

# RI TRANSPARENCY REPORT

## 2020

Česká spořitelna – penzijní společnost, a.s.

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2020 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
🔍	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		🔒	n/a							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	✓	Public							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	✓	Public							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown of listed equity investments by passive and active strategies	✓	Public							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	✓	Public							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	🔒	n/a							✓
OO FI 03	Fixed income breakdown by market and credit quality	✓	Public							✓
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	🔒	n/a							✓
OO PE 01	Breakdown of private equity investments by strategy	🔒	n/a							✓
OO PE 02	Typical level of ownership in private equity investments	🔒	n/a							✓
OO PR 01	Breakdown of property investments	🔒	n/a							✓
OO PR 02	Breakdown of property assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of infrastructure investments	🔒	n/a							✓
OO INF 02	Breakdown of infrastructure assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure sectors	🔒	n/a							✓
OO HF 01	Breakdown of hedge funds investments by strategies	🔒	n/a							✓
OO End	Module confirmation page	✓	-							

CCStrategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 01 CC	Climate risk	✓	Private							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public						✓	
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	✓	Private							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	⚠	n/a	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13 CC		✓	Private							✓
SG 14	Long term investment risks and opportunity	✓	Private	✓						
SG 14 CC		✓	Private							✓
SG 15	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 16	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 17	ESG issues for externally managed assets not reported in framework	⚠	n/a							✓
SG 18	Innovative features of approach to RI	✓	Private							✓
SG 19	Communication	✓	Public		✓				✓	
SG End	Module confirmation page	✓	-							

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Percentage of each incorporation strategy	✓	Public	✓						
LEI 02	Type of ESG information used in investment decision	✓	Private	✓						
LEI 03	Information from engagement and/or voting used in investment decision-making	🔒	n/a	✓						
LEI 04	Types of screening applied	✓	Public	✓						
LEI 05	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 06	Processes to ensure fund criteria are not breached	✓	Private	✓						
LEI 07	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
LEI 08	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 09	Processes to ensure integration is based on robust analysis	✓	Public	✓						
LEI 10	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 11	ESG issues in index construction	🔒	n/a	✓						
LEI 12	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 13	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
LEI End	Module confirmation page	✓	-							

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Incorporation strategies applied	✓	Public	✓						
FI 02	ESG issues and issuer research	✓	Private	✓						
FI 03	Processes to ensure analysis is robust	✓	Public	✓						
FI 04	Types of screening applied	✓	Public	✓						
FI 05	Examples of ESG factors in screening process	✓	Private	✓						
FI 06	Screening - ensuring criteria are met	✓	Public	✓						
FI 07	Thematic investing - overview	✓	Private	✓						
FI 08	Thematic investing - themed bond processes	✓	Public	✓						
FI 09	Thematic investing - assessing impact	✓	Public	✓						
FI 10	Integration overview	✓	Public	✓						
FI 11	Integration - ESG information in investment processes	✓	Public	✓						
FI 12	Integration - E,S and G issues reviewed	✓	Public	✓						
FI 13	ESG incorporation in passive funds	🔒	n/a	✓						
FI 14	Engagement overview and coverage	✓	Private		✓					
FI 15	Engagement method	✓	Private	✓	✓					
FI 16	Engagement policy disclosure	✓	Private	✓	✓					
FI 17	Financial/ESG performance	✓	Private							✓
FI 18	Examples - ESG incorporation or engagement	✓	Private	✓	✓					
FI End	Module confirmation page	✓	-							

Confidence building measures				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM1 01	Assurance, verification, or review	✓	Public							✓
CM1 02	Assurance of last year`s PRI data	✓	Public							✓
CM1 03	Other confidence building measures	✓	Public							✓
CM1 04	Assurance of this year`s PRI data	✓	Public							✓
CM1 05	External assurance	🔒	n/a							✓
CM1 06	Assurance or internal audit	🔒	n/a							✓
CM1 07	Internal verification	✓	Public							✓
CM1 01 End	Module confirmation page	✓	-							

Česká spořitelna – penzijní společnost, a.s.

Reported Information

Public version

Organisational Overview

## PRI disclaimer

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## Basic information

OO 01	Mandatory	Public	Gateway/Peering	General
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**OO 01.1** Select the type that best describes your organisation or the services you provide.

- ☐ Non-corporate pension or superannuation or retirement or provident fund or plan
- ☒ Corporate pension or superannuation or retirement or provident fund or plan
- ☐ Insurance company
- ☐ Foundation
- ☐ Endowment
- ☐ Development finance institution
- ☐ Reserve - sovereign or government controlled fund
- ☐ Family office
- ☐ Other, specify

**OO 01.3** Additional information. [Optional]

Česká spořitelna - penzijní společnost, a.s. (further referred as CS Pension Company) is subsidiary of Česká spořitelna, a.s., the biggest retail bank in the Czech Republic and member of Erste Group Bank AG. CS Pension Company operates since 1995 and is the leading pension company on czech supplementary pension savings market with over 940 ths of clients and total asset under management of 3.6 bn EUR in 5 pension funds. CS Pension Company provides today the first and the only one Responsible Investments Pension Fund in the Czech Republic. Responsible Investment Policy for all our pension funds and AuM was approved, issued and published in 2019.

OO 02	Mandatory	Public	Peering	General
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**OO 02.1** Select the location of your organisation's headquarters.

Czech Republic

**OO 02.2** Indicate the number of countries in which you have offices (including your headquarters).

- ☒ 1
- ☐ 2-5
- ☐ 6-10
- ☐ >10

**OO 02.3** Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

65

OO 03	Mandatory	Public	Descriptive	General
-------	-----------	--------	-------------	---------

OO 03.1

Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- ☐ Yes  
☒ No

OO 04	Mandatory	Public	Gateway/Peering	General
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OO 04.1

Indicate the year end date for your reporting year.

31/12/2020

OO 04.2

Indicate your total AUM at the end of your reporting year.

Include the AUM of subsidiaries, but exclude advisory/execution only assets, and exclude the assets of your PRI signatory subsidiaries that you have chosen not to report on in OO 03.2

	trillions	billions	millions	thousands	hundreds
Total AUM		93	319	321	000
Currency	CZK				
Assets in USD		4	028	279	620

☐ Not applicable as we are in the fund-raising process

**Based on your reporting above, your total AUM is between 1 and 4.99 US\$ billion, and therefore your 2019/20 fee will be £ 3,009. Note that your total AUM is calculated by summing all figures provided in OO 04.2, 04.3, and 04.4.**

OO 06	Mandatory	Public	Descriptive	General
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OO 06.1

Select how you would like to disclose your asset class mix.

☒ as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	4.6	0
Fixed income	52.7	0
Private equity	0	0
Property	0	0

Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Fund of hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	3.3	0
Money market instruments	39.4	0
Other (1), specify	0	0
Other (2), specify	0	0

☐ as broad ranges

**OO 06.2**

Publish asset class mix as per attached image [Optional].

**OO 06.3**

Indicate whether your organisation has any off-balance sheet assets [Optional].

☐ Yes

☐ No

**OO 06.5**

Indicate whether your organisation uses fiduciary managers.

☐ Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.

☒ No, we do not use fiduciary managers.

**OO 07**

**Mandatory to Report Voluntary to Disclose**

**Public**

**Gateway**

**General**

**OO 07.1**

Provide to the nearest 5% the percentage breakdown of your Fixed Income AUM at the end of your reporting year, using the following categories.

Internally managed		SSA
	93.4	
		Corporate (financial)
	3.5	
		Corporate (non-financial)
	3.1	
		Securitised
	0	
		Total
	100%	

OO 09	Mandatory	Public	Peering	General
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OO 09.1	Indicate the breakdown of your organisation's AUM by market.
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	Developed Markets
15.7	
	Emerging Markets
84.3	
	Frontier Markets
0	
	Other Markets
0	
	Total 100%
100%	

## Asset class implementation gateway indicators

OO 10	Mandatory	Public	Gateway	General
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OO 10.1	Select the active ownership activities your organisation implemented in the reporting year.
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Listed equity – engagement
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- ☒ We engage with companies on ESG factors via our staff, collaborations or service providers.
- ☐ We do not engage directly and do not require external managers to engage with companies on ESG factors.

Listed equity – voting
------------------------

- ☒ We cast our (proxy) votes directly or via dedicated voting providers
- ☐ We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

Fixed income SSA – engagement
-------------------------------

- ☒ We engage with SSA bond issuers on ESG factors via our staff, collaborations or service providers.
- ☐ We do not engage directly and do not require external managers to engage with SSA bond issuers on ESG factors. Please explain why you do not.

Fixed income Corporate (financial) – engagement
---

- ☒ We engage with companies on ESG factors via our staff, collaborations or service providers.
- ☐ We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

Fixed income Corporate (non-financial) – engagement
---

- ☒ We engage with companies on ESG factors via our staff, collaborations or service providers.
- ☐ We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

OO 11	Mandatory	Public	Gateway	General
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OO 11.1	Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).
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Listed equity
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- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

Fixed income - SSA
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- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

	Fixed income - corporate (financial)
--	--------------------------------------

- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

	Fixed income - corporate (non-financial)
--	--

- ☒ We address ESG incorporation.
- ☐ We do not do ESG incorporation.

	Cash
--	------

- ☐ We address ESG incorporation.
- ☒ We do not do ESG incorporation.

	Money market instruments
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- ☐ We address ESG incorporation.
- ☒ We do not do ESG incorporation.

OO 12	Mandatory	Public	Gateway	General
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OO 12.1	Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.
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	Core modules
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- ☒ Organisational Overview
- ☒ Strategy and Governance

	RI implementation directly or via service providers
--	---

	Direct - Listed Equity incorporation
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- ☒ Listed Equity incorporation

	Direct - Listed Equity active ownership
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- ☐ Engagements
- ☐ (Proxy) voting

	Direct - Fixed Income
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- ☒ Fixed income - SSA
- ☒ Fixed income - Corporate (financial)
- ☒ Fixed income - Corporate (non-financial)

	Closing module
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☒ Closing module

## Peering questions

OO LE 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
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OO LE 01.1	Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies.
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### Percentage of internally managed listed equities

	Passive
--	---------

0

	Active - quantitative (quant)
--	-------------------------------

0

	Active - fundamental and active - other
--	---

100

	Total
--	-------

100%

OO FI 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
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OO FI 01.1	Provide a breakdown of your internally managed fixed income securities by active and passive strategies
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SSA	<div> <div>Passive</div> <div>0</div> </div> <div> <div>Active - quantitative (quant)</div> <div>0</div> </div> <div> <div>Active - fundamental and active - other</div> <div>100</div> </div> <div> <div>Total</div> <div>100%</div> </div>
Corporate (financial)	<div> <div>Passive</div> <div>0</div> </div> <div> <div>Active - quantitative (quant)</div> <div>0</div> </div> <div> <div>Active - fundamental and active - other</div> <div>100</div> </div> <div> <div>Total</div> <div>100%</div> </div>
Corporate (non-financial)	<div> <div>Passive</div> <div>0</div> </div> <div> <div>Active - quantitative (quant)</div> <div>0</div> </div> <div> <div>Active - fundamental and active - other</div> <div>100</div> </div> <div> <div>Total</div> <div>100%</div> </div>



OO FI 03	Mandatory	Public	Descriptive	General
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Update: this indicator has changed from "*Mandatory to report, voluntary to disclose*" to "*Mandatory*". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

OO FI 03.1	Indicate the approximate (+/- 5%) breakdown of your SSA investments, by developed markets and emerging markets.
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SSA		
		Developed markets
	21.8	
		Emerging markets
	78.2	
		Total
	100%	

OO FI 03.2	Indicate the approximate (+/- 5%) breakdown of your corporate and securitised investments by investment grade or high-yield securities.
------------	---

Type	Investment grade (+/- 5%)	High-yield (+/- 5%)	Total internally managed
Corporate (financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	100%
Corporate (non-financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	100%

	If you are invested in private debt and reporting on ratings is not relevant for you, please indicate below
--	---

☐ OO FI 03.2 is not applicable as our internally managed fixed income assets are invested only in private debt.

Česká spořitelna – penzijní společnost, a.s.

Reported Information

Public version

Strategy and Governance

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## Investment policy

SG 01

Mandatory

Public

Core Assessed

General

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

☒ Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input type="checkbox"/> Formalised guidelines on environmental factors <input type="checkbox"/> Formalised guidelines on social factors <input type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Fiduciary (or equivalent) duties <input type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Engagement policy <input type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

**SG 01.3**

Indicate if the investment policy covers any of the following

- ☒ Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- ☒ Your investment objectives that take ESG factors/real economy influence into account
- ☐ Time horizon of your investment
- ☐ Governance structure of organisational ESG responsibilities
- ☒ ESG incorporation approaches
- ☐ Active ownership approaches
- ☒ Reporting
- ☐ Climate change
- ☐ Understanding and incorporating client / beneficiary sustainability preferences
- ☐ Other RI considerations, specify (1)
- ☐ Other RI considerations, specify (2)

**SG 01.4**

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

We believe it is beneficial for investors to complement their investment decision by including environmental (E), social (S) and governance related (G) factors in their analysis. Thereby widening their assessment to include parameters relevant to long-term financial performance. We believe that a sustainable investment approach like this enables better insight into potential investments because it improves our capacity to assess the long-term likelihood that a company's strategy will succeed.

**SG 01.5**

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

The consideration of extra-financial, i.e. ESG, data supports a sound understanding regarding investment risks and opportunities within our investment universe. Company specific ESG information, tailored to each activity sector, provides additional input and contributes materially to the reduction of tail risk events impacting our portfolio. We use a multi-dimensional sustainable investment process to ensure the objectivity of the research process on which investment decisions are based. Through the interaction and support of ERSTE Asset Management AG and RI research team we use ESG ratings (best-in-class approach) and also cooperate with other ESG data providers (Sustainalytics, MSCI ESG, oekom research AG, etc.), active engagement and voting, relevant information is generated and fed into the portfolio construction.

☐ No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

**SG 02****Mandatory****Public****Core Assessed****PRI 6**

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**SG 02.1**

Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

- ☒ Policy setting out your overall approach

URL/Attachment
----------------

☒ URL

URL
-----

{hyperlink:https://cdn0.erstegroup.com/content/dam/cz/csas/www\_csps\_cz/Dokumenty-ke-stazeni/CSPS\_Principy\_odpovedneho\_investovani.pdf}

☐ Attachment (will be made public)

☒ Screening / exclusions policy

URL/Attachment
----------------

☒ URL

URL
-----

{hyperlink:https://cdn0.erstegroup.com/content/dam/cz/csas/www\_csps\_cz/Dokumenty-ke-stazeni/CSPS\_Principy\_odpovedneho\_investovani.pdf}

☐ Attachment (will be made public)

☐ We do not publicly disclose our investment policy documents

<b>SG 02.2</b>	Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.
----------------	---

☒ Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment
----------------

☒ URL

URL
-----

{hyperlink:https://cdn0.erstegroup.com/content/dam/cz/csas/www\_csps\_cz/Dokumenty-ke-stazeni/CSPS\_Principy\_odpovedneho\_investovani.pdf}

☐ Attachment

☐ Your investment objectives that take ESG factors/real economy influence into account

☒ ESG incorporation approaches

URL/Attachment
----------------

☒ URL

URL
-----

{hyperlink:https://cdn0.erstegroup.com/content/dam/cz/csas/www\_csps\_cz/Dokumenty-ke-stazeni/CSPS\_Principy\_odpovedneho\_investovani.pdf}

☐ Attachment

☒ Reporting

	URL/Attachment
--	----------------

☒ URL

	URL
--	-----

{hyperlink:https://www.csps.cz/cs/eticke-penzijni-sporeni}

☐ Attachment

☐ We do not publicly disclose any investment policy components

SG 03	Mandatory	Public	Core Assessed	General
-------	-----------	--------	---------------	---------

SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
---------	---

☒ Yes

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
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Internal Asset Management Rulebook that is valid and binding for all portfolio managers in ERSTE Asset Management, including subsidiaries and branches. Topics covered are basic tasks and organisation, compliance, valid trades, ordering, internal trades, best execution, controlling mechanisms, escalation procedures, reporting and support.

☐ No

## Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
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SG 05.1	Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.
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- ☐ Quarterly or more frequently
- ☐ Biannually
- ☒ Annually
- ☐ Less frequently than annually
- ☐ Ad-hoc basis
- ☐ It is not set/reviewed

## Governance and human resources

SG 07	Mandatory	Public	Core Assessed	General
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SG 07.1	Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.
---------	---

Roles
-------

- ☒ Board members or trustees
  - ☒ Oversight/accountability for responsible investment
  - ☐ Implementation of responsible investment
  - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Internal Roles (triggers other options)

Select from the below internal roles
--------------------------------------

- ☒ Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee
  - ☒ Oversight/accountability for responsible investment
  - ☒ Implementation of responsible investment
  - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ Other Chief-level staff or head of department, specify
- ☒ Portfolio managers
  - ☒ Oversight/accountability for responsible investment
  - ☒ Implementation of responsible investment
  - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Investment analysts
  - ☒ Oversight/accountability for responsible investment
  - ☒ Implementation of responsible investment
  - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ Dedicated responsible investment staff
- ☐ Investor relations
- ☐ Other role, specify (1)
- ☐ Other role, specify (2)
- ☒ External managers or service providers
  - ☒ Oversight/accountability for responsible investment
  - ☒ Implementation of responsible investment
  - ☐ No oversight/accountability or implementation responsibility for responsible investment

#### SG 07.2

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

Investment committee (Board, CIO/CFO, portfolio managers, investment analysts, external manager, risk manager, asset/liability manager and other members) is implementing and incorporating RI, ESG guidelines and rating methodology, exclusion criteria. Reporting and decisions is set on monthly basis.

#### SG 07.3

Indicate the number of dedicated responsible investment staff your organisation has.

Number
--------

2

I confirm I have read and understood the Accountability tab for SG 07

I confirm I have read and understood the Accountability tab for SG 07

## Promoting responsible investment

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

SG 09.1

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

### Select all that apply

☒ Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced



Provide a brief commentary on the level of your organisation's involvement in the initiative.  
[Optional]

PRI principles fulfillment:

- 1) We incorporate ESG issues into investment analysis and decision-making processes.
- 2) We are active owners and incorporate ESG issues into our ownership policies and practices.
- 3) We seek appropriate disclosure on ESG issues by the entities in which we invest.
- 4) We promote acceptance and implementation of the Principles within the investment industry.
- 5) We work together to enhance our effectiveness in implementing the Principles.
- 6) We report on our activities and progress towards implementing the Principles.

- ☐ Asian Corporate Governance Association
- ☐ Australian Council of Superannuation Investors
- ☐ AVCA: Sustainability Committee
- ☐ France Invest – La Commission ESG
- ☐ BVCA – Responsible Investment Advisory Board
- ☐ CDP Climate Change
- ☐ CDP Forests
- ☐ CDP Water
- ☐ CFA Institute Centre for Financial Market Integrity
- ☐ Climate Action 100+
- ☐ Code for Responsible Investment in SA (CRISA)
- ☐ Council of Institutional Investors (CII)
- ☐ Eumedion
- ☐ Extractive Industries Transparency Initiative (EITI)
- ☐ ESG Research Australia
- ☐ Invest Europe Responsible Investment Roundtable
- ☐ Global Investors Governance Network (GIGN)
- ☐ Global Impact Investing Network (GIIN)
- ☐ Global Real Estate Sustainability Benchmark (GRESB)
- ☐ Green Bond Principles
- ☐ HKVCA: ESG Committee
- ☐ Institutional Investors Group on Climate Change (IIGCC)
- ☐ Interfaith Center on Corporate Responsibility (ICCR)
- ☐ International Corporate Governance Network (ICGN)
- ☐ Investor Group on Climate Change, Australia/New Zealand (IGCC)
- ☐ International Integrated Reporting Council (IIRC)
- ☐ Investor Network on Climate Risk (INCR)/CERES
- ☐ Local Authority Pension Fund Forum
- ☐ Principles for Financial Action in the 21st Century
- ☐ Principles for Sustainable Insurance
- ☐ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- ☐ Responsible Finance Principles in Inclusive Finance
- ☐ Shareholder Association for Research and Education (Share)
- ☐ United Nations Environmental Program Finance Initiative (UNEP FI)

- ☐ United Nations Global Compact
- ☒ Other collaborative organisation/initiative, specify  
Eurosif

	Your organisation's role in the initiative during the reporting year (see definitions)
--	--

- ☒ Basic
- ☐ Moderate
- ☐ Advanced

	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
--	---

Eurosif Transparency Code - transparency rules for RI  
Part of the network for the promotion of SRI in Europe.

- ☐ Other collaborative organisation/initiative, specify
- ☐ Other collaborative organisation/initiative, specify
- ☐ Other collaborative organisation/initiative, specify

SG 10	Mandatory	Public	Core Assessed	PRI 4
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<b>SG 10.1</b>	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
----------------	--

- ☒ Yes

<b>SG 10.2</b>	Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.
----------------	--

- ☐ Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)
- ☐ Provided financial support for academic or industry research on responsible investment
- ☐ Provided input and/or collaborated with academia on RI related work
- ☒ Encouraged better transparency and disclosure of responsible investment practices across the investment industry

	Description
--	-------------

In the Czech Republic

Frequency of contribution
---------------------------

- ☐ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☒ Ad hoc
- ☐ Other

☒ Spoke publicly at events and conferences to promote responsible investment

Description
-------------

In the Czech Republic

Frequency of contribution
---------------------------

- ☐ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☒ Ad hoc
- ☐ Other

☐ Wrote and published in-house research papers on responsible investment

☒ Encouraged the adoption of the PRI

Description
-------------

In the Czech Republic

Frequency of contribution
---------------------------

- ☐ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☒ Ad hoc
- ☐ Other

☐ Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)

☒ Wrote and published articles on responsible investment in the media

Description
-------------

In the Czech Republic

	Frequency of contribution
--	---------------------------

- ☐ Quarterly or more frequently
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☒ Ad hoc
- ☐ Other
- ☐ A member of PRI advisory committees/ working groups, specify
- ☐ On the Board of, or officially advising, other RI organisations (e.g. local SIFs)
- ☐ Other, specify
- ☐ No

<b>SG 10.3</b>	Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]
----------------	---

Internal promotion of RI and PRI in our financial groupe of Ceska Sportelna and ERSTE.

## Outsourcing to fiduciary managers and investment consultants

<b>SG 12</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 4</b>
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

<b>SG 12.1</b>	Indicate whether your organisation uses investment consultants.
----------------	---

- ☐ Yes, we use investment consultants
- ☒ No, we do not use investment consultants.

## ESG issues in asset allocation

<b>SG 13</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
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<b>SG 13.1</b>	Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).
----------------	--

- ☒ Yes, in order to assess future ESG factors

	Describe
--	----------

Co-operation with ESG team of ERSTE AM.

- ☒ Yes, in order to assess future climate-related risks and opportunities

	Describe
--	----------

Co-operation with ESG team of ERSTE AM.

- ☐ No, our organisation does not currently carry out scenario analysis and/or modelling

<b>SG 13.2</b>	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.
----------------	---

	We do the following
--	---------------------

- ☐ Allocation between asset classes
- ☐ Determining fixed income duration
- ☒ Allocation of assets between geographic markets
- ☒ Sector weightings
- ☐ Other, specify
- ☐ We do not consider ESG issues in strategic asset allocation

## Asset class implementation not reported in other modules

<b>SG 16</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
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<b>SG 16.1</b>	Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.
----------------	--

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Listed equities - engagement	Engagement is managed collectively with the ERSTE Asset Management.
Listed equity - (proxy) voting	Voting is managed collectively with the ERSTE Asset Management, via ISS.

<b>SG 16.2</b>	Additional information [Optional].
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ERSTE Asset Management is our asset management service provider and member of financial group ERSTE Bank.

## Communication

<b>SG 19</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 2, 6</b>
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<b>SG 19.1</b>	Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.
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**Caution! The order in which asset classes are presented below has been updated in the online tool to match the Reporting Framework overview.**

If you are transferring data from an offline document, please check your response carefully.

## Listed equity - Incorporation

### Do you disclose?

- ☐ We do not proactively disclose it to the public and/or clients/beneficiaries
- ☐ We disclose to clients/beneficiaries only.
- ☒ We disclose it publicly

### The information disclosed to clients/beneficiaries is the same

- ☒ Yes
- ☐ No

<b>Disclosure to public and URL</b>	
<div>Disclosure to public and URL</div> <ul style="list-style-type: none"> <li><input type="radio"/> Broad approach to ESG incorporation</li> <li><input checked="" type="radio"/> Detailed explanation of ESG incorporation strategy used</li> </ul>	
<div>Frequency</div> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Quarterly or more frequently</li> <li><input type="checkbox"/> Biannually</li> <li><input type="checkbox"/> Annually</li> <li><input type="checkbox"/> Less frequently than annually</li> <li><input type="checkbox"/> Ad-hoc/when requested</li> </ul>	
<div>URL</div> <p>{hyperlink:https://www.csps.cz/cs/eticke-penzijni-sporeni}</p>	
<div>URL</div> <p>{hyperlink:https://cdn0.erstegroup.com/content/dam/cz/csas/www_csps_cz/Dokumenty-ke-stazeni/CSPS_Principy_odpovedneho_investovani.pdf}</p>	

## Fixed income

Do you disclose?

- ☐ We do not disclose to either clients/beneficiaries or the public.
- ☐ We disclose to clients/beneficiaries only.
- ☒ We disclose to the public

The information disclosed to clients/beneficiaries is the same

- ☒ Yes
- ☐ No

#### Disclosure to public and URL

Disclosure to public and URL

- ☐ Broad approach to RI incorporation
- ☒ Detailed explanation of RI incorporation strategy used

Frequency

- ☒ Quarterly
- ☐ Biannually
- ☐ Annually
- ☐ Less frequently than annually
- ☐ Ad hoc/when requested

URL

{hyperlink:https://www.csps.cz/cs/eticke-penzijni-sporeni}

URL

{hyperlink:https://cdn0.erstegroup.com/content/dam/cz/csas/www\_csps\_cz/Dokumenty-ke-stazeni/CSPS\_Principy\_odpovedneho\_investovani.pdf}

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## Reported Information

Public version

Direct - Listed Equity Incorporation

## PRI disclaimer

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## ESG incorporation in actively managed listed equities

### Implementation processes

LEI 01	Mandatory	Public	Gateway	PRI 1
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#### LEI 01.1

Indicate which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities; and the breakdown of your actively managed listed equities by strategy or combination of strategies.

#### ESG incorporation strategy (select all that apply)

☒ Screening alone (i.e., not combined with any other strategies)

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	<div> <div></div> <div>%</div> </div>
	90

☐ Thematic alone (i.e., not combined with any other strategies)

☐ Integration alone (i.e., not combined with any other strategies)

☒ Screening and integration strategies

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	<div> <div></div> <div>%</div> </div>
	10

☐ Thematic and integration strategies

☐ Screening and thematic strategies

☐ All three strategies combined

☐ We do not apply incorporation strategies

Total actively managed listed equities

100%

#### LEI 01.2

Describe your organisation's approach to ESG incorporation and the reasons for choosing the particular strategy/strategies.

We apply screening approach in traditionally managed pension funds, where criteria like banned weapons, coal mining or tobacco are incorporated. For responsible fund we use a broad holistic RI investment approach including screening, thematic and integration strategies. The combination of minimum standards, positive and negative criteria, exclusion criteria, best-in-class approach (selection of the best companies in each sector), active engagement and voting process (dialogue with companies, exercise of voting rights) plus the rigorous review of financial performance objectifies the management approach.

## (A) Implementation: Screening

LEI 04	Mandatory	Public	Descriptive	PRI 1
--------	-----------	--------	-------------	-------

### LEI 04.1

Indicate and describe the type of screening you apply to your internally managed active listed equities.

#### Type of screening

- ☒ Negative/exclusionary screening

#### Screened by

- ☒ Product  
☒ Activity  
☒ Sector  
☐ Country/geographic region  
☒ Environmental and social practices and performance  
☒ Corporate governance

#### Description

Our exclusionary criteria include: nuclear power, green gene technology, child labour, business malpractice (i.e., corruption & accounting fraud), pornography, military / weapons, tobacco, coal mining (sales >5% of total sales), production of primary energy out of coal (utilities, >20% produced out of coal), (avoidable) animal testing, death penalty (for bond issuers), Violation of ILO-protocol, nuclear weapons (for bond issuers), data is gathered from ESG rating agencies. (Dataset for funds managed by the department of Responsible Investments; other actively managed (traditional / conventional) funds are screened for "banned weapons", "soft commodity speculation" and "coal divestment".

- ☒ Positive/best-in-class screening

#### Screened by

- ☒ Product  
☒ Activity  
☒ Sector  
☐ Country/geographic region  
☒ Environmental and social practices and performance  
☒ Corporate governance

	Description
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Work place conditions - concerning job protection, social standards, educational advancement  
 Corporate governance - stakeholder orientation of the company, transparent reporting  
 Energy and water consumption - decline and savings  
 Use of renewable energies - instead of fossil fuels, especially oil  
 Avoidance of environmental pollution - life-cycle assessments  
 Medical care and healthcare - above-average medical care and healthcare for employees  
 Protection of resources - above-average eco-efficiency  
 Leadership in environmental technology - new technologies promoting a paradigm change  
 Water treatment - new technologies to fight water scarcity  
 Environmental management systems - certifications according to EMAS and ISO

☒ Norms-based screening

#### Screened by

- ☒ UN Global Compact Principles
- ☒ The UN Guiding Principles on Business and Human Rights
- ☒ International Labour Organization Conventions
- ☒ United Nations Convention Against Corruption
- ☐ OECD Guidelines for Multinational Enterprises
- ☐ Other, specify

	Description
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Criteria are applied also governments.

<b>LEI 04.2</b>	Describe how you notify clients and/or beneficiaries when changes are made to your screening criteria.
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Information on webpage: <https://www.csps.cz/cs/eticke-penzijni-sporeni>

Published document: [https://cdn0.erstegroup.com/content/dam/cz/csas/www\\_csps\\_cz/Dokumenty-ke-stazeni/CSPS\\_Principy\\_odpovedneho\\_investovani.pdf](https://cdn0.erstegroup.com/content/dam/cz/csas/www_csps_cz/Dokumenty-ke-stazeni/CSPS_Principy_odpovedneho_investovani.pdf)

<b>LEI 05</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1</b>
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**LEI 05.1**

Indicate which processes your organisation uses to ensure ESG screening is based on robust analysis.

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- ☐ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies.
- ☐ External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar.
- ☒ Third-party ESG ratings are updated regularly to ensure that portfolio holdings comply with fund policies.
- ☐ Trading platforms blocking / restricting flagged securities on the black list.
- ☐ A committee, body or similar with representatives independent of the individuals who conduct company research reviews some or all screening decisions.
- ☐ A periodic review of internal research is carried out.
- ☐ Review and evaluation of external research providers.
- ☐ Other; specify
- ☐ None of the above

**LEI 05.2**

Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your ESG screening strategy.

- ☒ <10%
- ☐ 10-50%
- ☐ 51-90%
- ☐ >90%

**LEI 05.3**

Indicate how frequently third party ESG ratings are updated for screening purposes.

- ☒ Quarterly or more frequently
- ☐ Bi-Annually
- ☐ Annually
- ☐ Less frequently than annually

### (C) Implementation: Integration of ESG factors

**LEI 08****Mandatory****Public****Core Assessed****PRI 1****LEI 08.1**

Indicate the proportion of actively managed listed equity portfolios where E, S and G factors are systematically researched as part of your investment analysis.

ESG issues	Proportion impacted by analysis
Environmental	<div> <div></div> <div>Environmental</div> </div> <p> <input type="radio"/> &lt;10%  <input checked="" type="radio"/> 10-50%  <input type="radio"/> 51-90%  <input type="radio"/> &gt;90%         </p>
Social	<div> <div></div> <div>Social</div> </div> <p> <input type="radio"/> &lt;10%  <input checked="" type="radio"/> 10-50%  <input type="radio"/> 51-90%  <input type="radio"/> &gt;90%         </p>
Corporate Governance	<div> <div></div> <div>Corporate Governance</div> </div> <p> <input type="radio"/> &lt;10%  <input checked="" type="radio"/> 10-50%  <input type="radio"/> 51-90%  <input type="radio"/> &gt;90%         </p>

LEI 09	Mandatory	Public	Core Assessed	PRI 1
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LEI 09.1	Indicate which processes your organisation uses to ensure ESG integration is based on robust analysis.
----------	--

- ☐ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- ☐ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ Third-party ESG ratings are updated regularly
- ☐ A periodic review of the internal research is carried out
- ☐ Structured, regular ESG specific meetings between responsible investment staff and the fund manager or within the investments team
- ☐ ESG risk profile of a portfolio against benchmark
- ☐ Analysis of the impact of ESG factors on investment risk and return performance
- ☐ Other; specify
- ☐ None of the above

**LEI 09.3**

Indicate how frequently third party ESG ratings that inform your ESG integration strategy are updated.

- ☒ Quarterly or more frequently
- ☐ Bi-Annually
- ☐ Annually
- ☐ Less frequently than annually

**LEI 09.5**

Describe how ESG information is held and used by your portfolio managers.

- ☐ ESG information is held within centralised databases or tools, and it is accessible by all relevant staff
- ☐ ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- ☒ Systematic records are kept that capture how ESG information and research were incorporated into investment decisions
- ☐ Other; specify
- ☐ None of the above

Česká spořitelna – penzijní společnost, a.s.

## Reported Information

Public version

Direct - Fixed Income

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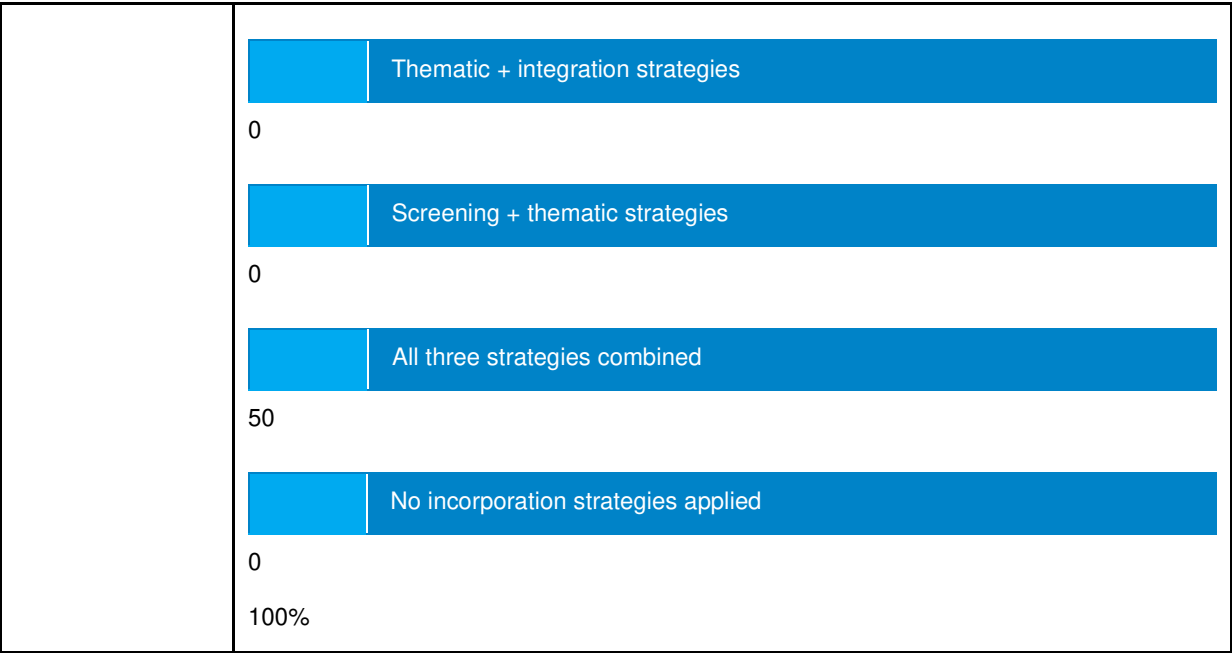
## ESG incorporation in actively managed fixed income

### Implementation processes

FI 01	Mandatory	Public	Gateway	PRI 1
FI 01.1	Indicate (1) Which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and (2) The proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.			



SSA	<div> <div>Screening alone</div> <div>90</div> </div> <div> <div>Thematic alone</div> <div>0</div> </div> <div> <div>Integration alone</div> <div>0</div> </div> <div> <div>Screening + integration strategies</div> <div>0</div> </div> <div> <div>Thematic + integration strategies</div> <div>0</div> </div> <div> <div>Screening + thematic strategies</div> <div>0</div> </div> <div> <div>All three strategies combined</div> <div>10</div> </div> <div> <div>No incorporation strategies applied</div> <div>0</div> </div> <div>100%</div>
Corporate (financial)	<div> <div>Screening alone</div> <div>40</div> </div> <div> <div>Thematic alone</div> <div>10</div> </div> <div> <div>Integration alone</div> <div>0</div> </div> <div> <div>Screening + integration strategies</div> <div>0</div> </div>



Corporate (non-financial)	Screening alone	40
	Thematic alone	10
	Integration alone	0
	Screening + integration strategies	0
	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	50
	No incorporation strategies applied	0
		100%

#### FI 01.2

Describe your reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used.

We have screening in traditionally managed funds, where criteria like banned weapons or tobacco are incorporated. For responsible fund we use a broad holistic RI investment approach including screening, thematic and integration strategies. The combination of minimum standards, positive and negative criteria, exclusion criteria, best-in-class approach (selection of the best companies in each sector), active engagement and voting process (dialogue with companies, exercise of voting rights) plus the rigorous review of financial performance objectifies the management approach.

FI 03	Mandatory	Public	Additional Assessed	PRI 1
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**FI 03.1**

Indicate how you ensure that your ESG research process is robust:

- ☐ Comprehensive ESG research is undertaken internally to determine companies' activities; and products and/or services
- ☐ Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- ☐ Internal audits and regular reviews of ESG research are undertaken in a systematic way.
- ☐ A materiality/sustainability framework is created and regularly updated that includes all the key ESG risks and opportunities for each sector/country.
- ☐ Other, specify
- ☐ None of the above

**FI 03.2**

Describe how your ESG information or analysis is shared among your investment team.

- ☐ ESG information is held within a centralised database and is accessible to all investment staff
- ☐ ESG information is displayed on front office research platforms
- ☒ ESG information is a standard item on all individual issuer summaries, research notes, 'tear sheets', or similar documents
- ☐ Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings
- ☐ Records capture how ESG information and research was incorporated into investment decisions
- ☐ Other, specify
- ☐ None of the above

**(A) Implementation: Screening****FI 04****Mandatory****Public****Gateway****PRI 1****FI 04.1**

Indicate the type of screening you conduct.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
Negative/exclusionary screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Positive/best-in-class screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Norms-based screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

FI 04.2

Describe your approach to screening for internally managed active fixed income

We combine external ESG research data with internal screening and scoring including criteriology screening, positive screening and norms-based screening for financial and non-financial corporate issuers as well as for SSAs and securitised issuers.

FI 06

Mandatory

Public

Core Assessed

PRI 1

FI 06.1

Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.

Type of screening	Checks
<b>Negative/exclusionary screening</b>	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above
<b>Positive/best-in-class screening</b>	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above
<b>Norms-based screening</b>	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above

## (B) Implementation: Thematic

FI 08

Mandatory

Public

Core Assessed

PRI 1

<b>FI 08.1</b>	Indicate whether you encourage transparency and disclosure relating to the issuance of themed bonds as per the Green Bonds Principles, Social Bond Principles, or Sustainability Bond Guidelines..
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- ☒ We require that themed bond proceeds are only allocated to environmentally or socially beneficial projects
- ☒ We require the issuer (or 3rd party assurer) to demonstrate a process which determines the eligibility of projects to which themed bond proceeds are allocated
- ☒ We require issuers to demonstrate a systematic and transparent process of disbursing themed bond proceeds to eligible projects until all funds are allocated
- ☒ We require issuers to report at least once per year on the projects to which proceeds have been allocated including a description of those projects
- ☐ Other, specify
- ☐ None of the above

<b>FI 08.2</b>	Describe the actions you take when issuers do not disburse bond proceeds as described in the offering documents.
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We require the reporting duties as necessary condition for investment. If it is not fulfilled we do not invest or we divest.

<b>FI 09</b>	<b>Mandatory</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
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<b>FI 09.1</b>	Indicate how you assess the environmental or social impact of your thematic investments.
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- ☒ We require issuers to report at least once per year on specific environmental or social impacts resulting from our themed investments
- ☒ We ensure independent audits are conducted on the environmental or social impact of our investments
- ☐ We have a proprietary system to measure environmental and social impact
- ☐ We measure the impact of our themed bond investments on specific ESG factors such as carbon emissions or human rights
- ☐ Other, specify
- ☐ None of the above

## (C) Implementation: Integration

<b>FI 10</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
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<b>FI 10.1</b>	Describe your approach to integrating ESG into traditional financial analysis.
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ESG research and valuation are one step ahead of traditional financial analysis that we take internally in cooperation with ERSTE Asset management. We value each issuer with its environmental, social and governance score combining external research and internal analysis. Having these inputs each issuer receives an EAM ESG score and furthermore lead to an inclusion or exclusion in our ESG investment universe. Based on this data traditional financial analysis that combines bottom-up and top-down research is conducted. The combination of minimum standards, positive and negative criteria, exclusion criteria, best-in-class approach (selection of the best companies in each sector), active engagement and voting process (dialogue with companies, exercise of voting rights) plus the rigorous review of financial performance objectifies the management approach.

<b>FI 10.2</b>	Describe how your ESG integration approach is adapted to each of the different types of fixed income you invest in.
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	SSA
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Approach is similar for all types of fixed income. For sovereign, supra-national and agency issuers the ESG valuation is also an upstreamed step in the investment process with emphasis on exclusion criteria like death penalty, human rights, corruption or nuclear weapons.

	Corporate (financial)
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Approach is similar for all types of fixed income.

	Corporate (non-financial)
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Approach is similar for all types of fixed income.

<b>FI 11</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1</b>
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<b>FI 11.1</b>	Indicate how ESG information is typically used as part of your investment process.
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Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
ESG analysis is integrated into fundamental analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is used to adjust the internal credit assessments of issuers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis is used to adjust forecasted financials and future cash flow estimates.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis impacts the ranking of an issuer relative to a chosen peer group.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
An issuer's ESG bond spreads and its relative value versus its sector peers are analysed to find out if all risks are priced in.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
The impact of ESG analysis on bonds of an issuer with different durations/maturities are analysed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sensitivity analysis and scenario analysis are applied to valuation models to compare the difference between base-case and ESG-integrated security valuation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis is integrated into portfolio weighting decisions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Companies, sectors, countries and currency and monitored for changes in ESG exposure and for breaches of risk limits.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
The ESG profile of portfolios is examined for securities with high ESG risks and assessed relative to the ESG profile of a benchmark.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other, specify in Additional Information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FI 12	Mandatory	Public	Additional Assessed	PRI 1
FI 12.1	Indicate the extent to which ESG issues are reviewed in your integration process.			



	Environment	Social	Governance
SSA	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (non-financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all

#### FI 12.2

Please provide more detail on how you review E, S and/or G factors in your integration process.

#### SSA

ESG factors and ratings are an essential part of the screening before an investment decision and lasting during the whole live of investment. It is valid for all fixed income asset classes.

#### Corporate (financial)

ESG factors and ratings are an essential part of the screening before an investment decision and lasting during the whole live of investment. It is valid for all fixed income asset classes.

#### Corporate (non-financial)

ESG factors and ratings are an essential part of the screening before an investment decision and lasting during the whole live of investment. It is valid for all fixed income asset classes.

Česká spořitelna – penzijní společnost, a.s.

Reported Information

Public version

Confidence building measures

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Confidence building measures

CM1 01	Mandatory	Public	Additional Assessed	General
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CM1 01.1	Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:
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- ☐ Third party assurance over selected responses from this year's PRI Transparency Report
- ☐ Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- ☐ Third party assurance or audit of the correct implementation of RI processes (that have been reported to the PRI this year)
- ☐ Internal audit of the correct implementation of RI processes and/or accuracy of RI data (that have been reported to the PRI this year)
- ☒ Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
  - ☒ Whole PRI Transparency Report has been internally verified
  - ☐ Selected data has been internally verified
- ☐ Other, specify
- ☐ None of the above

CM1 02	Mandatory	Public	Descriptive	General
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CM1 02.1	We undertook third party assurance on last year's PRI Transparency Report
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- ☐ Whole PRI Transparency Report was assured last year
- ☐ Selected data was assured in last year's PRI Transparency Report
- ☒ We did not assure last year's PRI Transparency report
- ☐ None of the above, we were in our preparation year and did not report last year.

CM1 03	Mandatory	Public	Descriptive	General
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CM1 03.1	We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:
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- ☐ We adhere to an RI certification or labelling scheme
- ☐ We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report
- ☐ ESG audit of holdings
- ☐ Other, specify
- ☒ None of the above

CM1 04	Mandatory	Public	Descriptive	General
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**CM1 04.1**

Do you plan to conduct third party assurance of this year's PRI Transparency report?

- ☐ Whole PRI Transparency Report will be assured
- ☐ Selected data will be assured
- ☒ We do not plan to assure this year's PRI Transparency report

**CM1 07****Mandatory****Public****Descriptive****General****CM1 07.1**

Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed

**Who has conducted the verification**

- ☒ CEO or other Chief-Level staff

Sign-off or review of responses

- ☐ Sign-off
- ☒ Review of responses
- ☒ The Board

Sign-off or review of responses

- ☐ Sign-off
- ☒ Review of responses
- ☒ Investment Committee

Sign-off or review of responses

- ☐ Sign-off
- ☒ Review of responses
- ☐ Compliance Function
- ☐ RI/ESG Team
- ☒ Investment Teams
- ☐ Legal Department
- ☐ Other (specify)