

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) 2050/85

DOES THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

<input type="checkbox"/> Yes <input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: % <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: %	<input checked="" type="checkbox"/> No <input type="checkbox"/> 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 <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU-Taxonomy <input type="checkbox"/> with a social objective <input checked="" type="checkbox"/> Es werden damit ökologische/soziale Merkmale beworben, aber keine nachhaltigen Investitionen getätigt.
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WHAT ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS ARE PROMOTED BY THIS FINANCIAL PRUDUCT?



In managing the product, the company promotes, among other things, environmental and social characteristics. Due to the broad range of investments in which the product is involved, the environmental and social characteristics may relate to a variety of topics.

The product's investment strategy covers a wide range of sustainability aspects, which are incorporated as part of the quantitative investment process. Accordingly, the product's assets are invested in securities of issuers that meet defined minimum standards with respect to environmental, social and corporate governance characteristics as part of the quantitative investment process. Each issuer of equities and/or corporate bonds undergoes a sustainability analysis before acquisition. The ESG (Environment, Social, Governance) performance of an issuer is systematically evaluated on the basis of various environmental and social characteristics, as well as information that allows the company's management to be assessed. These characteristics relate, for example, to the following topics:

- Environment
 - Climate change mitigation
 - Avoiding interference with ecosystems and the loss of biodiversity
 - Revenues in climate-friendly technologies
- Social
 - General human rights
 - Ban on child and forced labor
 - Health and safety at work
- Corporate Governance
 - Structure and quality of the supervisory board
 - Principles of anti-corruption according to the UN Global Compact

The company has the following approaches: exclusions, ESG integration and engagement. This means that so-called ESG criteria are also taken into account when selecting assets. The three sustainability aspects of

- "E" Environment
- "S" Social and
- "G" Governance.

Exclusions

Investments in securities are excluded if they

- violate one of over 100 internationally recognized standards. These include, in particular, the "United Nations Global Compact". The ten principles of the "United Nations Global Compact" promote sustainable and responsible corporate development in order to make globalization more social and ecological. They can be categorized into human rights, labor standards, the environment and the prevention of corruption.
- from issuers that are involved in the following controversial business areas beyond the defined threshold:
 - generate more than 30% of their revenue from thermal coal-fired power generation;
 - generate more than 30% of their revenue from thermal coal mining;
 - generate more than 5% of their revenues from oil and gas extraction using non-conventional methods (fracking, oil sands);
 - generate more than 10% of their revenues from the production and trade of armaments. Companies that produce and/or distribute banned weapons such as landmines and ABC weapons are also excluded;
 - generate more than 5% of their revenue from end products such as cigarettes or cigars.

ESG-Integration

When integrating ESG criteria, the company considers environmental, social and corporate governance criteria when deciding on investments. The investment universe only includes investments that do not violate the above-mentioned exclusion criteria.

Key figures on climate and other environmental issues, negative impacts in the areas of social and employee concerns, human rights and the fight against corruption are taken into account.

The analysis covers the following topics:

- Involvement in controversial business practices,
- Management of sustainability risks: In addition to ESG ratings and scores, several key performance indicators are taken into account, for example, to measure how the company deals with employee issues,
- Climate rating to measure the transition to a low-carbon economy,
- Compliance of companies with the Paris Agreement.

Engagement

The company also uses governance analyses from external data providers to manage sustainability risks. The analyses cover the topics of independence of the controlling boards, experience and effectiveness of the boards, management remuneration practices, ownership structure and reliability of reported financial figures. The company engages in dialog and exercises voting rights with the companies affected by the analysis.

The company has engaged Institutional Shareholder Services Germany AG to exercise voting rights. The Governance Guidelines establish a consistent philosophy and approach to corporate governance and voting. The Guidelines can be found on the company's website at www.first-private.de.

WHAT SUSTAINABILITY INDICATORS ARE USED TO MEASURE THE ATTAINMENT OF EACH OF THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS PROMOTED BY THIS FINANCIAL PRODUCT?

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

If information is available at the asset level, it is aggregated at the fund level using different calculation methods. The following sustainability indicators are used to measure the individual environmental or social characteristics:

ESG-Rating

Using a rules-based methodology, MSCI ESG Research assesses the extent to which a company is exposed to ESG risks and opportunities. The assessment is based on a seven-point scale and ranges from a leading (AAA, AA), to an above-average (A, BBB, BB), to a lagging (B, CCC) assessment.

CO2-Footprint

Indicates the average number of tons of CO2 emitted per EUR 1 million of revenue by the companies in the portfolio. Scope 1 emissions, which are caused directly by the companies themselves, are taken into account, as are Scope 2 emissions, which result from the use of indirect, purchased energy. The CO2 emissions include the six greenhouse gases of the Kyoto Protocol, which are converted into a CO2 equivalent.

Number of company dialogs conducted and successes

In its discussions with companies, the company addresses business-relevant sustainability challenges and reports on the number of company dialogs conducted and the successes achieved.

Adherence to exclusion criteria

Exclusion criteria are applied to the fund. Adherence to the criteria is continuously monitored and reported in the regular information.

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 product has no sustainable investment objective and makes sustainable investments in the amount of at least 0 percent.

Sustainable investments within the meaning of Article 2 (17) SFDR

The product engages in environmentally sustainable economic activities within the meaning of Article 2 (17) SFDR that contribute to achieving the following objectives::

- Financing of economic activities aimed at the 17 Sustainable Development Goals of the United Nations. Companies that generate at least 20% of their revenue from products or services aimed at one or more of these goals are considered to be explicitly geared towards meeting such environmental or social needs.
- Mitigating climate change and the transition to a low-carbon economy: The company is committed to CO2 reduction targets. The company's implied temperature increase is below 2 degrees Celsius.
- Positive contribution to gender equality and human capital by promoting greater diversity in the workforce.

The investment process incorporates sustainability and ESG ratings from MSCI. These ratings are intended to assess the development of a company's activities and are used as an independent and supplementary input in the decision-making process for portfolio construction. The ESG rating is divided into seven levels, from AAA (best rating) to CCC (worst rating).

According to this analysis, companies with clearly negative ESG momentum (rating development trend) are treated unfavorably, while companies with positive momentum are treated favorably in the quantitative portfolio construction (so-called best in progress approach).

Issuers with a CCC rating are generally not selected for the product.

Sustainable investments in line with the EU taxonomy

The product engages in environmentally sustainable economic activities as defined by the EU taxonomy of at least 0% and aims for the highest possible rate of sustainable investments as defined by the EU taxonomy that contribute to the environmental objective of climate protection or adaptation to climate change.

The investment process takes this into account based on the taxonomy-aligned revenues of individual companies. For this purpose, processed data from MSCI ESG Research is used. The contribution of sustainable investments to the objectives is reported on the basis of the proportional units of the product. This is derived from the ratio of the market value in environmentally sustainable economic activities to the market value of all of the product's investments.

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?

The product has no sustainable investment objective and makes sustainable investments totaling at least 0%.

However, the company ensures that when selecting sustainable investments, none of the environmental and social objectives mentioned in Art. 2 (17) SFDR or the environmental objectives mentioned in Art. 9 of Regulation (EU) 2020/852 are significantly affected.

A significant adverse effect exists in particular in the event of serious effects on the adverse sustainability indicators or the violation of the minimum protection laid down in Article 18 of Regulation (EU) 2020/852. For this purpose, further exclusion criteria are taken into account when selecting sustainable investments.

Furthermore, the product invests in securities of issuers or companies that observe the governance aspects mentioned in Article 2 (17) of Regulation (EU) 2019/2088 in their business activities. This is ensured and documented by the exclusions defined in the internationally recognized standards.

HOW HAVE THE INDICATORS FOR ADVERSE IMPACTS ON SUSTAINABLE FACTORS BEEN TAKEN INTO ACCOUNT?

The product has no sustainable investment objective and makes sustainable investments totaling at least 0%.

Nevertheless, the company intends that, as a result of this consideration, the product's PAI indicators, in particular the indicators for ecological characteristics, as reported in the respective annual report, are no worse than comparable key figures for the MSCI World benchmark.

HOW ARE THE SUSTAINABLE INVESTMENTS ALIGNED WITH THE OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES AND THE UN GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS?

The product has no sustainable investment objective and makes sustainable investments totaling at least 0%.

Investments are monitored, however, on the basis of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. These principles are based on international standards in the areas of human rights, labor rights, environment and corruption. If a company is identified as having committed abuses or violations of these standards, the company will be excluded. Acquisitions of stakes in companies are not permitted. Existing companies will be disinvested.

DOES THIS FINANCIAL PRODUCT CONSIDER PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS? Yes.

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.

The product takes into account the most significant adverse impacts using 14 environmental and social indicators that apply to investments in companies. These include adverse impacts on greenhouse gas emissions, biodiversity, water consumption, waste disposal, social issues and employee issues. In addition, five additional climate and other environmental indicators and 14 additional indicators relating to social factors and employees, respect for human rights, anti-corruption and anti-bribery are defined, for which reporting and integration are encouraged. The investment manager uses ESG screening for individual companies and a quarterly Principal Adverse Impact (PAI) risk report provided by the company.

Detailed information on how adverse impacts on sustainability are taken into account can be found online at www.first-private.de/Nachhaltigkeit.

 No.

The **main adverse impacts** are the most significant adverse impacts of investment decisions on sustainability factors in the areas of the environment, social and labor practices, respect for human rights, and anti-corruption and bribery matters.

WHAT INVESTMENT STRATEGY DOES THIS FINANCIAL PRODUCT FOLLOW?

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

A detailed description of the general investment strategy is available in the sales prospectus. The implementation of the environmental and social characteristics is carried out using the following approaches: exclusions, ESG integration and engagement.

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 investment strategy has to consider the exclusion criteria and the ESG integration. In addition, the company is committed to the measures described under "Engagement".

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.

WHAT IS THE POLICY TO ASSESS GOOD GOVERNANCE PRACTICES OF THE INVESTEE COMPANIES

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

Directive 2013/34/EU of the European Parliament and of the Council sets out transparency requirements in relation to environmental, social and governance aspects as part of non-financial reporting. The product invests only in Companies are expected to publish a corporate governance code in accordance with national legislation that addresses, at a minimum, sound management structures, proper relations with employees, employee compensation, and tax compliance.

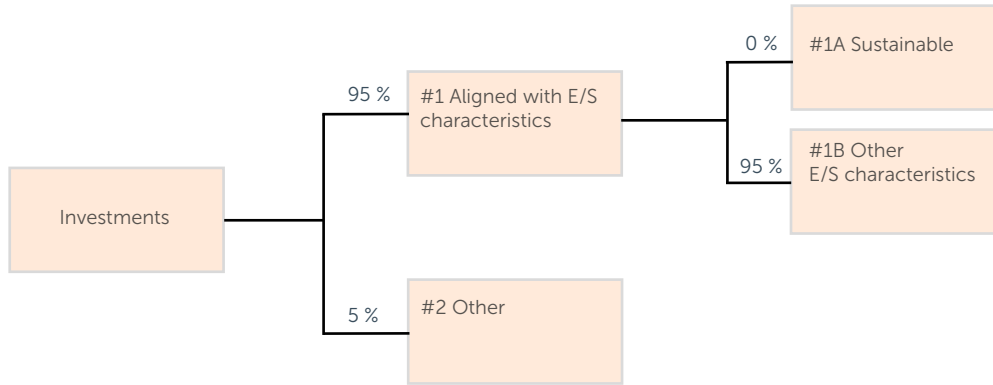
Good corporate governance practices include sound management structures, relations with employees, employee compensation, and tax compliance.

WHAT IS THE ASSET ALLOCATION PLANNED FOR THIS FINANCIAL PRODUCT?

Asset allocation describes the share of investments in specific assets.

The asset allocation indicates the respective share of investments in certain assets.

The product can invest in a variety of assets. Detailed information can be found in the prospectus. Environmental and social characteristics are taken into account for all assets that can be directly assigned to individual companies. The planned asset allocation is determined on the basis of the valuation of the previous financial year or by means of a model portfolio. It is not a binding requirement, and no assurance can be given that the planned asset allocation will actually be achieved.



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.

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

TO WHAT EXTENT ARE THE ENVIRONMENTALLY OR SOCIALLY BENEFICIAL CHARACTERISTICS ADVISED WITH THE PRODUCT ACHIEVED THROUGH THE USE OF DERIVATIVES?

Derivatives are not intended to lead to a deviation from the investment objectives or a change in the sustainability character of the product. The company will, where possible, give preference to transactions involving derivatives that serve to fulfil the advertised environmental or social characteristics of the product.



TO WHAT MINIMUM EXTENT ARE SUSTAINABLE INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE ALIGNED WITH THE EU TAXONOMY?

The product intends to invest at least 0% of its assets in environmentally sustainable economic activities that contribute to the climate change mitigation and adaptation within the meaning of the EU taxonomy, provided that data is available to a sufficient extent for these investments. The percentage of investments in environmentally sustainable economic activities that are in line with the EU taxonomy is obtained from the latest available information, either directly from the investees or from third-party providers, and checked for plausibility. The volume of taxonomy-aligned investments is measured by the sales revenue, which reflects the share of revenue from environmentally friendly activities of the investee companies.

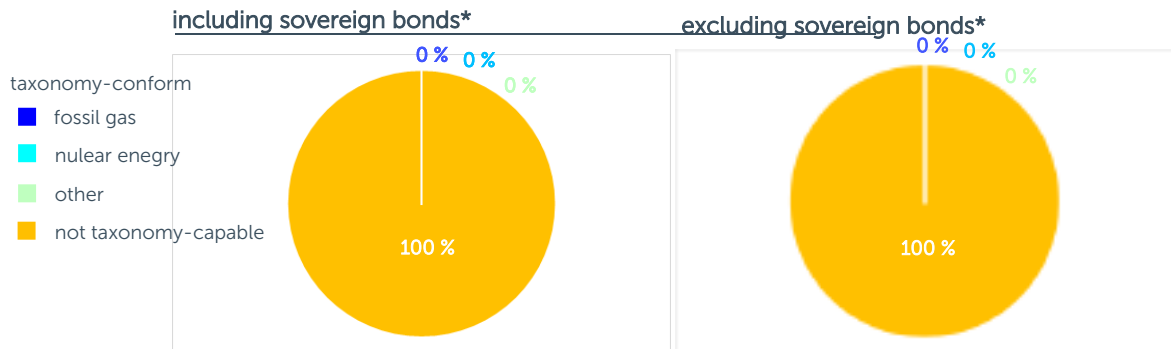
DOES THE PRODUCT INVEST IN FOSSIL GAS AND/OER NUCLEAR ENERGY ACTIVITIES THAT COMPLY WITH THE EU TAXONOMY?

- Yes
 - in fossil gas
 - in nuclear energy
- No

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.

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

Taxonomy-alignment of investment



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

The extent of taxonomy-aligned investment is measured for the fund based on revenues. In principle, there are further options for recording.

Taxonomy-aligned activities, expressed as the proportion of:

- Revenues, which reflect the proportion of revenues from environmentally friendly activities of the investee companies
- Capital expenditures (CapEx), which show the environmentally friendly investments of the investee companies, e.g. for the transition to a green economy,
- Operating expenditures (OpEx), which reflect the environmentally friendly operating activities of the investee companies.

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.

The proportion of Taxonomy-aligned investments and the alignment with the EU Taxonomy are neither certified by an auditor nor verified by a third party.

WHAT IS THE MINIMUM SHARE OF INVESTMENTS IN TRANSITION ACTIVITIES AND ENABLING ACTIVITIES?

There is no minimum rate.



WHAT IS THE MINIMUM SHARE OF INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE THAT ARE NOT COMPLIANT WITH THE EU TAXONOMY?

There is no minimum rate.



WHAT IS THE SHARE OF SOCIALLY RESPONSIBLE INVESTMENTS?

There is no minimum rate.

**WHAT INVESTMENTS ARE INCLUDED UNDER "NOT SUSTAINABLE", WHAT IS THEIR PURPOSE AND ARE THERE ANY MINIMUM ENVIRONMENTAL OR SOCIAL SAFEGUARDS?**

In order to implement the investment objectives and strategy, assets are invested that cannot be directly assigned to individual companies.

The relevant assets are listed proportionately in the "Other Investments" section. For example, money market instruments in accordance with § 194 KAGB or bank deposits are shown.

There is no environmental or social safeguard. The company will, if possible, give preference to transactions that serve the fulfillment of the advertised environmental or social characteristics of the product. The general and special fund rules are taken into account for all investments.

**IS AN INDEX BEEN DESIGNATED AS A REFERENCE BENCHMARK TO DETERMINE WHETHER THIS PRODUCT IS BASED ON THE PROMOTED ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS?**

No. In addition to taking sustainability aspects into consideration when selecting individual issuers based on ethical, social and ecological criteria, the fund's ESG score should be higher than the ESG score of the benchmark MSCI World.

Reference benchmarks are indexes to measure whether the product attains the sustainable investment objective

WHERE CAN THE METHODOLOGY USED FOR THE DESIGNATED INDEX CAN BE FOUND?

The method of calculation of the MSCI World Index is described on the website <https://www.msci.com/index-methodology>.

**WHERE CAN I FIND MORE PRODUCT INFORMATION ONLINE?**

Weitere More product-specific information can be found on:

<https://www.first-private.de/publikumsfonds-2/>