

Assenagon I Multi Asset Conservative

Information about Sustainability

This document is an extract from the offering prospectus of the Assenagon I Multi Asset Conservative and should be read in conjunction with the prospectus. If the language versions of the offering prospectus and this document differ at any point, the version of the offering prospectus shall prevail.

The sole binding basis for the acquisition of fund units is the key investor information document, the offering prospectus and the latest annual or semi-annual report of the investment fund.

Assenagon I Multi Asset Conservative - Information on sustainability at a glance

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

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 laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Assenagon I - Multi Asset Conservative

Legal entity identifier:
529900IYNMMJTLPMP331

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**

☐ It will make a minimum of **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 will make a minimum of **sustainable investments with a social objective:** __%

☒ **No**

☒ It **promotes Environmental/Social (E/S)** characteristics and while it does not have as its objective a sustainable investment, it will have a minimum 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 promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?
Target funds and direct investments in bonds, money market instruments and equities are analysed on the basis of various criteria. In general, the aim is to analyse these investments as holistically as possible: sustainability ratings and scores from recognised external service providers, which express a ranking and therefore enable a direct comparison of the aggregated sustainability of different investments, are used for this purpose. A proprietary questionnaire is also used to assess active target funds.

In the overall view, a best-in-class approach is aimed for, which in the medium term should lead to a sub-portfolio consisting of target funds and direct investments with above-average ESG characteristics.

Furthermore, a minimum proportion of the portfolio is invested in sustainable investments. This includes investments in economic activities that are categorised as environmentally sustainable according to the EU taxonomy as well as investments with a social objective. The objectives of these investments are described in more detail in the section: "What are the objectives of the sustainable investments that are to be made in part with the financial product and how does the sustainable investment contribute to these objectives?".

In addition, exclusion criteria are applied. A distinction is made between direct investments in corporate bonds and equities and in active target funds.

Active target funds must exclude investments in companies with a connection to cluster

bombs. Furthermore, the target fund company must be a signatory to the UN PRI. If new information emerges that would lead to the exclusion of existing investments, the portfolio management team will reassess the relevant instruments internally and liaise with the asset managers of the active target fund in question. This process may extend over a longer period of time. If these measures are unable to bring about a change, the position will be sold in order to protect the interests of the investor.

For direct investments, there is a zero-tolerance threshold for issuers related to prohibited weapons and serious controversies to ensure that the company has no serious negative environmental, social or governance impacts. This includes existing applicable laws as well as all commonly accepted international standards such as the principles of the UN Global Compact. Limits also apply to issuer turnover from conventional weapons, tobacco and gambling activities. To promote the energy transition, energy suppliers and mining companies are subject to limits on the share of revenue from coal extraction and generation. If new information emerges that would lead to the exclusion of existing investments, the portfolio management team will reassess the relevant instruments internally. This process may extend over a longer period of time. If this reassessment does not result in a change, the position will be sold in order to safeguard interests.

The company regularly reviews the sustainability of the active target funds and direct investments used. Where necessary, influence is exerted on management with regard to a long-term focus on ESG aspects. In addition, the company actively participates in collaborative engagements, in which various global asset managers jointly address sustainability issues at a large number of companies. Sustainability risks can have a significant impact on the performance of the sub-fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In general, the aim is to analyse target funds and direct investments in bonds and money market instruments as well as equities as holistically as possible: sustainability ratings and scores from recognised external service providers, which express a ranking and therefore enable a direct comparison of the aggregated sustainability of different investments, are used for this purpose. In the overall analysis, a best-in-class approach is aimed for, which in the medium term should lead to a sub-portfolio consisting of target funds and direct investments with above-average ESG characteristics.

The portfolio also pursues a minimum proportion of sustainable investments of 0.5%. In addition, the following exclusion criteria apply:

Direct investments in corporate bonds and equities:

-controversial weapons

-particularly serious controversies (including violations of global norms)

-Defence equipment (sales tolerance < 10 %)

-Tobacco (sales tolerance < 5 %)

-Coal (turnover tolerance < 30 %)

-Gambling (turnover tolerance < 30 %)

Active target funds:

Investments in companies related to cluster bombs must be excluded from the target fund

-The target fund company must be a signatory to the UN PRI.

Specialised ESG data providers and information provided by the fund companies serve as the data source for the indicators.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The objectives of sustainable investments are based on the environmental objectives of Article 9 of Regulation (EU) 2020/852 and on social objectives. Investments are made in companies that have a share of sales in environmentally sustainable or social activities and thus make a significant contribution to sustainability goals. The environmental objectives focus on climate protection and adaptation to climate change, among other things. Social activities include social housing, education, healthcare and SME financing.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Companies with particularly serious controversies are not included in the calculation of sustainability quotas.

Serious controversies include environmental, social, governance and global standards issues. Through these exclusions, we endeavour to avoid significant damage to the environmental or social sustainable investment objectives as far as possible.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

With regard to the most important adverse effects on sustainability factors, known as principal adverse impacts (PAIs), a large number of the indicators relating to companies are taken into account directly and indirectly in the investment strategy. The indicators are taken into account directly via various exclusion criteria.

Indirect consideration is given via the targeted above-average ESG characterisation of the sub-portfolio of equities, bonds and money market instruments as well as target funds, which includes various PAIs. All environmental indicators and the social indicators _COPY violation or lack of monitoring of global standards, gender diversity and controversial weapons are taken into account.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

For sustainable investments, exclusions apply to companies with particularly serious violations of global standards. These standards directly or indirectly take into account the topics of the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.

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 Union 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.



Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes, with regard to the most important adverse impacts on sustainability factors, the so-called principal adverse impacts (PAIs), a large proportion of the indicators relating to companies are taken into account directly and indirectly in the investment strategy, see section
"How were the indicators for adverse impacts on sustainability factors taken into account?"
Information on the consideration of principal adverse impacts in the respective financial year is available for the sub-fund in the annual reports.

☐ No



What investment strategy does this financial product follow?

The investment objective of the sub-fund is to generate sustainable capital growth through flexible investment in various asset classes and investment instruments. The sub-fund utilises a multi-asset approach to achieve its investment objective. This means that the portfolio management has a wide range of asset classes at its disposal from which to select particularly attractive investments. The possible asset classes include equities, bonds, credit, money, commodities, currency and volatility markets. The integration of ESG criteria and the consideration of sustainability risks are aimed at fulfilling the requirements for sustainable investment. The sub-fund is actively managed and is not tied to any benchmark. The sub-fund promotes environmental and social characteristics.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the investment strategy include a minimum share of 0.5% in sustainable investments. In addition, the following exclusion criteria apply to the entire portfolio:

Direct investments in corporate bonds and equities:

-controversial weapons

-particularly serious controversies (including violations of global norms)

-Defence equipment (sales tolerance < 10 %)

-Tobacco (sales tolerance < 5 %)

-Coal (turnover tolerance < 30 %)

-Gambling (turnover tolerance < 30 %)

Active target funds:

-Investments in companies related to cluster bombs must be excluded from the target fund

-The target fund company must be a signatory to the UN PRI.

The aim is also to adopt a best-in-class approach, which in the medium term should lead to a subportfolio consisting of target funds and direct investments with above-average ESG characteristics.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

There is no minimum rate by which the investments under consideration are reduced. Exclusion criteria apply to all direct investments in equities and corporate loans as well as active target funds.

What is the policy to assess good governance practices of the investee companies?

Good corporate governance is a core criterion in the definition of the ESG score, which is used to assess the ESG characteristics of the sub-portfolio, consisting of target funds and direct investments vestments. Aspects such as the ownership structure, the composition of the management bodies and the remuneration policy, accounting, business ethics and tax transparency can be taken into account. Controversies are also taken into account in the sustainability analysis. Aspects of good corporate governance are included. This can include, for example, bribery, tax evasion, insider trading, money laundering, breaches of sanctions and accounting violations.



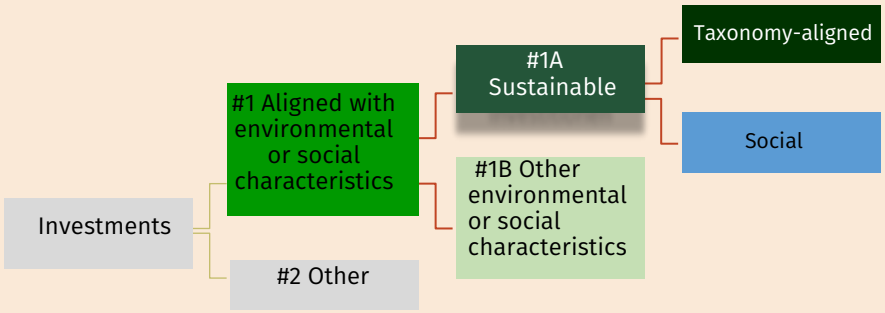
What is the asset allocation planned for this financial product?

The sub-fund utilises a multi-asset approach to achieve its investment objective. This means that the portfolio management has a wide range of asset classes at its disposal in order to select particularly attractive investments. The possible asset classes include the equity, bond, credit, money, commodity, currency and volatility markets. The consideration of ESG criteria focuses on direct investments in equities, bonds and money market instruments as well as target funds. The minimum proportion of the portfolio with which the environmental or social characteristics are advertised is 51% (#1). The proportion of other investments (#2) that are neither focused on environmental or social characteristics nor categorised as sustainable investments includes cash and cash equivalents and certificates. A minimum share of 0.5% of the financial product is invested in sustainable investments (#1A). This minimum share includes a minimum quota of 0.3% in investments in economic activities that are categorised as environmentally sustainable according to the EU taxonomy, as well as sustainable investments with a social objective of 0.2%.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a percentage of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **Operational expenditure** (OpEx) reflecting green operational activities of investee companies.



#1 Aligned with environmental or social 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.

Category **#1 Aligned with environmental or social characteristics** covers:

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

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Derivatives may be used to implement the investment strategy. The proportion of derivatives in the portfolio does not promote any environmental or social characteristics.

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

The minimum quota of sustainable investments that are in line with an environmental objective of the EU taxonomy is 0.3%. The focus here is on investments in companies whose economic activities contribute in particular to the environmental goals of climate protection and adaptation to climate change. The turnover of the companies serves as the basis for calculating the scope of the taxonomy-compliant investments.

Data provided directly by the issuers, fund companies or external specialised ESG data providers is used to calculate the proportion of taxonomy-compliant investments. Information from specialised ESG data providers is used in particular in cases where no direct information is available from the issuers. This may be the case for companies that do not fall under the reporting obligations of the EU taxonomy due to their registered office. As information on taxonomy-compliant investments is used directly by companies, fund companies or specialised ESG data providers, no further in-depth review of the data is carried out by auditors or third parties.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy [1]?

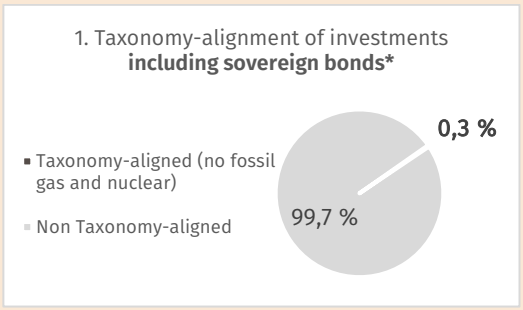
☐ Yes:

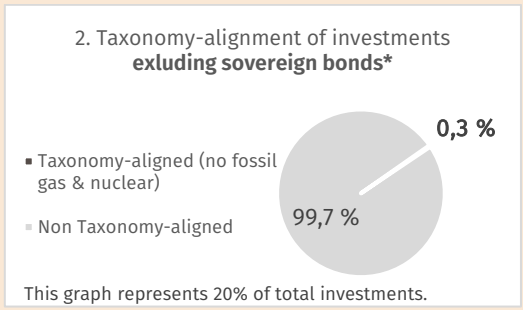
☐ In fossil gas ☐ In nuclear energy

☒ No

The fund does not aim to make taxonomy-compliant investments in fossil gas and/or nuclear energy. Nevertheless, it may also invest in companies that are also active in these areas as part of the investment strategy. Further information on such investments, where relevant, will be disclosed in the annual report.

The two graphs below show in green the minimum percentage of investments that are 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.

What is the minimum share of investments in transitional and enabling activities?

There is no minimum share of investment in transition and enabling activities.

What is the minimum share of socially sustainable investments?

The minimum proportion of socially sustainable investments is 0.2 %.

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

The share of other investments that are neither focused on environmental or social characteristics from nor categorised as sustainable investments includes cash and cash equivalents and certificates. Exclusion criteria apply to all direct investments in corporate bonds and equities as well as active target funds.

Where can I find more product specific information online?

More product-specific information can be found on the website:

- the respective sub-fund via the following link:

https://www.assenagon.com/fonds

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.