

Principal adverse impacts of investment decisions on sustainability factors (Articles 4 SFDR).

Since we offer portfolio management services and invest in funds and not directly to the companies, we rely on the data provided by fund managers. We have been in contact with our fund managers constantly and have concluded that considering the lack of data available, different methodologies used for replacing missing data, and inconsistency in providing needed data, at the present moment, we are not able to prudently perform due diligence taking into account all metrics of principle adverse impacts as part of our investment process in accordance with the rules of Article 4 of SFDR.

We make investment decisions based on our investment principles under which we consider a number of metrics and indicators when investing (read more here: <https://www.grunfin.com/sustainability>). Five of the considered metrics by us (see Table 1) are equivalent or similar to the corresponding PAI-s under the SFDR. Nevertheless, we currently rely on the MSCI methodology and data, which means that, the applied methodology and sources of data as well as the definition of the respective metrics might not be identical when compared to the SFDR regulation

We carefully consider developments in this respect and upon seeing adequate improvements in data quality we will start disclosing it and integrate all PAI-s in our investment process. Considering the above, Grünfin as of 30.06.2023 does not comply fully with the principal adverse impacts of investment decisions on sustainability factors according to the rules laid down in SFDR Article 4.

Table 1. Limited metrics taken into consideration in investment process.

Name of the metric	Source of Data
Weighted average carbon intensity (tCO ₂ e / \$m sales)	based on MSCI methodology and data
Green vs. Fossil Fuel-Based Revenue	based on MSCI methodology and data
Violation of the UN Global Compact (UNGC) principles	based on MSCI methodology and data
The weighted average of female board members	based on MSCI methodology and data
Direct or indirect involvement in landmines, cluster munitions or biological, chemical, depleted uranium, blinding laser weapons, incendiary weapons, and/or non-detectable fragments.	based on MSCI methodology and data