

Summary

The product uses a combination of exclusion criteria and a ratings-based approach to take account of environmental and social characteristics. MainFirst Emerging Markets Corporate Bond Fund Balanced aims to achieve a better average ESG risk rating than that of its benchmark. As part of this process, we draw on the analysis of the external ratings agency Sustainalytics. Non-financial factors such as the consideration of environmental, social and governance (ESG) criteria, in particular with regards to reputational risk, are actively included in investment and decision-making processes.




No sustainable investment objective

This financial product takes account of environmental or social characteristics but does not have sustainable investment within the meaning of Regulation (EU) 2020/852 (the “EU Taxonomy Regulation”) as its primary objective.

Environmental or social characteristics of the financial product

MainFirst Emerging Markets Corporate Bond Fund Balanced aims to achieve a better average ESG risk rating than that of its benchmark. As part of this process, we draw on the analysis of the external ratings agency [Sustainalytics](#).

In addition, the sustainability requirement of MainFirst Emerging Markets Corporate Bond Fund Balanced is strengthened by the exclusion of the following sectors:

Environment screening exclusions: Coal 	Health screening exclusions: Tobacco 	Ethical screening exclusions: Weapons 	Rule-based exclusions: Violation of the principles contained in the UN Global Compact
---	---	--	---

In addition, the following principal adverse impacts (PAIs) are considered:

1. GHG emissions (Greenhouse gas emissions Scope 1, Scope 2, Scope 3 and overall)
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Investment strategy

MainFirst Emerging Markets Corporate Bond Fund Balanced focuses on the corporate bonds of undervalued emerging market companies offering the potential for substantial returns, after performing an extensive credit review (top-down and bottom-up analyses). For each portfolio company, either an ESG risk rating is calculated by an external service provider or an individual ESG risk analysis is carried out internally.

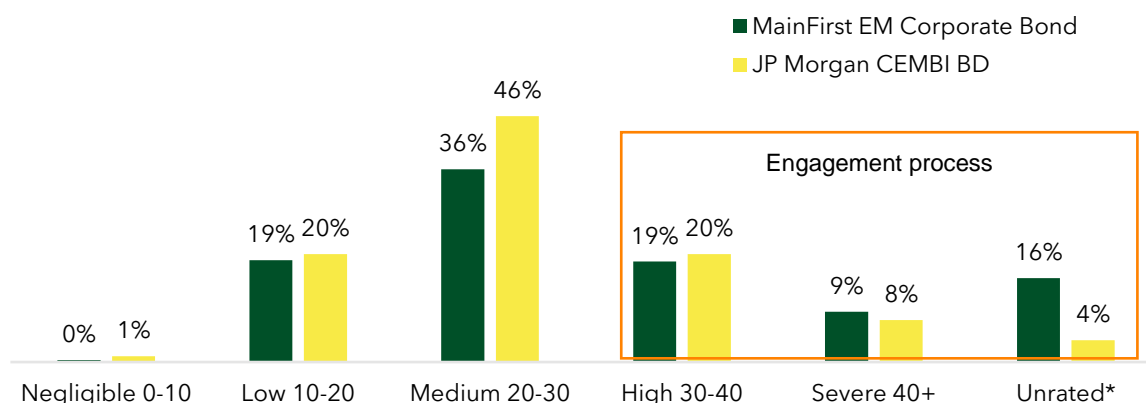
Proportion of investments

The product does not have the aim of investing in sustainable assets within the meaning of the SFDR. ESG factors are taken into account as part of every investment decision.

Monitoring of environmental or social characteristics

The distribution of the ESG risk rating is monitored daily and published at regular intervals.

Distribution of ESG risk rating



*Unrated figures also includes current and expected cash

Source: Sustainalytics, 29.12.2023

Methodologies

The sustainability ratings of the ratings provider Sustainalytics facilitate the decision making process by fundamentally classifying investments according to sustainability-related factors such as environmental, social and governance aspects. ESG risk scores are classified globally within the overall universe analysed. The weighted average of the ESG risk ratings for companies included in the portfolio are compared with the weighted average rating of the benchmark.

Data sources and processing

The primary data source for ESG analysis is Sustainalytics. The data required are lodged in the order management system for pre- and post-trade compliance purposes.

Limitations to methodologies and data

Smaller companies currently report little information on ESG-related risks and the measures taken to address them; this means that the data situation is more difficult in this sector and there is a risk that smaller companies will have poorer ESG ratings from Sustainalytics, or will not have an ESG rating. There is often little data available to carry out proprietary ESG analyses.

Due diligence

Criteria and processes are examined internally by Portfolio Management, Investment Compliance & Risk Management. An external review of the indicators and ratings made available is carried out by Sustainalytics.

Engagement policies

- > [ESG Policy](#)
- > [Voting Policy](#)
- > [Prospectus](#)

Disclaimer

This document provides ESG information for investors in this fund and does not constitute marketing material. This information is required by law in order to help you understand the nature of this fund as well as the risks of investing in an ESG context. Please read this document carefully so that you can make an informed decision about whether to invest. Additional information on the fund, the current sales prospectus with annexes and articles of association, as well as the latest annual and semi-annual reports (all in German), may be obtained free of charge during normal business hours from the investment company, the management company, the depositary, the distributor(s) and the paying agent(s).

Further information on the fund is available at www.ethenea.com or www.mainfirst.com, in particular the Guidelines for Sustainable Investments (ESG) and the separate Guideline for Exercising Voting Rights.

Last updated: 1 January 2024