Mixed fund ERSTE GREEN INVEST MIX to turn dark green

- ERSTE GREEN INVEST MIX upgraded to impact fund
- Fund in line with Article 9 of the EU Sustainable Finance Disclosure Regulation
- First Article 9 mixed fund from an Austrian asset management company

Investing in equities and bonds with a sustainable impact with just one fund: this is now possible for investors with ERSTE GREEN INVEST MIX from Erste Asset Management. The fund has been upgraded to an Article 9 product, making it a pure impact mixed fund – one of the first of its kind in the German-speaking world.
Please note: investing in securities involves risks as well as opportunities.

Focus on impact in the fund

The most significant change resulting from the fund's upgrade is its full focus on impact investments. The fund was already subject to the strict sustainability criteria of Erste AM's responsible approach. This includes, among other things, the exclusion of companies associated with labour rights or human rights violations, weapons production, or animal testing.

Impact investing was also already a key component of the fund. This focus is now even more pronounced. Whereas previously a small proportion of sustainable corporate bonds could be added, even if they did not serve a direct environmental or social purpose, the fund will now only invest in designated impact bonds. As a result, ERSTE GREEN INVEST MIX now fully aims to achieve a measurable positive impact on the environment and/or society with its investments.

How does this work? The impact, i.e. the positive effect, of the investments in the fund is measured and published on an ongoing basis, as is for example already the case for the ERSTE GREEN INVEST impact equity fund. This impact assessment is carried out by an external and independent partner. Please note: investing in securities involves risks as well as opportunities.

External certifications also highlight the sustainable impact of the fund: having been awarded the **Austrian Ecolabel**, one two of the most important sustainability certifications in the German-speaking world.

In what instruments does ERSTE GREEN INVEST MIX invest?

As a mixed fund, ERSTE GREEN INVEST MIX invests around 50% each in equities and bonds. Just like its "sister fund", the ERSTE GREEN INVEST equity fund, in the equity segment the fund invests in **companies from the environmental sector**. The focus is on energy, water, recycling, and green transformation and adaptation of the economy. Why are the latter two topics particularly relevant? In order to make the economy sustainable, traditionally energy and environmentally intensive sectors in particular need to change. The fund therefore invests in companies that are among the pioneers when it comes to making the environmentally harmful processes of the "old economy" more sustainable.

In the bond segment of the fund, the investment decisions also focus on a measurably positive impact on the environment and society. To this end, investments are made in green bonds issued by governments, government-affiliated, and supranational issuers and companies. The proceeds of these green bonds are

used by the respective issuer to finance environmental and climate protection projects. This use is contractually guaranteed by the issuer and is externally audited both in advance and during the maturity of the bond.

Only few impact mixed funds on the market

This makes Erste Asset Management the fi**rst Austrian asset management company with an impact mixed fund in its product portfolio** and ERSTE GREEN INVEST MIX one of the first funds of its kind with real impact in the German-speaking world. The upgrade therefore gives investors another opportunity to invest in a broadly diversified range of securities in an ecologically and socially sustainable manner. In addition, the Austrian market leader is once again putting emphasis on its **pioneering role in sustainable investment**, as Walter Hatak, Head of Responsible Investments, also highlights:

> *"In this mixed fund, we are putting our clients in the position to benefit from our award-winning expertise in both impact bonds and green investments. The process based on individual securities allows us to make targeted investments in the companies that meet our highest standards and make a positive contribution through their business activities. The fund has therefore been upgraded to the status of impact fund (Article 9 of the EU Sustainable Finance Disclosure Regulation). We are thus consistently following the sustainability path that we embarked on in 2001 and are further expanding our broad sustainability range with the first impact mixed fund from an Austrian fund company."*

Chances of a comeback for environmental shares and bonds

Shares from the renewable energy and environmental technology sectors have been taking a back seat in terms of investors' favour in recent months. However, the correction in environmental shares also offers opportunities, as Clemens Klein, fund manager of ERSTE GREEN INVEST, points out: "To combat climate change, we need the new technologies and solutions that the companies we invest in are developing. We therefore see very positive growth prospects in the sector for many years to come. At the same time, cleantech companies are currently very favourably valued in comparison with the market as a whole. For example, the PEG ratio in the sector, i.e. the ratio of the price/earnings ratio to earnings growth, is currently about two thirds below the level on the broad equity market."

The positive comeback opportunities for environmental shares are also reflected in the current positioning of ERSTE GREEN INVEST MIX, as fund manager Gerhard Beulig explains: "We currently have just over 50% invested in equities, where we are particularly positive about the green segment due to the current interest rate trend and the valuation of companies in the sector. On the fixed income side, we are exclusively positioned in impact bonds, although we still remain somewhat cautious with regard to duration."

More details about the fund can you find on the ERSTE GREEN INVEST MIX landingpage.

More information about our sustainable funds can you find in the sustainability section on our website.

About us

Erste Asset Management GmbH (Erste AM) is an international asset management company with a strong position in Central and Eastern Europe. Erste Asset Management is backed by the financial strength of Erste Group Bank AG (Erste Group).

At its locations in Austria, Germany, Croatia, Romania, Slovakia, the Czech Republic, and Hungary, Erste AM manages assets of EUR 80.0bn (as of 29 February 2024). Erste Asset Management has been operating successfully in the market since 1965.

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Warning notices ERSTE GREEN INVEST MIX

Legal notice: Forecasts are not a reliable indicator of future performance. Please note that an investment in securities also involves risks in addition to the opportunities described.

Risk notes according to 2011 Austrian Investment Fund Act

ERSTE GREEN INVEST MIX may make significant investments in investment funds (UCITS, UCI) pursuant to section 71 of the 2011 Austrian Investment Fund Act.

Please note that investing in securities also involves risks besides the opportunities described.

The fund employs an active investment policy and is not oriented towards a benchmark. The assets are selected on a discretionary basis and the scope of discretion of the management company is not limited.

For further information on the sustainable focus of ERSTE GREEN INVEST MIX as well as on the disclosures in accordance with the Disclosure Regulation (Regulation (EU) 2019/2088) and the Taxonomy Regulation (Regulation (EU) 2020/852), please refer to the current Prospectus, section 12 and the Annex "Sustainability Principles". In deciding to invest in ERSTE GREEN INVEST MIX, consideration should be given to any characteristics or objectives of the ERSTE GREEN INVEST MIX as described in the Fund Documents.

Advantages for the investor

- A modern, active investment strategy ensures a good balance between risk and return.
- Participation in ecologically, morally and socially active companies.
- Due to the investment in different asset classes, the risk is diversified, which can reduce the risk of losses.
- The fund can be bought or sold at any time at the current issue/redemption price.

Risks to be considered

- Investments in capital markets are subject to market price fluctuations.
- Due to the investment in foreign currencies, the fund value can fluctuate due to changes in the exchange rate.
- Capital loss is possible.
- Risks that may be significant for the fund are in particular: credit and counterparty risk, liquidity risk, custody risk, derivative risk and operational risk. Comprehensive information on the risks of the fund can be found in the prospectus or the information for investors pursuant to § 21 AIFMG, section II, "Risk information".

Disclaimer

This document is an advertisement. Please refer to the prospectus of the UCITS or to the Information for Investors pursuant to Art 21 AIFMG of the alternative investment fund and the Key Information Document before making any final investment decisions. Unless indicated otherwise, source: Erste Asset Management GmbH. Our languages of communication are German and English.

The prospectus for UCITS (including any amendments) is published in accordance with the provisions of the InvFG 2011 in the currently amended version. Information for Investors pursuant to Art 21 AIFMG is prepared for the alternative investment funds (AIF) administered by Erste Asset Management GmbH pursuant to the provisions of the AIFMG in connection with the InvFG 2011. The fund prospectus, Information for Investors pursuant to Art 21 AIFMG, and the Key Information Document can be viewed in their latest versions at the website www.erste-am.com within the section mandatory publications or obtained in their latest versions free of charge from the domicile of the management company and the domicile of the custodian bank. The exact date of the most recent publication of the fund prospectus, the languages in which the Key Information Document is available, and any additional locations where the documents can be obtained can be viewed on the website www.erste-am.com. A summary of investor rights is available in German and English on the website www.erste-am.com/investor-rights as well as at the domicile of the management company.

The management company can decide to revoke the arrangements it has made for the distribution of unit certificates abroad, taking into account the regulatory requirements.

Detailed information on the risks potentially associated with the investment can be found in the fund prospectus or Information for investors pursuant to Art 21 AIFMG of the respective fund. If the fund currency is a currency other than the investor's home currency, changes in the corresponding exchange rate may have a positive or negative impact on the value of his investment and the amount of the costs incurred in the fund - converted into his home currency.

Our analyses and conclusions are general in nature and do not take into account the individual needs of our investors in terms of earnings, taxation, and risk appetite. Past performance is not a reliable indicator of the future performance of a fund.