

Annex to the Sustainable Finance Discloser Regulation

Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system, establishing a list of environmentally sustainable economic activities. For the time being, it does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Name des Produkts:

C-QUADRAT ARTS Total Return Balanced

Unternehmenskennung (LEI-Code):

5299003BG980I9OJQG18

Ecological and/or social characteristics

Did this financial product have a sustainable investment objective?

 Yes

 No

 It made **sustainable investments with an environmental objective**: _%

 in economic activities that qualify as environmentally sustainable under the EU Taxonomy

 in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

 It made **sustainable investments with a social objective**: _%

 It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of _% of sustainable investments

 with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

 with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

 with a social objective

 It promoted E/S characteristics, but **did not make any sustainable investments**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators measure how the sustainable objectives of this financial product are attained

This financial product does not contribute to any environmental objective within the meaning of Art. 9 of the Taxonomy Regulation.

C-QUADRAT ARTS Total Return Balanced aims for moderate capital growth.

The investment strategy of the C-QUADRAT ARTS Total Return Balanced fund is actively managed and is not based on a benchmark. Rather, the aim is to generate absolute value growth over the long term.

The following assets were selected for the fund in accordance with the Investment Act.

The investment fund invested at least 51% of the fund's assets in units of other investment funds that are classified in accordance with Art. 8 or 9 pursuant to Regulation (EU) 2019/2088 ("Disclosure Regulation"). The acquisition of equity funds was limited to 50% of the fund assets. Units were also acquired in investment funds that aim to achieve a neutral or opposing performance in relation to a specific market trend.

The direct acquisition of equities and equity-equivalent securities as well as bonds was limited in total to 49% of the fund assets whereby the total share quota, i.e. equities and equity-equivalent securities as well as equity funds, did not exceed 50% of the fund assets. Securities (including securities with embedded derivative instruments) may be acquired up to 49% of the fund assets.

Derivative instruments may be used as part of the investment strategy up to 49% of the fund assets (calculated according to market prices) and for hedging purposes.

Sight deposits and callable deposits with a maximum term of 12 months may be held up to 49% of the fund assets. No minimum bank balance is to be held.

● How did the sustainability indicators perform?

Indicator

Funds that are classified in accordance with Article 8 or 9 of the Disclosure Regulation

Description

Funds that promote environmental or social characteristics and observe the principles of corporate governance or aim for sustainable investment are considered sustainable. Particular care is taken to ensure that investments are made exclusively in target funds that are classified as funds in accordance with Article 8 or 9 of Regulation (EU) 2019/2088 on sustainability-related disclosure requirements in the financial services sector and are promoted as such.

Methodology

Verification that the funds are classified in accordance with the Disclosure Regulation pursuant to Article 8 or 9.

Indicator

Funds classified under MiFID II

Description

Investments are made in target funds which, according to Article 2 no. 7 of Delegated Regulation (EU) 2017/565 (as amended by Delegated Regulation 2021/1253) (MiFID II) show or correspond to a combination of

- (a) A Minimum proportion in environmentally sustainable investments within the meaning of Article 2 number 1 of Regulation (EU) 2020/852;
- (b) A Minimum proportion in sustainable investments within the meaning of Article 2 number 7 of Regulation (EU) 2019/2088;
- (c) A consideration of the most significant adverse impacts on sustainability factors or a combination thereof.

Methodology

Verification that the funds comply with at least one of the requirements (a) to (c) described above under MiFID II.

● ESG figures

reference period	31.12.2023
Fonds, die gemäß Artikel 8 oder 9 der OffVO klassifiziert sind	58.30 %
Fonds, die nach MiFID-II klassifiziert sind	32.27 %
Aligned with E/S - characteristics	58.26%
Other investments	41.74%

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The management according to the principal adverse impact of investment decisions on sustainability factors is not part of the investment strategy in this fund.



What were the top investments of this financial product?

Principal investments include the 15 positions in the securities portfolio with the highest average market value across all valuation dates. The valuation dates are the last valuation dates of each month in the period under review including the reporting date. The information is given as a percentage of the average fund assets over all reporting dates.

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 01/01/2023 - 31/12/2023

Largest investments	Sector	Assets	Country
UBS ETF CMCI Commodity Carry SF UCITS ETF (IE00BMC5DV85)	Trust funds and other funds	4.41%	Ireland
DWS Invest - Euro High Yield Corporates FC (LU0616840772)	Trust funds and other funds	3.58%	Luxembourg
AB - Mortgage Income Portfolio-I2 (LU1699968225)	Trust funds and other funds	2.87%	Luxembourg
iShares China CNY Bond UCITS ETF (IE00BKT6VQ12)	Trust funds and other funds	2.52%	Ireland
Lyxor EUR 2-10Y Inflation Expectations UCITS ETF (LU1390062245)	Trust funds and other funds	2.15%	Luxembourg
JPM Europe High Yield Short Duration Bond (LU1533169881)	Trust funds and other funds	2.02%	Luxembourg
UniEuroAspirant A (LU0097169550)	Trust funds and other funds	1.91%	Luxembourg
Generali Investments SICAV - Central & Eastern Eur (LU0145480769)	Trust funds and other funds	1.68%	Luxembourg
Deutsche Institutional-ESG Money Plus IC (LU0099730524)	Trust funds and other funds	1.63%	Luxembourg
UBS ETF MSCI ACWI SF UCITS ETF (IE00BY-M11K57)	Trust funds and other funds	1.51%	Ireland
DNCA Invest - Value Europe (LU0284395984)	Trust funds and other funds	1.51%	Luxembourg
Invesco Euro Equity Fund (LU1240329117)	Trust funds and other funds	1.50%	Luxembourg
HSBC Global Investment Funds - Global Emerging Mar (LU0992595826)	Trust funds and other funds	1.46%	Luxembourg
M&G Lux Investment Funds 1 - M&G Lux Pan European (LU1670717674)	Trust funds and other funds	1.37%	Luxembourg
Robeco European High Yield Bonds Class I (LU0226955762)	Trust funds and other funds	1.35%	Luxembourg



What was the proportion of sustainability-related investments?

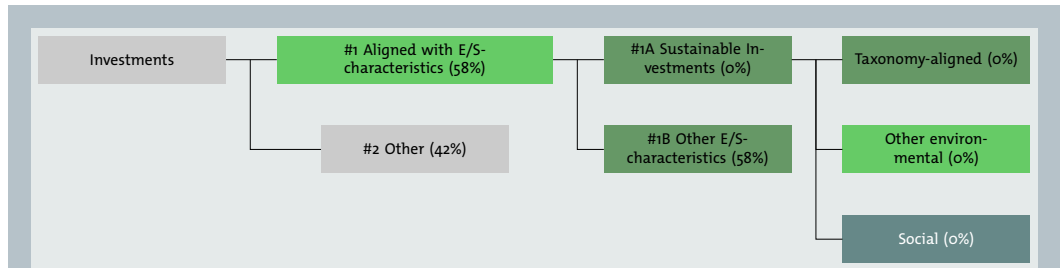
Asset allocation describes the share of investments in specific assets.

● What was the proportion of sustainability-related investments?

The assets of the fund are divided into different categories in the chart below. "Investments" covers all assets that can be acquired for the fund.

Category "#1 Aligned with E/S characteristics" comprises those assets that are transacted within the framework of the investment strategy to attain the promoted ecological or social characteristics.

Category "#2 Other investments" includes, for example, derivatives, bank deposits or financial instruments for which there is not enough data to be able to assess it for the sustainable investment strategy of the fund.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

- The Subcategory #1A Sustainable covers environmentally and socially sustainable investments.
- The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● In which economic sectors were the investments made?

The average of the market values over all valuation dates per economic sector is calculated for all positions of the securities portfolio. The valuation dates are the last valuation dates of each month in the period under review, including the reporting date. The information is given as a percentage of the average fund assets over all reporting dates.

Sector	proportion
Trust funds and other funds	89.41%
Other financial service activities	5.33%
Fund management	2.36%
Associated companies	0.26%



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The fund has not made any sustainable investments with an environmental objective according to the EU Taxonomy Regulation. The minimum share of Taxonomy-aligned investments is therefore shown as 0 per cent as at the reporting date.

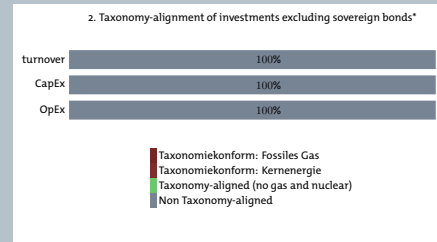
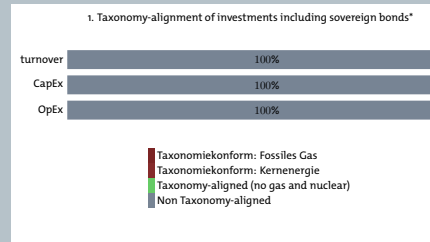
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?

- Yes
- In fossil Gas In nuclear energy
- No

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● **What was the share of investments made in transitional and enabling activities?**

No investments were made for this fund that flowed into transitional activities or enabling activities. The minimum share of Taxonomy-aligned investments is therefore shown as 0 per cent as at the reporting date.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

“Other investments” included investments that do not contribute to environmental or social characteristics. These include, for example, derivatives, investments for diversification purposes, investments for which no data is available or cash for liquidity management. With the exception of the minimum exclusions that apply to investments for diversification purposes, no minimum environmental or social protection was taken into account in the acquisition of these assets.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The fund applied exclusion criteria.

Investments in companies that violate the UN Global Compact were not considered eligible for investment. The topics of forced labour, child labour and discrimination were also covered in this context. The Best Available Technique (BAT) principle and international environmental legislation, amongst others, were used as assessment guidelines for controversies in the area of environmental

problems. Investments in companies to outlawed weapons (according to the “Ottawa Convention”, “Oslo Convention” and the UN conventions “UN BWC”, “UN CWC”) were not made. Investments in companies that generate a significant proportion of their turnover from the extraction of oil sands or conversion of coal into electricity are excluded.

For investments in countries, countries with a low sustainability rating were excluded. Dimensions of the assessment included environmental, social and governmental activities that comply with international conventions and standards. This was based on an analysis of relevant controversies, such as corruption, environmental pollution or freedom of expression. Countries that violate global norms such

as the Freedom House Index were also excluded.

The investment fund invests at least 51% of the fund’s assets in units of other investment funds that are classified in accordance with Art. 8 or 9 of the Disclosure Regulation.



How did this financial product perform compared to the reference benchmark?

- Not relevant for this fund.

How does the reference benchmark differ from a broad market index?

Not relevant for this fund.

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not relevant for this fund.

How did this financial product perform compared with the reference benchmark?

Not relevant for this fund.

How did this financial product perform compared with the broad market index?

Not relevant for this fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.