

## GRÁNIT JÖVŐKÉP ESG EQUITY INVESTMENT FUND

### SUSTAINABILITY-RELATED DISCLOSURE

Gránit Jövőkép ESG Equity Investment Fund is a financial product that promotes environmental characteristics and is characterised as an SFDR 8 investment fund.

#### No sustainable investment objective

**The objective of the Fund is to promote environmental characteristics; however, the Fund does not have a sustainable investment objective.** Although the Fund does not pursue a sustainable investment objective, it invests at least 20% of its assets in sustainable investments within the meaning of Article 2(17) of Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR). The Fund intends to implement its partially targeted sustainable investments through Exchange Traded Funds (ETFs) classified under Article 9 of the SFDR. The sustainable investments held within the Fund aim to reduce carbon dioxide emissions. The Fund primarily seeks to promote environmental characteristics.

#### **How do the sustainable investments, partially implemented by the Fund (through Exchange Traded Funds), not cause significant adverse impacts on any environmental or social sustainable investment objective?**

The Fund intends to implement its sustainable investments through Exchange Traded Funds (ETFs) classified under Article 9 of the SFDR, which seek to avoid significant harm by taking into account the following Principal Adverse Impacts (PAIs):

#### **How does the Fund, partially through Exchange Traded Funds, take into account indicators related to the adverse impacts on sustainability factors?**

Through the benchmark-aligned Deka MSCI USA Climate Change ESG Select CTB UCITS ETF and Deka MSCI Europe Climate Change ESG Select CTB UCITS ETF. The above-mentioned Exchange Traded Funds take into account adverse impacts on sustainability factors in the following manner:

On the one hand, companies are excluded that:

- exceed a defined threshold for greenhouse gas (GHG) emissions intensity and energy consumption intensity;
- derive revenues above a predefined proportion from controversial sectors (e.g. fossil fuels or controversial weapons);
- violate minimum social safeguards, for example where they are accused of breaches of the UN Global Compact or human rights violations.

In addition, the following Principal Adverse Impact (PAI) indicators are taken into account:

- PAI 1: GHG emissions;
- PAI 2: Carbon footprint;
- PAI 3: GHG intensity of investee companies;

- PAI 4: Exposure to companies active in the fossil fuel sector;
- PAI 5: Share of non-renewable energy consumption and production;
- PAI 6: Energy consumption intensity per high climate impact sector;
- PAI 7: Activities negatively affecting biodiversity-sensitive areas;
- PAI 8: Emissions to water;
- PAI 9: Hazardous waste and radioactive waste ratio;
- PAI 10: Violations of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises;
- PAI 11: Lack of processes and compliance mechanisms to monitor compliance with the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises;
- PAI 12: Unadjusted gender pay gap;
- PAI 13: Gender diversity of boards;
- PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)
- PAI 15: GHG intensity;
- PAI 16: Investee countries subject to social violations.

Further information is available on the issuer's website ([https://www.deka-etf.de/etfs?sustainability\\_traits%5B%5D=pai](https://www.deka-etf.de/etfs?sustainability_traits%5B%5D=pai))

) or in the product documentation accessible via the following links:

DEKA Europe: <https://www.deka-etf.de/etfs/Deka-MSCI-Europe-Climate-Change-ESG-UCITS-ETF#downloads>

DEKA USA: <https://www.deka-etf.de/etfs/Deka-MSCI-USA-Climate-Change-ESG-UCITS-ETF>.

### **How does the Fund take into account indicators related to the adverse impacts on sustainability factors?**

In accordance with Tables 1, 2 and 3 of Annex I to Commission Delegated Regulation (EU) 2022/1288, the Fund considers the following indicators as indicators of adverse impacts on sustainability factors:

- PAI 1: GHG emissions (Scope 1–2–3) (Annex I, Table 1 of Commission Delegated Regulation (EU) 2022/1288) Total greenhouse gas (GHG) emissions include direct emissions from the company's own operations (Scope 1), indirect emissions related to purchased energy (Scope 2), and other indirect emissions not arising directly from operations but related to the use of products and suppliers' emissions (Scope 3). The Asset Management Company measures these PAI indicators based on data provided by an external data provider (Bloomberg).
- PAI 3: GHG intensity of investee companies (Annex I, Table 1 of Commission Delegated Regulation (EU) 2022/1288) The GHG intensity of investee companies.

- PAI 4: Exposure to companies active in the fossil fuel sector (Annex I, Table 1 of Commission Delegated Regulation (EU) 2022/1288) The share of investments in companies active in the fossil fuel sector.
- PAI 7: Investments in companies without a water management policy (Annex I, Table 2 of Commission Delegated Regulation (EU) 2022/1288) The proportion of investments in investee companies that do not have a water management policy.
- PAI 9: Lack of a human rights policy (Annex I, Table 3 of Commission Delegated Regulation (EU) 2022/1288) The proportion of investments in entities that do not have a human rights policy.
- PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) (Annex I, Table 1 of Commission Delegated Regulation (EU) 2022/1288) The proportion of investments in investee companies involved in the manufacture or sale of controversial weapons.

The Asset Management Company provides detailed information on the principal adverse impacts on sustainability factors in the sustainability-related annex to the Fund's annual report.

### **How do the sustainable investments align with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?**

The Fund intends to implement its sustainable investments through Exchange Traded Funds classified under Article 9 of the SFDR.

Neither the Fund nor the underlying products invest in companies that have severely violated the sustainability principles of the UN Global Compact or the OECD Guidelines for Multinational Enterprises, nor do they invest in companies that are considered to be significantly controversial with regard to environmental, social, or governance (ESG) matters. This is ensured by the fact that both the Fund and the underlying products comply with the guidelines published on 14 May 2024 by the European Securities and Markets Authority (ESMA) concerning the use of ESG- and sustainability-related terms in fund names.

Furthermore, both the Fund and the underlying collective investment securities qualifying as sustainable investments take into account, in accordance with Annex I, Table 1 of Commission Delegated Regulation (EU) 2022/1288, PAI indicator 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

### **Environmental or social characteristics of the financial product**

The Fund seeks to promote environmental characteristics through the methodology applied in the implementation of its investment strategy, to an extent of at least 80%. The environmental characteristics promoted by the Fund are as follows:

- mitigation of climate change;

- acceleration of the transition to renewable energy;
- reduction of greenhouse gas (GHG) emissions.

Compliance with the environmental characteristic relating to the reduction of greenhouse gas (GHG) emissions is ensured by the Asset Management Company through an annual review and monitoring of the total volume of greenhouse gas emissions generated by the companies concerned, as well as the level of GHG emissions relative to the market value of the company.

Total GHG emissions include direct emissions arising from a company's own operations (Scope 1), indirect emissions related to purchased energy (Scope 2), and other indirect emissions not directly arising from operations but related to the use of products and suppliers' emissions (Scope 3).

The Asset Management Company manages the Fund in consideration of the guidelines published on 14 May 2024 by the European Securities and Markets Authority (ESMA) regarding the use of ESG- and sustainability-related terms in fund names. Accordingly, companies are excluded that:

- a) are involved in activities related to controversial weapons;
- b) are engaged in tobacco cultivation or production;
- c) violate the principles of the UN Global Compact or the OECD Guidelines for Multinational Enterprises;
- d) derive at least:
  - 1% of their revenue from anthracite or lignite;
  - 10% of their revenue from liquid fuels;
  - 50% of their revenue from the exploration, extraction, production, or distribution of gaseous fuels;
- e) derive 50% or more of their revenue from electricity generation with an emission intensity exceeding 100 g CO<sub>2</sub>e/kWh.

### **Investment strategy**

Based on the Asset Management Company's internal methodology, an investment in a given economic activity in the case of individual equities qualifies as promoting environmental characteristics if the following conditions are met cumulatively:

- The share is a constituent of the MSCI Europe Climate Change ESG Select CTB Index or the MSCI USA Climate Change ESG Select CTB Index.
- The company has an internal core resource efficiency policy aimed at reducing greenhouse gas emissions, or has published a related action plan or internal initiative (Emission Reduction Initiatives).
- The share has an ESG rating of at least "A" according to MSCI. MSCI assesses companies' environmental, social and governance risks and assigns ESG scores accordingly. These ESG scores are aggregated and compared to industry averages to determine the final ESG rating. The Fund invests only in shares rated "A", "AA" or "AAA". MSCI Inc. is a global index provider.

Based on the Asset Management Company's internal methodology, an investment in a given economic activity in the case of collective investment securities (e.g. investment funds, ETFs) qualifies as promoting environmental characteristics if the following conditions are met cumulatively:

- The security is classified under Article 8 or Article 9 of the SFDR.
- At least one of the following general attributions (general characteristics) is indicated for the product in the Bloomberg external data provider's database, based on the product prospectus:
  - climate-friendly;
  - promoting the expansion of clean energy;
  - climate change mitigation;
  - ESG;
  - any other general characteristic aligned with sustainability or ESG strategies.

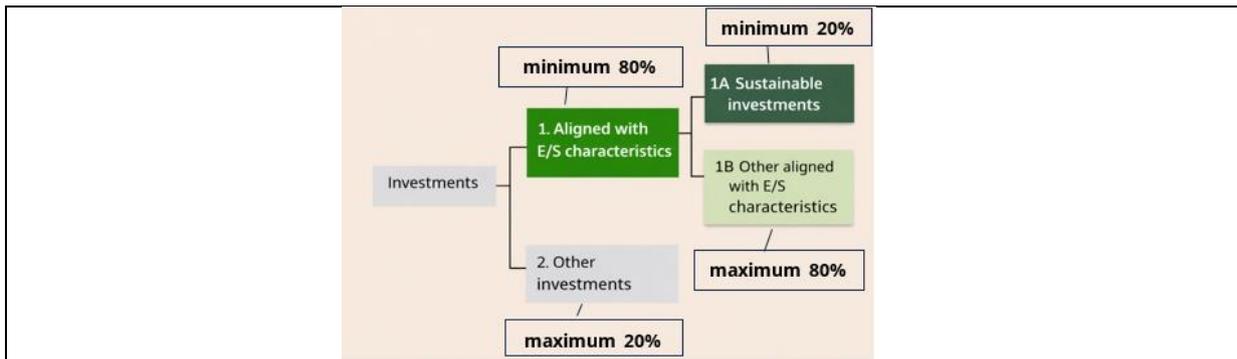
For the assessment of good governance practices of investee companies, the Fund uses the Governance Score provided by Bloomberg, which evaluates companies on a scale of 0 to 10 based on the following criteria:

- Diversity – gender and age diversity within the Board of Directors;
- Board composition – ongoing changes in the composition of the Board;
- Director roles – excessive role concentration of directors, including the Chair and the CEO;
- Independence – independence of board members;
- Incentive structure – long-term incentives for the CEO and other executives;
- Pay for performance – performance-based remuneration of management;
- Compensation governance – independence of the remuneration framework.

The Fund measures companies' compliance with tax regulations using Bloomberg's "Tax Risk Integrated Into Risk Management System" indicator, which provides information on whether tax risks have been integrated into the companies' overall risk management systems.

### **Proportion of investments**

The Fund's portfolio primarily consists of Exchange Traded Funds (ETFs) and equities, and to a limited extent holds liquidity management instruments for liquidity purposes. At least 80% of the Fund's assets are invested in instruments issued and marketed outside Hungary.



### Monitoring of environmental or social characteristics

The Asset Management Company verifies the environmental characteristics of the products selected for inclusion in the Fund’s portfolio on each occasion and monitors them on an ongoing basis. The Asset Management Company ensures compliance with the Fund’s environmental characteristics through a pre-screening process, the criteria of which must be met by all securities selected for inclusion in the Fund’s portfolio. In addition, the Asset Management Company regularly reviews the securities comprising the Fund’s portfolio and ensures that their environmental characteristics continue to be met.

### Methodology for environmental and social characteristics

The Asset Management Company regularly monitors compliance with the environmental characteristics. The Asset Management Company measures these indicators based on data provided by an external data provider (Bloomberg).

### Data sources and processing

The Asset Management Company relies on data provided by Bloomberg when making investment decisions. Bloomberg provides two types of data, which are clearly distinguished in all cases:

- sustainability data disclosed by companies and ETF issuers; and, where such self-reported data from the company or ETF issuer are not available,
- estimated data.

The proportion of estimated data decreases year by year as an increasing number of companies recognize the significance of the environmental impact of their activities. The Asset Management Company does not manipulate the data provided; it evaluates the data exclusively in their original form, proportionally adjusted to the net asset value of the Fund.

### Limitations to methodologies and data

The Asset Management Company has no influence over the validity of the data reported by companies and ETF issuers. However, the Asset Management Company monitors any changes in the data used in the investment decision-making process and, in the event of adverse developments, shall, where necessary, rebalance the Fund’s investments accordingly.

### Due Diligence

The Asset Management Company reviews the compliance of the Fund’s assets with the relevant sustainability characteristics at meetings of the Investment Committee,

but at least on a semi-annual basis. In addition, the investment activities of the Fund, as set out in the Prospectus and the Management Regulations, are supervised by the Hungarian National Bank.

### **Engagement policies**

The Asset Management Company undertakes exclusively short- and medium-term equity investments. Accordingly, investment decisions are influenced not only by environmental considerations but also by trends in the securities markets.

The objective of the Asset Management Company is to achieve capital gains/returns for Investors by selling equities at a price higher than their acquisition cost.

The Asset Management Company limits its engagement activities to cases where it holds at least 10% of the voting rights on behalf of the managed funds and portfolios.

### **Designated reference benchmark**

The benchmark of the Fund:

45% MSCI Europe Climate Change ESG Select CTB Index + 45% MSCI USA  
Climate Change ESG Select CTB Index + (3-month EURIBOR – 100 basis points)  
(measured in HUF)

When selecting the Fund's benchmark, the Asset Management Company paid particular attention to ensuring that the constituent indices comply with the minimum requirements for EU Climate Transition Benchmarks. For the purpose of promoting environmental characteristics, the Asset Management Company selected two geographically appropriate exposure indices from the MSCI Climate Change Index family, namely the Climate Change ESG Select indices.

The MSCI Climate Change ESG Select CTB Indices are exclusion-enhanced versions of the MSCI Climate Change Index family. These indices are designed to exceed the minimum requirements of the EU Climate Transition Benchmark. Further details regarding the minimum requirements are available on the issuer's website or in Commission Delegated Regulation (EU) 2020/1816.

Both the MSCI Europe Climate Change ESG Select CTB and the MSCI USA Climate Change ESG Select CTB indices exclude companies that do not comply with the principles of the United Nations Global Compact.

At the time of the Fund's establishment, the alignment of the products issued by the financial institutions responsible for the indices with the relevant European Union sustainability-related regulations is not yet fully comprehensive. Should such financial institutions demonstrate full alignment in the future, the Asset Management Company will review the selection of the Fund's reference index accordingly.

Budapest, 04/03/2026.