

## Sustainability-related disclosures pursuant to Article 10 of Regulation (EU) 2019/2088 in connection with Article 37 et seq. of Delegated Regulation (EU) 2022/1288

**The subject of this document is mandatory information about the intended sustainable investment objective of this Fund. This document is not promotional material. This information is required by law in order to transparently explain the sustainable investment sought by the Fund.**

### Berenberg Sustainable Multi Asset Dynamic

WKN / ISIN: A3C4GR / LU2393249755; A3C4GQ / LU2393249169

This Fund is managed by the capital management company Universal-Investment-Luxembourg S.A.

#### a) “Summary”

##### No significant harm to the sustainable investment objective

As part of the ESG exclusion process, companies and sovereigns are excluded on the basis of activity-based and norms-based exclusion criteria. The Berenberg ESG exclusion criteria set a minimum standard from an ESG perspective in order to qualify as a potential investment for the portfolio. Inter alia, companies are identified that are directly involved in persistent particularly serious ESG controversies. They are excluded as a matter of principle for investment purposes.

In addition, the elements below ensure that sustainable investments do not cause significant harm to the sustainable investment objective:

- Consideration of principal adverse impacts on sustainability factors (Principal Adverse Impacts – PAIs)
- ESG controversy monitoring and engagement with portfolio companies that have severe ESG controversies
- Analysis and evaluation of negative impact indicators within the Berenberg Net Impact Model. The aspects taken into account include:
  - ESG controversies
  - Activities in and exposure to controversial business areas
  - CO2 intensity and management, whereby a defined threshold must be achieved within the assessment
  - Company transparency and openness to dialogue.

##### Sustainable investment objective of the financial product

This Fund aims to make sustainable investments as defined in Article 9 of the Disclosure Regulation.

The Fund's sustainable investment objective is to invest in securities that make a positive contribution to solving global challenges through its products, services or projects. The focus is on four global challenges/essential issues related to some of the United Nations Sustainable Development Goals (SDGs) defined by the Berenberg Wealth and Asset Management ESG Office in cooperation with the Berenberg Wealth and Asset Management Portfolio Management units:

1. Demographics & health
2. Climate change
3. Sustainable growth & innovation
4. Responsible use of resources

The assessment and measurement of the positive impact is carried out as part of the basic financial and impact analysis.

After assigning a security to one of the four global challenges based on its revenues in relevant business activities, the positive and potential adverse impacts are qualitatively and quantitatively measured within the framework of the proprietary impact measurement model, the Berenberg Net Impact Model.

In order to comprehensively capture the net impact of the portfolio positions, specific measures (also “pillars”) were defined both in positive and negative spheres. For each security, each measure is analysed and assigned a score that is summed up at the level of the individual security and finally aggregated at portfolio level (i.e. “net impact score”). Financial metrics such as revenue, investment and expenditures for research and development, as well as emission metrics, controversies, controversial business relationships and ESG and impact-related transparency and strategy are taken into account. Through direct contact with the companies, the sustainability strategy and the potential to generate positive impact are further determined.

For the evaluation and measurement of the positive impact, portfolio management uses company-specific data (e.g. company reporting), insights from company commitments, proprietary research (e.g. broker research, industry experts) and information from external data providers. With a combination of proprietary ESG/impact analysis and external data, qualitative and quantitative assessments are created based on the sources and processes described above, which are used to assess the positive added value and the ability to invest in them. The impact analysis is based on quantitative and qualitative data. All impact-related information is recorded in an internal database.

The underlying investments of this Fund do not take into account the EU criteria for environmentally sustainable economic activities; however, due to the combination of the four global challenges/structural issues with the taxonomy objectives, the investments can contribute in particular to the objectives of climate change mitigation and adaptation to climate change.

## Investment strategy

The Fund aims to achieve reasonable performance, taking into account the sustainable investment objective (within the meaning of Article 9 of the Disclosure Regulation).

The Fund is based on a transparent and stringent investment process. The entire process is characterised by interdisciplinary cooperation between several parties from the fund management and ESG office.

On the equity side, the strategy focuses on fundamental individual stock selection (bottom-up approach), taking into account sustainability-relevant top-down trends. In addition to in-depth internal analysis, research from external data providers is used to understand the sustainability profile of a company and its products and services. On the bond side, after applying exclusion criteria, the sustainability analysis is based on the integration of sustainability aspects into the issuer analysis and the identification of the positive contribution to solving global challenges or fields of action ("positive impact"). In addition to in-depth internal analysis, research from external data providers is used to understand the sustainability profile of an issuer and its products and services or the projects it finances.

## Distribution of investments

The asset allocation of the Fund and to what extent the Fund may assume direct or indirect exposures to companies can be found in the Terms and Conditions of Investment.

This Fund aims to make sustainable investments as defined in Article 9 of the Disclosure Regulation. The minimum share of sustainable investments is 51%.

The Fund has a minimum share of 1% of sustainable investments with an environmental objective in economic activities that do not qualify as environmentally sustainable according to the EU Taxonomy.

The Fund has a minimum share of 1% of sustainable investments with a social objective.

The "Non-sustainable investment" category includes cash holdings and investments in products used for hedging purposes. For "Non-sustainable investments" that are not covered by the (sub-)fund's sustainability strategy, there are no binding criteria for taking environmental and/or social protection into account. This is also due to the nature of the assets in which, at the time of drawing up these contractual documents, there are no legal requirements or customary procedures for implementing minimum environmental and/or social protection for such assets.

## Monitoring of the sustainable investment objective

Initially, the sustainable investment objective and sustainability indicators are reviewed qualitatively by the ESG Office of the Management Company/AIFM. Compliance with the investment limits on the basis of the individual sustainability strategy is measured and monitored daily by the Investment Controlling of the Management Company/AIFM and by the Portfolio Manager for outsourced portfolio management mandates. Internal controls are performed by portfolio management and risk controlling. External controls are carried out on a regular basis by the national supervisory authority when auditing the annual reports and at state level.

## Methods

The following sustainability indicators are used to measure the attainment of the sustainable investment objective:

- Net impact score for each portfolio position derived from the proprietary Berenberg Net Impact Model
- Minimum revenue threshold in at least one of the four structural investment themes demography & health, climate change, sustainable growth & innovation and responsible use of resources
- Percentage of the market value of the portfolio invested in companies with severe violations of global norms and conventions (incl. ILO Standards, UN Global Compact Principles, OECD Guidelines for Multinational Enterprises)
- Percentage of the market value of the portfolio invested in companies directly related to ongoing particularly serious ESG controversies
- Share of portfolio companies (as a %) in terms of ESG controversies
- Percentage of the market value of the portfolio invested in companies participating in excluded business activities.

There may be restrictions on obtaining data from data providers such as MSCI ESG and RepRisk if they do not cover the complete universe of relevant companies or have data errors and/or methodological deficiencies. However, the in-house ESG and impact analysis, including potential further direct contacts with companies to source information, reduces the impact of such restrictions to achieve the sustainable investment objective.

## Data sources and processing

Data from MSCI ESG Research, IVOX Glass Lewis and RepRisk is used to measure the attainment of the sustainable investment objective.

## Limitations on methods and data

There may be restrictions on obtaining data from data providers such as MSCI ESG and RepRisk if they do not cover the complete universe of relevant companies or have data errors and/or methodological deficiencies. However, the in-house ESG and impact analysis, including potential further direct contacts with companies to source information, reduces the impact of such restrictions to achieve the sustainable investment objective.

## Due diligence

Effective arrangements are taken by defining and applying written policies and procedures to ensure that investment decisions taken on behalf of the Fund are consistent with its objectives, the investment strategy and, as applicable, the risk limits.

## Participation policy

The investment management company's participation policy (engagement) is exercised in the form of the exercise of voting rights.

## Attainment of the sustainable investment objective

In order to achieve the sustainable investment objective of the Fund, no index was defined as the benchmark.

## b) "No significant harm to the sustainable investment objective"

As part of the ESG exclusion process, companies and sovereigns are excluded on the basis of activity-based and norms-based exclusion criteria. The Berenberg ESG exclusion criteria set a minimum standard from an ESG perspective in order to qualify as a potential investment for the portfolio. Inter alia, companies are identified that are directly involved in persistent particularly serious ESG controversies. They are excluded as a matter of principle for investment purposes.

In addition, the elements below ensure that sustainable investments do not cause significant harm to the sustainable investment objective:

- Consideration of principal adverse impacts on sustainability factors (Principal Adverse Impacts – PAIs)
- ESG controversy monitoring and engagement with portfolio companies that have severe ESG controversies
- Analysis and evaluation of negative impact indicators within the Berenberg Net Impact Model. The aspects taken into account include:
  - ESG controversies
  - Activities in and exposure to controversial business areas
  - CO2 intensity and management, whereby a defined threshold must be achieved within the assessment
  - Company transparency and openness to dialogue.

The Fund takes into account the adverse impacts on sustainability factors (Principal Adverse Impacts = PAIs) through binding elements of its investment strategy. More specifically, PAIs are taken into account in binding terms through activity-related exclusions relating to corporate revenues, norms-based exclusions and the Berenberg Net Impact Model to select investments.

The Fund also applies norms-based screening on international frameworks, such as the "UN Global Compact Principles", "OECD Guidelines for Multinational Enterprises" and "International Labour Organization (ILO) Standards". The Fund also applies other norms-based screening based on MSCI ESG Research's ESG controversy methodology. On this basis, companies are identified that are directly involved in persistent particularly serious ESG controversies. They are excluded as a matter of principle for investment purposes.

## c) "Sustainable investment objective of the financial product"

This Fund aims to make sustainable investments as defined in Article 9 of the Disclosure Regulation.

The Fund's sustainable investment objective is to invest in securities that make a positive contribution to solving global challenges through its products, services or projects. The focus is on four global challenges/essential issues related to some of the United Nations Sustainable Development Goals (SDGs) defined by the Berenberg Wealth and Asset Management ESG Office in cooperation with the Berenberg Wealth and Asset Management Portfolio Management units:

1. Demographics & health
2. Climate change
3. Sustainable growth & innovation
4. Responsible use of resources

The assessment and measurement of the positive impact is carried out as part of the basic financial and impact analysis.

After assigning a security to one of the four global challenges based on its revenues in relevant business activities, the positive and potential adverse impacts are qualitatively and quantitatively measured within the framework of the proprietary impact measurement model, the Berenberg Net Impact Model.

In order to comprehensively capture the net impact of the portfolio positions, specific measures (also "pillars") were defined both in positive and negative spheres. For each security, each measure is analysed and assigned a score that is summed up at the level of the individual security and finally aggregated at portfolio level (i.e. "net impact score"). Financial metrics such as revenue, investment and expenditures for research and development, as well as emission metrics, controversies, controversial business relationships and ESG and impact-related transparency and strategy are taken into account. Through direct contact with the companies, the sustainability strategy and the potential to generate positive impact are further determined.

For the evaluation and measurement of the positive impact, portfolio management uses company-specific data (e.g. company reporting), insights from company commitments, proprietary research (e.g. broker research, industry experts) and information from external data providers. With a combination of proprietary ESG/impact analysis and external data, qualitative and quantitative assessments are created based on the sources and processes described above, which are used to assess the positive added value and the ability to invest in them. The impact analysis is based on quantitative and qualitative data. All impact-related information is recorded in an internal database.

The underlying investments of this Fund do not take into account the EU criteria for environmentally sustainable economic activities; however, due to the combination of the four global challenges/structural issues with the taxonomy objectives, the investments can contribute in particular to the objectives of climate change mitigation and adaptation to climate change.

#### d) “Investment strategy”

The Fund aims to achieve reasonable performance, taking into account the sustainable investment objective (within the meaning of Article 9 of the Disclosure Regulation).

The Fund is based on a transparent and stringent investment process. The entire process is characterised by interdisciplinary cooperation between several parties from the fund management and ESG office.

On the equity side, the strategy focuses on fundamental individual stock selection (bottom-up approach), taking into account sustainability-relevant top-down trends. In addition to in-depth internal analysis, research from external data providers is used to understand the sustainability profile of a company and its products and services. On the bond side, after applying exclusion criteria, the sustainability analysis is based on the integration of sustainability aspects into the issuer analysis and the identification of the positive contribution to solving global challenges or fields of action (“positive impact”). In addition to in-depth internal analysis, research from external data providers is used to understand the sustainability profile of an issuer and its products and services or the projects it finances.

Good governance practices of the investee companies are evaluated on the basis of the following elements of the investment strategy:

- Application of norms-based ESG exclusion criteria and monitoring ESG controversies with the exclusion of companies directly related to ongoing particularly serious ESG controversies, including governance practices and compliance with international norms based on Berenberg Wealth and Asset Management ESG principles and ESG exclusion criteria
- Engagement with portfolio companies associated with serious ESG controversies on the basis of Berenberg Wealth and Asset Management Engagement principles
- ESG analysis based on internal research, exchanges with companies and data from external ESG data providers, including governance practices
- Submission of recommendations to the investment company for voting at general meetings of portfolio companies on the basis of the Berenberg Wealth and Asset Management Proxy Voting Policy
- Overall level of ESG transparency and openness to dialogue, assessed as part of the Berenberg Net Impact Model
- ESG/impact-related strategy and credibility of the company assessed under the Berenberg Net Impact Model.

#### e) “Distribution of Investments”

The asset allocation of the Fund and to what extent the Fund may assume direct or indirect exposures to companies can be found in the Terms and Conditions of Investment.

This Fund aims to make sustainable investments as defined in Article 9 of the Disclosure Regulation. The minimum share of sustainable investments is 51%.

The Fund has a minimum share of 1% of sustainable investments with an environmental objective in economic activities that do not qualify as environmentally sustainable according to the EU Taxonomy.

The Fund has a minimum share of 1% of sustainable investments with a social objective.

The “Non-sustainable investment” category includes cash holdings and investments in products used for hedging purposes. For “Non-sustainable investments” that are not covered by the Fund's sustainability strategy, there are no binding criteria for taking environmental and/or social protection into account. This is also due to the nature of the assets in which, at the time of drawing up these contractual documents, there are no legal requirements or customary procedures for implementing minimum environmental and/or social protection for such assets.

## f) “Monitoring of the sustainable investment objective”

The sustainable investment objective pursued by the Fund and the sustainability indicators used to measure the sustainable investment objective are:

- (a) upon creation of a fund intended to be classified as an Article 9 fund under the Disclosure Regulation,
- (b) in the event of a fund being transferred from another management company/AIFM, or
- (c) in the event of a classification being changed to an Article 9 fund

initially subjected to a qualitative review by Universal Investment's ESG Office on the basis of the strategy pursued.

The Fund's individual sustainability strategy is contractually agreed and disclosed in the pre-contractual documents. Compliance with the investment limits on the basis of the individual sustainability strategy is measured and monitored daily by the Investment Controlling of the Management Company/AIFM and by the Portfolio Manager for outsourced portfolio management mandates.

Both MSCI data and proprietary research by the portfolio manager or third-party data are used, whereby the portfolio managers' research is reviewed by investment controlling.

The monitoring of outsourced portfolio managers is initially carried out when the portfolio managers are connected and on an ongoing basis – e.g. by means of specific ESG reports. External controls are carried out on a regular basis by the national supervisory authority when reviewing the annual reports and at state level.

## g) “Methods”

Sustainable investments are calculated based on revenue.

The following sustainability indicators are used to measure the attainment of the sustainable investment objective:

- Net impact score for each portfolio position derived from the proprietary Berenberg Net Impact Model
- Minimum revenue threshold in at least one of the four structural investment themes demography & health, climate change, sustainable growth & innovation and responsible use of resources
- Percentage of the market value of the portfolio invested in companies with severe violations of global norms and conventions (incl. ILO Standards, UN Global Compact Principles, OECD Guidelines for Multinational Enterprises)
- Percentage of the market value of the portfolio invested in companies directly related to ongoing particularly serious ESG controversies
- Share of portfolio companies (as a %) in terms of ESG controversies
- Percentage of the market value of the portfolio invested in companies participating in excluded business activities.

There may be restrictions on obtaining data from data providers such as MSCI ESG and RepRisk if they do not cover the complete universe of relevant companies or have data errors and/or methodological deficiencies. However, the in-house ESG and impact analysis, including potential further direct contacts with companies to source information, reduces the impact of such restrictions to achieve the sustainable investment objective.

## h) “Data sources and processing”

Data from MSCI ESG Research, IVOX Glass Lewis and RepRisk is used to measure the attainment of the sustainable investment objective.

- Exclusions and controversy monitoring based on data provided by MSCI ESG Research.
- ESG and impact opportunity and risk analysis is based on internal research, exchanges with companies, and data from external data providers, including MSCI ESG Research and others, such as RepRisk.
- Providing recommendations for voting at general meetings based on analysis provided by IVOX Glass Lewis.
- Due diligence is carried out as part of the data sourcing process in the selection of data providers by technical and technical experts, including the assessment of the portfolio coverage and the benchmark universe, review of underlying models and frameworks of providers, as well as the comparison of vendor data with internal analysis and valuations.
- In the event of material changes to the underlying data and/or data issues, the data provider is contacted and the respective matter discussed.
- Data is automatically integrated into internal systems for portfolio management and monitoring purposes.
- In the event of relevant ESG controversies, an internal analysis and evaluation of the associated data/information is carried out.
- As part of ESG and impact opportunities and risk analysis, relevant data/information is aggregated from internal research, exchanges with companies and data from external ESG data providers.
- Estimated data may be required (e.g. when a company does not provide relevant reporting) and can be obtained directly from data providers. As coverage and methods change and evolve, the proportion of estimated data cannot be given reliably.

## i) “Limitations on methods and data”

There may be restrictions on obtaining data from data providers such as MSCI ESG and RepRisk if they do not cover the complete universe of relevant companies or have data errors and/or methodological deficiencies. However, the in-house ESG and impact analysis, including potential further direct contacts with companies to source information, reduces the impact of such restrictions to achieve the sustainable investment objective.

## j) “Due diligence”

The assets underlying the Fund are managed exclusively in the interests of the investors and in accordance with the strict legal requirements by the Management Company/AIFM.

Prior to the acquisition of the assets, portfolio management checks whether the asset can be acquired in accordance with the legal and contractual requirements. Effective arrangements are taken by defining and applying written policies and procedures to ensure that investment decisions taken on behalf of the Fund are consistent with its objectives, the investment strategy and, as applicable, the risk limits.

Once the assets have been acquired, another corresponding daily review is carried out by the Investment Controlling of the Management Company/AIFM and on an ongoing basis by the Asset Manager. The internal control of these due diligence obligations is carried out in the Risk Controlling department and at a downstream level by the internal audit department. The monitoring of outsourced portfolio management companies is carried out by means of ISAE or comparable reports. These reports are evaluated by specialists of the Management Company/AIFM as part of outsourcing controlling.

Before starting business activities in new products or in new markets, including the acquisition of assets, a new product process of the Management Company/AIFM will ensure that the associated risks and the effects on the overall risk profile of the Fund are adequately recorded, measured, monitored and managed. The Management Company/AIFM, the asset manager (if the investment decision is outsourced) or, if applicable, an appointed investment adviser, take into account the sustainability risks and – at their company level – the principal adverse effects of investment decisions on sustainability factors when fulfilling their duties.

The underlying assets of the Fund are under the independent control of the Depositary. Other external controls are carried out on a regular basis by auditors and at government level by the national supervisory authority.



#### k) "Participation policy"

The investment management company's participation policy (engagement) is exercised in the form of the exercise of voting rights. In order to safeguard the interests of the investors in the managed funds and to fulfil the associated responsibility, the capital management company exercises the shareholder and creditor rights from the shares held in the managed funds within the meaning of the investors. Decision-making criteria for exercising or not exercising voting rights are the interests of the investors and the integrity of the market as well as the benefits for the investment fund in question and its investors.

The asset management company sets its voting behaviour on the basis of BVI's "Analysis Guidelines for Shareholders' Meetings" that are considered to be ESG-compliant, which form the basis for responsibly handling investors, capital and rights as an industry standard.

When voting abroad, the asset management company uses Glass Lewis's country-specific guidelines that take into account the local framework conditions. In addition, the Glass Lewis "Environmental, Social & Governance ("ESG") Initiatives" guidelines are applied to the specific country guidelines and take precedence. The application of these guidelines ensures that voting takes place on a country-specific basis according to the criteria of transparent and sustainable corporate governance policies as well as other criteria from the environmental and social fields which focus on the long-term success of the businesses in which the investment funds are invested (i.e. "portfolio companies").

These voting standards are based on the interests of the funds managed by the asset management company and are therefore generally applied to all funds, unless it is necessary to deviate from these voting guidelines for individual funds in the interests of the investors, the market integrity or the benefit of the respective investment fund.

The capital management company publishes the principles of its participation policy and an annual participation report on its website.

The asset manager (if portfolio management is outsourced) or an appointed investment advisor, if applicable, may take further measures as part of their company-related engagement activities to fulfil environmental and/or social characteristics. However, this engagement will not take place on behalf of the Fund.

#### l) "Attainment of the sustainable investment objective"

In order to achieve the sustainable investment objective of the Fund, no index was defined as the benchmark.

#### m) "Status and document version"

Version	Date	Description
1.0	1 January 2023	Initial version