **How did this financial product perform compared with the reference benchmark?**

No benchmark was defined within the framework of the sustainability strategy.

- **How did this financial product perform compared to the broad market index?**

No benchmark was defined within the framework of the sustainability strategy.