# Assenagon Balanced EquiVol

## Information on sustainability

This document is an extract from the annual report of the Assenagon Balanced EquiVol and should be read in conjunction with the annual report. If the language versions of the prospectus and this document differ at any point, the version of the annual report shall prevail.

The only binding basis for the acquisition of fund units is the key information document, the prospectus and the most recent annual or semi-annual report of the investment fund.

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**Annex IV**

**Periodic 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 Balanced EquiVol

**Legal entity identifier:** 529900XUBIQ9BAQD8H45

# Environmental and/or social characteristics

**Did this financial product have a sustainable investment objective?**

☐ **Yes**

- ☐ 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:** ___%

☒ **No**

- ☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 6.27 % 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?**

The main aspect of the sustainable focus resulted from improvements at the level of the equity portfolio compared to the global initial universe. On the one hand, a significant improvement in the ESG score and a significant reduction in greenhouse gas emissions intensity were targeted as part of a best-in-class approach. Furthermore, a minimum proportion of the portfolio was invested in sustainable investments. This included investing in economic activities that are classified as environmentally sustainable according to the EU taxonomy, as well as investments with a social objective. In terms of environmental objectives, the focus was on climate mitigation and adaptation, among other things. In addition, standards-based and sector-specific exclusion criteria were applied. These characteristics were achieved, as described in the following sections.

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

***How did the sustainability indicators perform?***

The improvements at equity portfolio level compared with the initial universe were as follows.

| | Initial Universe | Equity portfolio Assenagon Balanced EquiVol | Improvement |
|---|---|---|---|
| ESG Score | 6.95 | 7.30 | 0.35 Points |
| Greenhouse Gas Emission Intensity ($tCO_2e$/$m sales) | 100.98 | 67.62 | 33.04% |

With regard to the ESG score, a higher value represents an improvement, whereas a lower value for greenhouse gas emission intensity is a positive assessment.  Furthermore, 6.27% of sustainable investments were made in the sub-fund. All exclusion criteria set out in the prospectus (controversial weapons, very severe controversies (including violations of global norms), defence (turnover tolerance < 10%), tobacco (turnover tolerance < 5%), coal (turnover tolerance < 30%), unconventional oil and gas (turnover tolerance < 30%), gambling (turnover tolerance < 30%)) were complied with during the financial year. The figures refer to the reporting date of30 September 2024.
Data from the specialized ESG data provider MSCI ESG Research serves as the basis.
The starting universe is the global equity market.

***... and compared to previous periods?***

In the previous year, the ESG score of the sub-fund was 7.59, the greenhouse gas emission intensity was 77.02 and the proportion of sustainable investments was 7.12%.

***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The objectives of the sustainable investments were based on the environmental objectives of Article 9 of Regulation (EU) 2020/852 and on social objectives. Investments were made in reference borrowers that have a share of turnover in environmentally sustainable (4.08%) or social activities (2.19%) and thus make a significant contribution to sustainability goals. The environmental targets focused on climate mitigation and adaptation, among other things. The social activities include social housing, education, healthcare and SME financing.

**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 did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

Companies with very severe controversies (including violations of the principles of the UN Global Compact) and with significant shares of revenue in controversial business areas (including a zero-tolerance threshold for issuers related to controversial weapons) were excluded. This exclusion methodology also applies to sustainable investments. Severe 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.

*How were the indicators for adverse impacts on sustainability factors taken into account?*

With regard to the most important adverse effects on sustainability factors, the so-called Principal Adverse Impacts (PAIs), a large number of company-related indicators were taken into account directly and indirectly in the investment strategy. The indicators were taken into account directly by improving the greenhouse gas emission intensity of the equity portfolio compared to the initial universe and by applying various exclusion criteria. Indirect consideration was given via the monitoring and targeted improvement of the ESG score, which comprises various PAIs. For example, all environmental indicators in Table 1 in Annex 1 of the Regulatory Technical Standards as well as the social indicators of violation or lack of monitoring of global norms, gender diversity and controversial weapons are taken into account. For the indicator 'Unadjusted gender pay gap', the data coverage and quality did not allow for meaningful consideration.

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

For sustainable investments, as for the entire portfolio, exclusions apply to companies with particularly very severe violations of global standards. These standards take into account the topics of the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. A very severe violation includes events and actions that cause irreversible or permanent damage to the environment, result in loss of life, contribute to a major financial or economic crisis or amount to a serious crime against humanity.

*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.*

**How did this financial product consider principal adverse impacts on sustainability factors?**
With regard to the most important adverse effects on sustainability factors, the so-called Principal Adverse Impacts (PAIs), a large number of company-related indicators were taken into account directly and indirectly in the investment strategy. The indicators were taken into account directly by improving the greenhouse gas emission intensity of the equity portfolio compared to the initial universe and by applying various exclusion criteria. Indirect consideration was given via the monitoring and targeted improvement of the ESG score, which comprises various PAIs. All environmental indicators as well as the social indicators of violation or lack of monitoring of global norms, gender diversity and controversial weapons are taken into account.

| Indicators applicable to investments in investee companies | | | | | |
|---|---|---|---|---|---|
| Adverse sustainability indicator | | Metric | Impact year 2024 | Explanation | Actions taken, and actions planned and targets set for the next reference period |
| Climate and Other Environment-Related Indicators | | | | | |
| Greenhouse gas emissions | 1. GHG emissions | Scope 1 GHG emissions | 769 | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |
| | | Scope 2 GHG emissions | 267 | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |
| | | Scope 3 GHG emissions | 9172 | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |
| | | Total GHG emissions | 10095 | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |
| | 2. Carbon footprint | Carbon footprint | 223 | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |
| | 3. GHG intensity of investee companies | GHG intensity of investee companies | 670 | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |
| | 4. Exposure to companies active in the fossil fuel sector | Share of investments in companies active in the fossil fuel sector | 5.02 % | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |

| | | | | | |
|---|---|---|---|---|---|
| | | | Climate and Other Environment-Related Indicators | | |
| | 5. Share of nonrenewable energy consumption and production | Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources | 59.95 % | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |
| | 6. Energy consumption intensity per high impact climate sector | Energy consumption in GWh per million EUR of revenue of investee co panies, per high impact climate sector | Sektor A: 0.00<br>Sektor B: 1.13<br>Sektor C: 0.27<br>Sektor D: 2.77<br>Sektor E: 0.56<br>Sektor F: 0.11<br>Sektor G: 0.22<br>Sektor H: 1.10<br>Sektor L: 0.41 | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |

| Climate and Other Environment-Related Indicators | | | | | |
| --- | --- | --- | --- | --- | --- |
| Biodiversity | 7. Activities negatively affecting biodiversitysensitive areas | Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas | 3.30 % | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |
| Water | 8. Emissions to water | Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average | 0.08 | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |
| Waste | 9. Hazardous waste and radioactive waste ratio | Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average | 0.93 | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |

| Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters | | | | | |
|---|---|---|---|---|---|
| Social and employee matters | 10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises | Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises | 0.0% | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |
| | 11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises | Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises | 6.42% | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |
| | 12. Unadjusted gender pay gap | Average unadjusted gender pay gap of investee companies | 12.22% | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |

| | | | | | |
|---|---|---|---|---|---|
| | | Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters | | | |
| | 13. Board gender diversity | Average ratio of female to male board members in investee companies, expressed as a percentage of all board members | 35.79 % | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |
| | 14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) | Share of investments in investee companies involved in the manufacture or selling of controversial weapons | 0.0 % | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |
| | | Indicators applicable to investments in sovereigns and supranationals | | | |
| Environmental | 15. GHG intensity | GHG intensity of investee countries | n.a. | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |
| Social | 16. Investee countries subject to social violations | Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law | n.a. | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |

| | | | | | |
|---|---|---|---|---|---|
| Indicators applicable to investments in real estate assets– not relevant | | | | | |
| Additional climate and other environment-related indicators | | | | | |
| Water, waste and material emissions | 3. Non-recycled waste ratio | Tonnes of nonrecycled waste generated by investee companies per million EUR invested, expressed as a weighted average | 45.87 | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |
| Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters | | | | | |
| Social and employee matters | 8. Excessive CEO pay ratio | Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual) | 287.13 | First quantitative reporting year | See Section: "How did this financial product consider principal adverse impacts on sustainability factors?". |

The figures refer to the average of the four observation dates 29 December 2023, 29 March 2024, 28 June 2024 and 30 September 2024.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

29 September 2023 –30 September 2024

**What were the top investments of this financial product?**

| Largest investments | Sector | % Assets | Country |
|---|---|---|---|
| MICROSOFT CORP | Technology | 2.32% | US |
| APPLE INC | Technology | 2.31% | US |
| NVIDIA CORP | Technology | 1.87% | US |
| BUNDESSCHATZANWEISUNGEN | Government | 1.65% | DE |
| BUNDESSCHATZANWEISUNGEN | Government | 1.57% | DE |
| BUNDESSCHATZANWEISUNGEN | Government | 1.56% | DE |
| BUNDESSCHATZANWEISUNGEN | Government | 1.55% | DE |
| BUNDESREPUB. DEUTSCHLAND | Government | 1.38% | DE |
| ALPHABET INC-CL C | Communications | 1.36% | US |
| AMAZON.COM INC | Communications | 1.27% | US |
| BUNDESSCHATZANWEISUNGEN | Government | 1.16% | DE |
| BUNDESREPUB. DEUTSCHLAND | Government | 1.09% | DE |
| BUNDESOBLIGATION | Government | 1.02% | DE |
| META PLATFORMS INC-CLASS A | Communications | 0.76% | US |
| BUNDESOBLIGATION | Government | 0.75% | DE |

The figures refer to the average of the four observation points 29 December 2023, 29 March 2024, 28 June 2024 and 30 September 2024.

**What was the proportion of sustainability-related investments?**
Sustainability-related investments are all investments that contribute to the achievement of environmental and/or social characteristics as part of the investment strategy. As of the reporting date, 30 September 2024, the proportion of sustainability-related investments was 65.53%.

The share of sustainable investments was 6.27% as at 30 September 2024. The share of sustainable investments was 7.12% in the previous year.

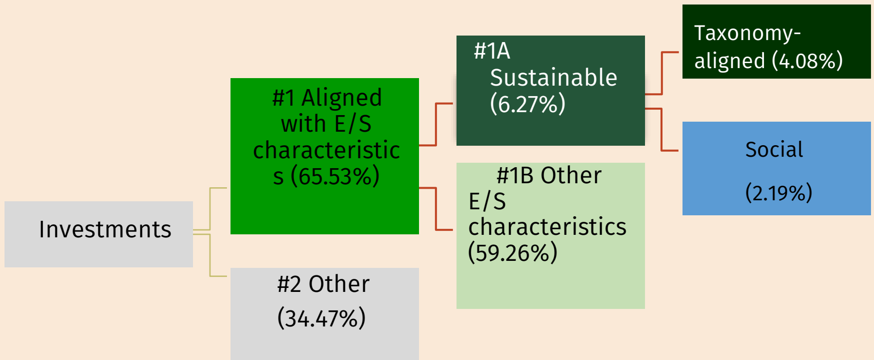
**Asset allocation** describes the share of investments in specific assets.

***What was the asset allocation?***
The proportion of the portfolio that is geared towards environmental or social characteristics was 65.53% as at 30 September 2024. The share of other investments (#2) that are neither geared towards environmental or social characteristics nor categorised as sustainable investments includes parts of the volatility strategy, currency hedging instruments and cash and cash equivalents. The proportion of taxonomy-aligned investments and social investments is disclosed in the following sections.

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




**#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 sub-category **#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?

| | |
|---|---|
| Advertising | 0.07% |
| Aerospace/Defense | 0.09% |
| Agriculture | 0.07% |
| Airlines | 0.02% |
| Apparel | 0.41% |
| Auto Manufacturers | 1.00% |
| Auto Parts & Equipment | 0.09% |
| Banks | 3.35% |
| Beverages | 0.78% |
| Biotechnology | 0.68% |
| Building Materials | 0.63% |
| Chemicals | 0.87% |
| Coal | 0.01% |
| Commercial Services | 1.09% |
| Computers | 3.29% |
| Cosmetics/Personal Care | 0.74% |
| Distribution/Wholesale | 0.42% |
| Diversified Finan Services | 1.63% |
| Electric | 0.97% |
| Electrical Components &Equipment | 0.32% |
| Electronics | 0.45% |
| Energy-Alternate Sources | 0.06% |
| Engineering & Construction | 0.23% |
| Entertainment | 0.05% |
| Environmental Control | 0.14% |
| Food | 0.88% |
| Food Service | 0.04% |
| Forest Products & Paper | 0.06% |
| Gas | 0.05% |
| Hand/Machine Tools | 0.01% |
| Healthcare-Products | 1.46% |
| Healthcare-Services | 0.90% |
| Home Builders | 0.20% |
| Home Furnishings | 0.12% |
| Household Products/Wares | 0.20% |
| Insurance | 2.17% |
| Internet | 4.38% |
| Investment Companies | 0.04% |
| Iron/Steel | 0.07% |
| Leisure Time | 0.08% |
| Lodging | 0.08% |
| Machinery-Construction & Mining | 0.43% |
| Machinery-Diversified | 0.63% |
| Media | 0.39% |
| Metal Fabricate/Hardware | 0.03% |
| Mining | 0.51% |
| Miscellaneous Manufacturing | 0.42% |
| Office/Business Equip | 0.07% |

| | |
|---|---|
| Oil & Gas | 1.35% |
| Oil & Gas Services | 0.10% |
| Packaging&Containers | 0.11% |
| Pharmaceuticals | 2.98% |
| Pipelines | 0.33% |
| Private Equity | 0.30% |
| Real Estate | 0.21% |
| REITS | 0.82% |
| Retail | 2.21% |
| Semiconductors | 4.44% |
| Software | 4.37% |
| Sovereign | 15.73% |
| Telecommunications | 1.11% |
| Toys/Games/Hobbies | 0.04% |
| Transportation | 0.76% |
| Water | 0.03% |

The figures refer to the reporting date 30 September 2024.

Proportion of investments in sectors of the economy that generate revenue from fossil fuels 4.66%.

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

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?**

☐ Yes:

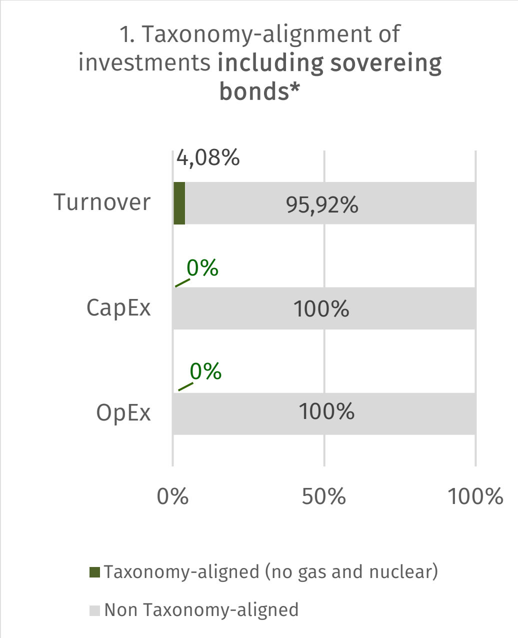
☐ In fossil gas ☐ In nuclear energy

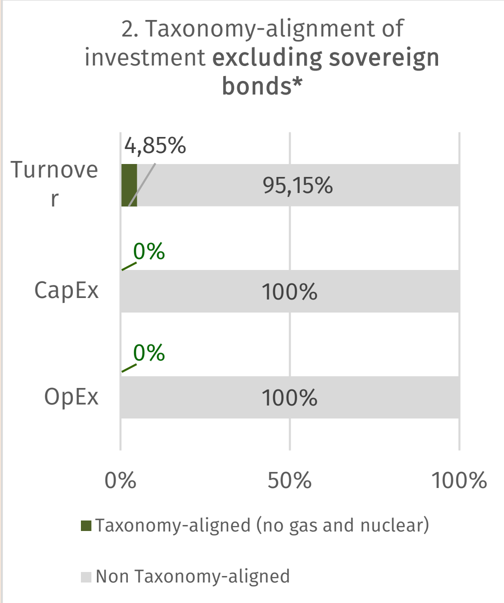
☒ No

[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.

Taxonomy-aligned activities are expressed as a share 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.

***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.***



This chart shows 75.99% of total investments

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

The rate of sustainable investments that are in line with an environmental objective of the EU taxonomy and fulfil the requirements of Article 3 of Regulation (EU) 2020/852 was 4.08% as at 30 September 2024. The focus here was on investments in companies whose economic activities contribute in particular to the environmental objectives of climate mitigation and adaptation. The companies' revenue serves as the basis for calculating the scope of taxonomy-compliant investments. Data provided directly by the issuers or by external specialised ESG data providers is used to calculate the proportion of taxonomy-aligned 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-aligned investments is used directly by companies or by specialised ESG data providers, there is no further verification of the data by auditors or third parties. There is currently no recognised method for determining the proportion of taxonomy-aligned activities in investments in government bonds.

**What was the share of investments made in transitional and enabling activities?**
This financial product does not pursue a minimum share of investments in transitional and enabling activities. It therefore does not show any share of these investments.

**How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
The ratio of sustainable investments that are in line with an environmental objective of the EU taxonomy and fulfil the requirements of Article 3 of Regulation (EU) 2020/852 was 4.97% in the previous year.

**What was the share of socially sustainable investments?**
The ratio of socially sustainable investments was 2.19% as at 30 September 2024.

**What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**
The proportion of other investments that were neither geared towards environmental or social characteristics nor categorised as sustainable investments comprised parts of the volatility strategy, currency hedging instruments and cash and cash equivalents. The sub-fund's exclusion criteria applied to direct investments in companies in order to ensure minimum environmental or social protection.

**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**
The portfolio managers ensure at all times that the respective ESG characteristics of the sub-fund are implemented in accordance with the information in the sales prospectus. This is ensured by pre-trade and post-trade monitoring.
In addition, the Risk Management & Control Team carries out a post-trade control of compliance with the ESG characteristics of the investment products independently of the portfolio management. In addition, influence was exerted on companies in the areas of environment, social affairs and governance via the ISS Pooled Engagement Platform. One focus here is also on the goal of encouraging companies to commit to net zero emissions by 2050