

Dynamik Invest

- AT0000A0PDE4 (ISIN accumulating)
- AT0000A1DW11 (ISIN accumulating)

INFORMATION ACCORDING TO ART 10 REGULATION (EU) 2019/2088 (SUSTAINABLE FINANCE DISCLOSURE REGULATION):

Summary

The Dynamik Invest promotes environmental and social characteristics as defined in Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation). The investment fund contains a minimum share of 5 % in sustainable investments.

It also takes into account the principal adverse impacts on sustainability factors (PAIs - Principal Adverse Impacts).

Data from external data providers is used to monitor and measure the environmental or social characteristics of the investment fund.

External sustainability rating and research data is also used in the investment process, whereby estimated or modelled data may also be applied here. The rating and research products used may be subject to certain restrictions, but these are not expected to have any influence on the fulfilment of the environmental or social characteristics advertised by the fund.

The due diligence in connection with the assets underlying the Dynamik Invest is taken into account through comprehensive control mechanisms (process management, boundary checks, risk management, appropriate plausibility checks of data).

Within the framework of KEPLER's participation policy, consideration is given to the sustainable orientation of the fund (exercise of voting rights).

No reference value has been set for the achievement of environmental or social characteristics.

Souhrn

Fond Dynamik Invest podporuje ekologické a sociální aspekty ve smyslu nařízení (EU) 2019/2088 (nařízení o zveřejňování informací). Investiční fond obsahuje minimální podíl 5 % udržitelných investic.

Zohledňuje také nejdůležitější negativní dopady na faktory udržitelnosti (PAIs - Principal Adverse Impacts).

Ke sledování a měření ekologických nebo sociálních aspektů investičního fondu se používají údaje od externích poskytovatelů dat.

V investičním procesu se používají také externí hodnocení a údaje z výzkumu udržitelnosti, přičemž lze použít i odhadovaná nebo modelovaná data. Použité ratingové a výzkumné produkty mohou podléhat určitým omezením, která ale pravděpodobně nebudou mít žádný vliv na plnění ekologických nebo sociálních aspektů spojených s fondem.

Hloubková kontrola („due diligence“) v souvislosti s aktivy, na nichž je fond Dynamik Invest založen, je zajištěna komplexními kontrolními mechanismy (řízení procesů, kontrola limitů, řízení rizik, přiměřená kontrola věrohodnosti dat).

Participační politika společnosti KEPLER zohledňuje udržitelné zaměření fondu (výkon hlasovacích práv).

Pro dosažení ekologických nebo sociálních aspektů nebyla stanovena žádná referenční hodnota.

No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

While it does not have as its objective a sustainable investment, it will have a minimum proportion of 5 % of sustainable investments.

The sustainable investment objectives include both general environmental and social objectives as well as the United Nations Sustainable Development Goals (SDGs).

The companies invested in are classified as sustainable if, according to the ISS ESG Corporate Rating, they are particularly well placed in their sector to manage ESG risks appropriately, mitigate negative sustainability impacts, utilise the opportunities for change towards sustainable development and thus make a positive contribution to general social or environmental objectives. Investments in companies are also categorised as sustainable if their products/services contribute to one or more of the 17 United Nations Sustainable Development Goals (UN SDGs) to varying degrees according to the ISS ESG assessment: No poverty, zero hunger; good health and well-being; quality education; gender equality; clean water and sanitation; affordable and clean energy; decent work and economic growth; industry, innovation and infrastructure; reduced inequalities; sustainable cities and communities; responsible consumption and production; climate action; life below water; life on land; peace, justice and strong institutions; partnerships for the goals.

The sustainable investments for which a minimum share has been defined only include issuers (possibly invested via sub-funds) that comply with established standards such as human or labour rights or do not have any controversial environmental or economic practices. Furthermore, these companies may not have any exposure to controversial weapons or thermal coal (producers with a revenue share of 1% or more).

Principal Adverse Impacts (PAIs), are taken into account during the process of identification of sustainable investments by screening issuers for negative contributions to the 17 UN Sustainable Development Goals. In addition, issuers are screened to determine whether their activities have a material adverse impact on sustainability factors: Exposure to controversial weapons or thermal coal (miners with a revenue share equal to or greater than 1%), disregard for established norms such as human or labour rights, controversies in environmental or business practices.

The sustainable investments for which a minimum share has been defined only include issuers (invested via sub-funds, if applicable) that take into account established standards such as human or labour rights or do not have any controversial environmental or economic practices. Sustainable investments are therefore in line with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.

Environmental or social characteristics of the financial product

In Dynamik Invest, the selection of individual stocks is based on a sustainable investment process. Ratings from the sustainability agency ISS ESG and exclusion criteria play just as much a role as the exchange of opinions between experts in the KEPLER ethics advisory board. The sub-funds are selected according to sustainability criteria.

Investment strategy

According to the market situation or estimate of the fund management the investment fund invests in all types of bonds, shares, certificates, ETFs and shares in investment funds of national and international issues, and in money market instruments and sight deposits or deposits at notice. The proportion of these investment categories may in this vary dynamically. Derivative financial instruments may also be used for hedging purposes and speculatively for investment level control.

The attainment of the advertised ecological or social characteristics is to be ensured by the following investment strategy:

Investment process of individual securities:

The selection of individual securities includes both exclusion criteria and a best-in-class approach.

KEPLER-FONDS KAG uses, among others, the analysis company ISS ESG, a long-standing partner in the field of sustainability analysis.

First, the investments are analysed with regard to violations of exclusion criteria. The exclusion criteria for companies (company controversies) take into account both the level of business areas (sector-based screening) and the business practices of companies (norm-based screening).

The majority of investments in companies are also selected according to a 'best-in-class' rating. The best-in-class criteria for companies are primarily determined by ISS ESG's SDG Impact Rating. Only issuers that have a positive score here and thus contribute to the sustainability goals of the United Nations fulfil the 'best-in-class' criteria. The Carbon Risk Rating, which assesses the climate risks and opportunities of companies/countries, is taken into account as an additional criterion. All companies that achieve 'Prime' status in the ESG Corporate Rating, a holistic sustainability assessment based on the weighting and evaluation of numerous individual criteria in the areas of environment, society and governance, also fulfil the 'Best-in-Class' criteria.

Based on the criteria defined in the sustainability process described above, ISS ESG provides KEPLER-FONDS KAG with a sustainable investment universe on a quarterly basis with a list of issuers that meet the targeted criteria. While the exclusion criteria apply to all individual securities, the "best-in-class" criteria must be implemented for the majority of individual securities.

In order to discuss and promote the social and environmental performance of the investments, the KEPLER Ethics Advisory Board has been established, which meets regularly and consists of both internal and external experts on the topic of ethics, sustainability and sustainable investments.

More details, including a list of the exclusion criteria applied, can be found at

<https://www.kepler.at/de/themen/nachhaltige-geldanlage/kepler-esg-investmentprozesse/investmentprozess-kepler-esg-balanced.html>.

Investment process sub-funds:

The majority of the sub-funds must also fulfil sustainability criteria. The following criteria are defined as sustainability criteria for these sub-funds:

The sub-fund either promotes social and/or environmental characteristics as defined in Art. 8 or strives for a sustainable investment objective as defined in Art. 9 EU Disclosure Regulation. At the same time, these investments also take into account the principal adverse impacts on sustainability factors (PAIs).

Deviating from this, sub-funds that invest almost exclusively in public bonds or in inflation-indexed bonds also fulfil the sustainability criteria if their securities investments predominantly take into account the "ESG balanced" country exclusion criteria defined by KEPLER.

More details can be found at <https://www.kepler.at/de/themen/nachhaltige-geldanlage/kepler-esg-investmentprozesse/investmentprozess-kepler-esg-balanced-dachfonds.html>.

Good governance practices of the investee companies are assessed as follows:

In the selection of individual securities, companies that violate the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights are excluded from the investment via the exclusion criterion "confirmed non-compliance with established norms" (labour rights controversies, human rights controversies, controversial environmental behaviour).

In addition, an assessment is made as part of the sub-fund selection process. The invested sub-funds that promote social and/or ecological characteristics as defined in Art. 8 or have a sustainable investment objective as defined in Art. 9 of the EU Sustainable Finance Disclosure Regulation take the criterion of good corporate governance into account in the investment process.

The investment fund considers principal adverse impacts on sustainability factors (PAIs - Principal Adverse Impacts), which are presented using a series of indicators in the areas of "Climate and Environment", "Social and Employment, Respect for Human Rights and Combating Corruption and Bribery" and "States and Supranational Organisations".

Consideration in the selection of individual securities is based on both exclusion criteria (negative criteria) and a "best-in-class" approach (positive criteria).

Below you find the sustainability indicators for adverse impacts considered in the investment process for individual securities as well as the measures taken:

PAIs 1-3 - GHG emissions; carbon footprint; GHG intensity of investee companies: Companies with exposure to fossil fuels are excluded if they exceed different turnover thresholds, depending on the type of activity (coal mining, coal-fired power generation, oil sands, fracking, other fossil fuels). There is also a consideration in the ISS SDG Impact Rating ("SDG 13 Climate action").

PAI 4 - Exposure to companies active in the fossil fuel sector: Companies with exposure to fossil fuels are excluded according to different turnover thresholds depending on the type of activity (coal mining, coal-fired power generation, oil sands, fracking, other fossil fuels).

PAI 7 - Activities negatively affecting biodiversity-sensitive areas: companies with controversial environmental behaviour are excluded.

PAI 10 - Violations of the UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises: Companies that disregard established standards such as human or labour rights, or are involved in controversial environmental or economic practices, are excluded.

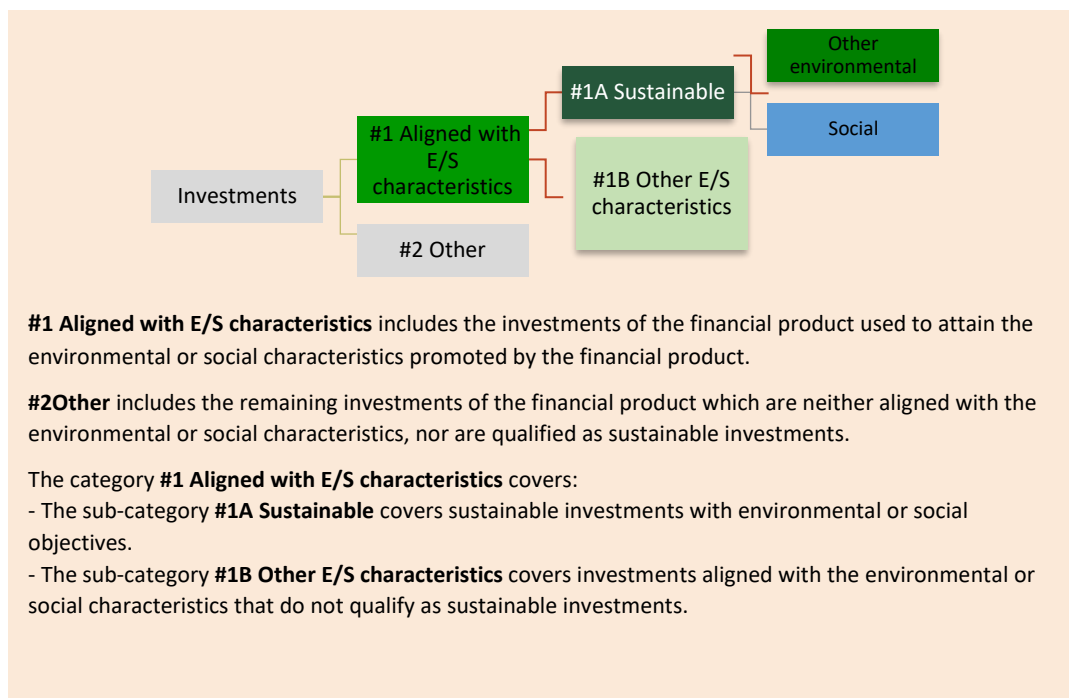
PAI 14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons): Companies involved in "controversial weapons" are excluded.

In the selection of sub-funds, consideration is given as follows: The majority of sub-funds that do not invest almost exclusively in public bonds or in inflation-indexed bonds must take into account the principal adverse impacts on sustainability factors (PAIs).

Proportion of investments

As stated above, the asset allocation aims to achieve the environmental and social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy. The following minimum ratios shall be met:

- 60 % of investments are aligned with environmental and social characteristics (#1 Aligned with E/S characteristics),
- 5 % of investments have a sustainable investment objective (#1A Sustainable).
- Up to 40 % of investments do not meet these characteristics (#2 Other).



The share of the investments with environmental / social characteristics (#1) results from the binding elements of the investment strategy through which sustainability criteria are observed. A share of other investments (#2) cannot be excluded, as under certain circumstances a share of the fund assets may be invested in sub-funds, securities, demand deposits, time deposits, FX, derivatives for which no sustainability criteria are defined or no sustainability assessment is available. Demand deposits and time deposits primarily serve to manage liquidity. A sustainability assessment is currently not possible for FX and derivatives. Furthermore, individual securities held in the financial product may fall outside the sustainable, quarterly investment universe. These securities are sold within a period of 4 months.

Monitoring of environmental or social characteristics

Data from external data providers (primarily from the sustainability research provider ISS ESG), which are taken into account in the form of sustainability scores (which are based on sustainability indicators), are used to monitor the environmental and social characteristics, inter alia. In addition, other external data points in the form of the negative criteria used are continuously checked in the limit monitoring system.

Sustainability criteria are monitored on an ongoing basis and can be supplemented or adjusted based on new findings and developments in the market.

In addition, key risk indicators are determined, which also include sustainability risks.

The control and limitation of sustainability risks takes place on the one hand through the targeted selection of sustainability criteria. Furthermore, an additional limitation of sustainability risks is carried out through key figures of the internal limit system.

Compliance with the sustainability criteria is continuously monitored in risk management based on the available coverage. This also ensures a conscious approach to sustainability risks. If it is necessary for risk management to fulfil the sustainability criteria, a divestment is initiated.

Methodologies

Sustainability ratings or, derived from these, the ISS ESG Performance Score of the external data provider ISS ESG are used to measure the advertised environmental and social characteristics, in which the sustainability indicators mentioned are taken into account.

The ISS ESG Performance Score is a holistic, medium- to long-term approach that determines the future ESG opportunities and risks of an issuer.

Companies and sovereigns are analysed and rated on the basis of a variety of sustainability factors in the Corporate Rating and Country Rating. The ISS ESG Performance Score takes into account environmental, social and governance risks as well as climate risks (physical and transition risks), including reciprocal effects.

The ESG Corporate Rating is carried out by weighting individual criteria in the areas of environment, society and governance, whereby all these criteria are weighted and evaluated individually and finally aggregated to an overall score. The higher the absolute negative impact of the industry in the environmental or in the social and governance area, the higher the requirements for the sustainability management of the companies.

The ESG Country Rating is also carried out by weighting individual criteria in the areas of environment, society and governance, whereby all these criteria are weighted and evaluated individually and finally aggregated to an overall score.

Furthermore, an evaluation of the environmental and social characteristics is carried out by using additional external data points that are used within the framework of the binding investment strategy.

Data sources and processing¹

The following ratings are used as data sources for the attainment of the fund's environmental / social characteristics:

ISS ESG Sector-Based Screening

Sector-Based Screening helps institutional investors and other users identify and make decisions regarding companies' involvement in certain industry sectors, particularly in the production and distribution of certain products and services which are viewed by some as controversial. It provides a detailed, granular set of revenue data that is shaped by prevailing industry and investment standards, and user needs. Issue areas covered by Sector-Based Screening include: Abortifacients, Alcohol, Animal Welfare (Fur/Exotic Leather and Live Export), Cannabis, Civilian Firearms and Ammunition, Contraceptives, Euthanasia, For Profit Correctional Facilities, Gambling, GMO, Hazardous Substances, Military Equipment and Services, Palm Oil, Pork, Pornography, Tobacco, and Violent Video Games. Involvement in such sectors can constitute a material sustainability risk.

ISS ESG Norm-Based Research

ISS ESG's Norm-Based Research identifies corporate controversies and assesses how companies manage these controversies with a scope that covers controversial practices that are viewed as having adverse impacts on society and the environment based on established expectations for Responsible Business Conduct as set forth in the core normative frameworks consisting of the Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for

¹ The description of the data sources and their processing is provided by ISS ESG. The current version can be found at <https://www.issgovernance.com/esg/methodology-information/>. In case of possible deviations, the current version prevails information given here.

Business and Human Rights, all of which are embedded in the Sustainable Development Goals. The normative framework underpinning the scope of Norm-Based Research is dynamic. When reviewing whether an allegation is linked to established standards for Responsible Business Conduct, Norm-Based Research considers the maturity of the standards themselves and the maturity of the specific expectations these raise for businesses.

Corporate controversies are identified by evaluating allegations that companies fail to abide by norms as set out in the relevant normative frameworks. Only allegations deemed by ISS ESG to be credible are researched. Research and dialogue with companies and stakeholders seek to validate facts, confirm relevant standards and expectations, and identify measures taken by companies to prevent or mitigate potential or actual impacts. Through this exchange, Norm-Based Research aims to dismiss unfounded or addressed allegations.

ISS ESG Corporate Rating:

The ESG Corporate Rating provides relevant and forward-looking environmental, social, and governance (ESG) data and performance assessments. Rooted in a holistic understanding of materiality, companies are assessed against a standard set of universal ESG topics as well as additional industry-specific topics. The materiality approach covers both material sustainability risks as well as adverse impacts on society and the environment. Drawing on an overall pool of more than 700 indicators, ISS ESG applies approximately 100 social, environmental, and governance-related indicators per rated entity, covering topics such as employee matters, supply chain management, business ethics, corporate governance, environmental management, eco-efficiency, and others. Differentiated weighting scenarios ensure that the topics most material for a given line of business/industry are duly taken into account. “Prime” status is granted to rated entities that are leaders in their respective industries and who meet demanding absolute performance expectations and are thus seen as well-positioned to manage critical ESG risks as well as capitalize on opportunities offered by transformations towards sustainable development.

The ESG Corporate Rating framework recognizes that environmental, social, and governance risks and impact differ by industry. The extent of industry-specific E, S, and G risks and impact defines the respective performance requirements, the distribution of weights between these rating dimensions, as well as the Prime threshold per sector. Companies in high risk and impact sectors such as oil and gas, for example, must demonstrate better performance in terms of their overall rating grade than those in low-risk sectors such as real estate to obtain the ISS ESG Prime status.

ISS ESG Country Rating:

ISS ESG’s Country Ratings assess the extent to which a sovereign issuer is positioned to successfully manage salient risks related to ESG themes, thus providing investors with forward-looking information on sustainability risks, adverse impacts, and opportunities of investments.

The rating comprises three dimensions – Environment, Social, and Governance – and a maximum of 107 indicators per rated country that assess the legislative as well as factual situation in a country. The main topics in the Environment dimension are: Land use, biodiversity, water, climate change, energy, agriculture, industry, transport, and private consumption. The Social dimension consists of the following six topics: Health, education and communication, basic labor rights and working conditions, employment, as well as social cohesion and inequality. The Governance dimension comprises topics such as political system, political stability, corruption and money laundering, safeguarding of civil and political rights, discrimination, and gender equality.

Measures taken to ensure data quality

ISS ESG strives to provide its clients with high quality and reliable ESG research. To this end, the ISS ESG research team works towards continuously improving research processes and has put in place

safeguards designed to ensure accuracy and reliability. These efforts are led by a dedicated Quality Management & Assurance team.

ISS ESG's dedicated ESG analysts undergo extensive training at the time of onboarding on ISS ESG methodologies, as well as its research processes and techniques. In addition, many analysts draw on knowledge gained through higher education as well as prior work experiences. ISS ESG continuously provides its employees with various forms of market education and training to help ensure that research and analyses are in line with market requirements, investor expectations and ISS ESG's methodologies and processes.

The research and assessments conducted by ISS ESG analysts are used to form a broad suite of products and solutions intended to meet the varying needs of the investor community and are continuously enhanced and broadened as new needs and uses occur.

The quality program of ISS ESG research is governed by the principles of:

- Independence
- Comparability
- Completeness
- Timeliness
- Transparency

It is essential that ISS ESG is independent in order to satisfy the market need for reliable and impartial ESG assessments and data. As a unit within ISS, ISS ESG, like all services offered for the institutional investor community by ISS, is separated by a "firewall" from ISS Corporate Solutions, Inc. (ICS), ISS' wholly owned subsidiary which offers services to corporate issuers. The firewall serves to mitigate potential conflicts of interest between these distinct businesses. An ISS-wide compliance department monitors the separation between ISS and ICS, and implements policies and procedures designed to mitigate or manage potential conflicts of interests within ISS. The provisions of ISS' Code of Ethics provide that an analyst shall not evaluate a company or a matter in which they have a personal interest (or that such an interest must be disclosed).

ISS ESG research products enable investors to compare issuers across a variety of signals, including, depending on the particular product offering, performance against ESG criteria, transparency, corporate malpractice, and revenue generation. Comparability is ensured by assessing all issuers based on clearly defined evaluation rules to ensure that comparable cases are assessed alike. The evaluation rules are monitored and developed by dedicated analysts with thematic responsibility as well as the Global ESG Methodology team, and by extension ISS ESG's methodology review board, and serve to reduce subjectivity in data collection and assessment. Application of these rules is ensured by quality assurance processes. All assessments are based on data that is procured through rigorous and clearly documented data collection processes. Assessments are generally reviewed by peers. Certain high-level assessment signals and scores require a multi-layer sign-off process where key information is verified by senior members of the research team.

Furthermore, dedicated analysts in ESG research continuously work on identifying and eliminating potential error sources and conduct targeted analyses to monitor data quality.

Investors need complete information for decision-making purposes. ISS ESG research considers all material ESG aspects and information when assessing an issuer to deliver complete data to users. ISS ESG data and analysis are primarily sourced from publicly available information, including a company's own disclosure and reporting as well as subscription databases such as the CDP. As noted above, while ISS ESG may accept certain non-public information (such as from official company documents), ISS ESG does not accept material non-public information (meaning information that a reasonable investor would consider important in making an investment decision or information that is likely to have a substantial effect on the price of a company's securities). Data from alternative sources (reputable media sources, NGOs, government and inter-government agencies) triggers and feeds into in-depth analysis under ISS ESG's Norm-Based Research which in turn feeds into ISS ESG's Corporate Rating. Alternative data sources can provide counterbalance to corporate disclosure, enabling an additional extra-financial overlay for corporate analysis. Stakeholder-driven alternative data is widely considered an important early warning signal. Additionally, for many data sets, the research team conducts fact-finding dialogue with companies to provide supplementary detail and confirmation. The feedback

process with companies takes place on a cyclical basis, as well as in particular cases during event-driven updates. Information shared by companies is reviewed, discussed with the subject company if necessary, and assessed according to ISS ESG's evaluation guidelines. ISS ESG also consults from time to time with experts and field specialists to cross-check information and deepen the understanding of benchmark corporate practices.

To ensure that ISS ESG research incorporates complete information, material new information needs to be integrated in a timely manner. To this end, ISS ESG applies a staged refresh procedure: scheduled annual updates are complemented by ad hoc updates triggered by significant events, including but not limited to, corporate actions (e.g., mergers, major spin-offs, acquisitions) and new or evolving ESG controversies. Thus, ISS ESG aims to ensure that information which materially affects ISS ESG scores and signals is integrated into the assessments ahead of scheduled updates.

ISS ESG clearly and transparently communicates with both the users of the research products as well as with the assessed entities. Clients receive detailed information on the underlying methodologies used for particular ISS ESG offerings and can view granular data that underlie the scores and signals. Clients also have access to analysts to inquire about assessments or evaluation approaches in detail. Corporate issuers are not only informed that ISS ESG conducts research on them and for some types of research issuers are provided with draft reports prior to the publication of research results and the opportunity to review and provide feedback. Final versions of certain ISS ESG research reports can be accessed by the covered issuer free of charge.

Corporate issuers can actively engage with ISS ESG analysts during company outreaches within the boundaries of our independence rules.

How data are processed:

Public corporate disclosure accounts for a significant share of processed ESG data. The following corporate disclosures are systematically reviewed by ISS ESG:

- Online reporting and corporate filings (Annual reports, Sustainability reports, Integrated reports)
- Company policies
- Company ESG disclosures to national authorities (e.g. modern slavery statement required under Section 54 of the United Kingdom Modern Slavery Act 2015; human rights due diligence plan required under French Duty of Vigilance Law) or recognized initiatives (e.g. the Science Based Targets initiative).

In addition to corporate disclosures, ISS ESG collects information from a range of alternative ESG data sources, including the following: media sources (international, local), social media, NGOs, government agencies, inter-governmental agencies. Alternative data provides counterbalance to corporate disclosure, enabling an additional extra-financial overlay for corporate analysis. Stakeholder-driven alternative data is widely considered an important early warning signal.

Verification by companies is a central step in our data collection process. ISS ESG provides access to key ESG research reports in the Governance Analytics platform of ISS' wholly-owned subsidiary ISS Corporate Solutions, Inc. ("ICS"). Separately, ISS ESG Research submits full draft reports for the ESG Corporate Rating, Norm-Based Research, and Controversial Weapons Research for issuer review.

ISS ESG generally relies on publicly available information for its research offerings. ISS ESG does not accept, use or incorporate in its research offerings any material non-public information (meaning, generally, information that a reasonable investor would consider important in making an investment decision or information that is likely to have a substantial effect on the price of a company's securities). To the extent that any research offerings as described on this website may involve dialogue with the subject companies, those companies are instructed not to provide to ISS ESG, and are made aware that ISS ESG will not consider, any material non-public information.

ISS ESG applies a staged refresh procedure to ensure that its data, assessments, scores and ratings are up to date. Scheduled annual updates are complemented by ad hoc updates triggered by significant events, including but not limited to, corporate actions (e.g. mergers, major spin-offs, acquisitions) and new or evolving ESG controversies.

Proportion of data that are estimated

If no reliable, reported data are available, the respective research product may also be based on estimated or modelled data. Therefore, the proportion of estimated data may vary.

Limitations to methodologies and data²

ISS ESG provides investors with comprehensive data and assessments on covered entities' performance relating to a broad range of environmental, social, and governance matters. Building on over 30 years of experience in the field of sustainability research, ISS ESG has developed robust methodologies that form the foundation of ISS ESG's solutions and scores. ISS ESG's methodologies and data may be subject to certain limitations. The below outlines such limitations as well as the actions taken by ISS ESG to address these.

Limited availability of data

In assessing the ESG performance of covered entities, ISS ESG relies on a broad range of data, a significant degree of which is sourced directly from covered entities. Overall, covered entities' reporting on sustainability matters is increasing in terms of the amount, thematic scope, and consistency of reported data. Nonetheless, in some cases, availability of reported data is limited, and even where reported data is available, it is not always consistent and reliable. To mitigate these limitations, ISS ESG leverages a variety of alternative data including media sources, recognized international or local non-governmental organizations, government agencies, and intergovernmental agencies, among others. ISS ESG products may also build on estimated and/or modelled data in the absence of reliable reported data (and for more detail we refer you to the stand-alone methodology descriptions for each product). Moreover, ISS ESG research leverages contextual information, including whether the entity operates in countries with high legal and factual standards related to the topic in question, and various ISS ESG research products apply the concept of proportionality, whereby the assessment requirements are adjusted depending on company size and risk exposure. Finally, thorough checks of the reliability, accuracy, and robustness of reported information are built into ISS ESG's research processes, designed to ensure the validity of assessments based on such data.

Time lag in data and assessment results

ISS ESG's research relies, to a significant degree, on self-reported information from covered entities. Typically, covered entities report annually for the previous fiscal year, meaning the information provided has a significant time lag. An additional time lag may arise from the point in time when information is published by the covered entity to the point in time when such data has been collected and processed by ISS ESG. To provide investors with the most up-to-date data, ISS ESG strives to align its updates with corporate reporting cycles as much as possible. Moreover, ISS ESG also relies on alternative data, such as media reports, which are closer to real-time and are integrated on an ad-hoc basis. In addition, many of ISS ESG's research solutions take a forward-looking approach reflecting the momentum of ESG performance and qualitatively assessing strategies, targets, and action plans for future-oriented assessments.

² The description of the limitations of methodologies and data is provided by ISS ESG. The current version can be found at <https://www.issgovernance.com/esg/methodology-information/>. In case of possible deviations, the current version prevails information given here.

Uncertainty about future performance (Execution Risk)

ISS ESG's research aims to not only assess past performance but provides forward-looking assessments to the extent possible. Future-oriented assessments inherently bear a degree of uncertainty, in part because stated commitments or strategies may not materialize as anticipated. ISS ESG applies robust methodologies in an effort to evaluate the credibility of commitments on future performance by covered entities, factoring in relevant information on the comprehensiveness of action plans, existing progress towards commitments, external verification of such commitments, as well as any evidence or track record of controversial action.

Limited Coverage

ISS ESG research covers a broad and global, but not unlimited, universe of entities based on market demand. Individual users of ISS ESG data may thus experience certain coverage gaps which can, to some extent, influence their ability to leverage ISS ESG research and data in their investment activities. To allow investors to gain a more comprehensive picture, ISS ESG regularly expands its research coverage in line with market demands.

Moreover, ISS ESG provides research results not only for covered entities but often also assigns such outcomes to associated issuers (such as subsidiaries and other affiliates). In assigning research outcomes to associated issuers, ISS ESG follows stringent assignment rules to ensure that results are meaningful for all issuers to which they are assigned.

The limitations described above are not expected to affect the attainment of the environmental or social characteristics promoted by the fund.

Due diligence

Due diligence in connection with the assets underlying Dynamik Invest is taken into account through comprehensive control mechanisms.

Defined areas of responsibility and information circles create the basis for a responsible investment process, which can be continuously supplemented or adjusted based on new findings and developments in the market.

Investment restrictions are always systematically monitored both ex ante and ex post in the limit monitoring system.

Sustainability risks are taken into account as part of an extensive and detailed risk management process for the fund.

The plausibility of the ESG data provided by the third-party provider is regularly checked in a manner appropriate to the risk situation. On the one hand, it is determined whether the factors used are suitable for assessing the risk situation; on the other hand, a disaggregated assessment is carried out at the level of the individual factors.

Engagement policies

In accordance with KEPLER's participation policy, once the relevant participation limit in the issuer is reached, voting behaviour is determined and exercised directly with the manager of the funds concerned, taking into account the sustainable orientation of the fund when voting.

Designated reference benchmark

No reference benchmark has been designated to attain the environmental or social characteristics of this financial product.

Version history

This document was first published on July 13th 2023. The last update took place on June 30th2025 (version 1.3).

Amendments:

1.1: editorial adjustments

1.2: editorial adjustments

1.3: editorial adjustments