

## Sustainability-related disclosures (extract)

pursuant to Art. 10 of Regulation (EU) 2019/2088

**MEAG EM Rent Nachhaltigkeit**

ISIN (unit class A): DE000A1144X4

ISIN (unit class I): DE000A1144Y2

### Summary

The MEAG EM Rent Nachhaltigkeit (hereinafter „the Fund“) is an actively managed bond fund with a sustainability concept. It continuously invests more than 50% of the fund assets in bonds from issuers based in developing or emerging markets (hereinafter „Emerging Markets“). Issuers can be both, companies and states. The Fund promotes environmental and social characteristics, but does not have as its objective sustainable investments.

The Fund promotes the following environmental and social characteristic:

#### **Exclusion of companies and states pursuant to the Fund’s exclusion policy**

Exclusion criteria have been determined pertaining to the Fund that do not allow it to invest in companies and states that exhibit controversial behaviour or are active in controversial business fields. While some of these criteria are absolute, i.e. the issuer in question may not generate any revenue whatsoever in the specified business field, other criteria are relative, i.e. there are threshold values for the maximum percentage of the company’s overall revenue that the company may generate in the controversial area. Issuers that do not meet these standards (e.g. company generating more revenue from controversial business fields than tolerated pursuant to the threshold) are excluded from the Fund’s investment universe. Not subject to the exclusion criteria are securities, for which no ESG data is available, target funds, derivatives and bank deposits.

No benchmark has been designated for the purpose of attaining the environmental and social characteristic promoted by the Fund.

The environmental and social product characteristic is a binding element of the Fund’s investment strategy and part of the security selection process. In line with its investment strategy, the Fund continuously invests more than 50% of the fund assets in assets that are used for attaining the environmental and social characteristic it promotes. The Fund does not have the objective to make sustainable investments pursuant to Article 2 No. 17 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (hereinafter „SFDR“), or in environmentally sustainable investments within the meaning of the EU Taxonomy.

The consideration of Principal Adverse Impacts of investment decisions on sustainability factors (hereinafter “PAI”) is not part of the Fund’s binding investment strategy. However, MEAG takes PAI as part of the general due diligence obligations of the investment process (selection and ongoing monitoring at the discretion of the MEAG’s portfolio managers).

When evaluating an issuer’s sustainability, MEAG (hereinafter “the Company”) relies in particular on the ESG analyses from the external provider MSCI ESG Research (hereinafter „MSCI“). The letters E, S and G stand for Environmental, Social and Governance. The Company uses this data extensively and continuously to derive investment measures, pre-check planned investments and monitor existing ones.

The assessment of an issuer’s good governance practices is part of the individual security analysis based on data from MSCI. The assessment covers in particular topics such as sound management structures, employee relations, remuneration of staff and tax compliance.

The Company bases its analysis of an issuer’s sustainability on a monthly supply of data from the data providers. By updating ESG data on a monthly basis, changes in individual instruments can be identified more quickly and actions taken accordingly. The

Company processes the data in various ways, with the aim of achieving fully automated data collection to reduce operational risks and manual interventions. The Company performs quality checks on a situational basis, to check for inconsistencies in a data provider's data, or between the data received from different data providers.

Due diligence with regard to the Fund's assets is ensured by contractual provisions, permanent, standardised processes and binding internal guidelines, which also apply to the binding sustainability aspects of the investment strategy. The Fund is subject to ongoing risk and compliance processes that check its adherence to the investment limits. The portfolio composition is continuously monitored and once a year the auditor reviews whether the promoted environmental and social characteristic has been attained and whether the implemented processes have been upheld.

The Company, or its parent company Munich Re, leverages its influence on companies in collaborative engagement dialogues through the Climate Action 100+ initiative and the exercising of voting rights.

Version	Document status	Changes made
Version 1	01.01.2023	Compliance with the requirements of the DelReg SFDR (non-binding excerpt from the overall document)