

EU Sustainable Finance Disclosure Regulation (SFDR) and its impact on asset managers

- **European Union Sustainable Finance Disclosure Regulation came into force on March, 10**
- **Goal: more transparency for sustainability risks in financial investment products**
- **Austrian Erste Asset Management has implemented EU Sustainable Finance Disclosure Regulation**

The European Union sustainable finance disclosure regulation (SFDR) came into force on March 10, 2021. From this point on, all financial products, including investment funds, must be classified according to their sustainability. This is intended to create more transparency for sustainable investments in financial investment products.

The [disclosure regulation of the European Union](#) establishes new transparency rules on the effects of sustainability risks in financial investment products and adverse effects. Austrian Erste Asset Management (Erste AM) has adapted all relevant documents to the new transparency requirements.

Sustainability risks in investment decisions

In order to meet the transparency requirements, Erste AM has adapted all relevant documents and published them on its website (for UCITS funds in the prospectuses, for AIF funds in the §21 document). The description of how sustainability risks are included in investment decisions, including an assessment of how they affect the respective product, is set out for all funds in the prospectus/§21 document.

In addition, further adjustments are made in the product-specific documents for sustainable funds in accordance with Articles 8 and 9 of the Disclosure Regulation (ESG annex in the prospectus, ESG information on the web factsheet, accountability reports with ESG reporting from 2022).

ERSTE AM funds and classification according to the Disclosure Regulation

Impact funds such as [the ERSTE GREEN INVEST](#), invest directly in solutions for ecological and social challenges and are classified according to Article 9 of the EU Disclosure Regulation. The proven "ERSTE RESPONSIBLE" funds are recorded as Article 8 products in this scheme: They continue to meet the highest demands on sustainable investments and, in addition to the existing ESG reporting, will also meet the requirements of the Disclosure Ordinance.

For some time now, Erste AM has been consistently pursuing the path to make its product range even more sustainable. At the beginning of 2020, ESG criteria, which can improve the risk-adjusted return, were started to be integrated into funds that were previously managed in a traditional manner. The processes used can, for example, significantly reduce CO2 intensity, better map the quality of corporate management (governance) in the funds and minimize involvement in violations of international standards. We now also classify these funds as Article 8 products (ESG integration). For all other funds, we are continuously evaluating the possibilities of including even more ecological and social factors in the investment process.

More on sustainability at Erste Am: <https://www.erste-am.at/en/private-investors/sustainability>

More on the SFDR: <https://www.erste-am.at/en/private-investors/sustainability/eu-sustainability-disclosure>

About us:

Erste Asset Management manages assets worth EUR 68,2bn (as of 31 December 2020). About 100 investment professionals across numerous countries work in the Investment department of Erste Asset Management. In order

to ensure an optimised management process, the Erste Asset Management fund managers cooperate closely with our in-house Research department.

Erste Asset Management was awarded the title of Best Investment Company of the Year by Austrian trade magazine "Börsianer" in 2019.

**For enquiries please contact:
Erste Asset Management, Communications & PR**

Armand Feka
Tel. +43 (0)50100 12341
E-Mail: armand.feka@erste-am.com

Paul Severin
Tel. +43 (0)50100 19982
E-Mail: paul.severin@erste-am.com

Erste Asset Management GmbH
Am Belvedere 1-1100 Vienna,
www.erste-am.com

Vienna, FN 102018b, commercial court Vienna, DVR 0468703

▲ Risk notes according to 2011 Austrian Investment Fund Act

ERSTE GREEN INVEST may exhibit increased volatility due to the composition of its portfolio: i.e. the unit value can be subject to significant fluctuations both upwards and downwards within short periods of time.

Disclaimer:

This document is an advertisement. 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 Amtsblatt zur Wiener Zeitung in accordance with the provisions of the InvFG 2011 in the currently amended version. Information for Investors pursuant to § 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 § 21 AIFMG, and the key investor document/KID can be viewed in their latest versions at the web site www.erste-am.com 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 investor document is available, and any additional locations where the documents can be obtained can be viewed on the web site www.erste-am.com

This document serves as additional information for our investors and is based on the knowledge of the staff responsible for preparing it at the time of preparation. 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.