



BayernInvest ESG Reporting Glossary

Quick Facts

Portfolio ESG Rating

ESG Ratings	What it means
AAA AA	Leader The companies that the fund invests in show strong and/or improving management of financially relevant environmental, social and governance issues. These companies may be more resilient to disruptions arising from ESG events.
A BBB BB	Average The fund invests in companies that show average management of ESG issues, or in a mix of companies with both aboveaverage and below-average ESG risk management.
B CCC	Laggard The fund is exposed to companies that do not demonstrate adequate management of the ESG risks that they face, or show worsening management of these issues. These companies may be more vulnerable to disruptions arising from ESG events.

Portfolio ESG Scores

Fund ESG Quality Score	Fund ESG Rating
8.6* - 10	AAA
7.1 - 8.6	AA
5.7 - 7.1	A
4.3 - 5.7	BBB
2.9 - 4.3	BB
1.4 - 2.9	B
0.0 - 1.4	C

United Global Compact Compliance

The percentage of portfolio's market value exposed to companies in violation of the UN Global Compact principles; the UN Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption enjoy universal consensus.

Business Involvement Exposure

The percentage of portfolio's market value exposed to companies flagged for one or more standard SRI exclusion factors (alcohol, civilian firearms, gambling, weapons, cluster bombs, landmines, nuclear power, GMOs, and tobacco). Please see the next section (Screen Definition) for further details.

Exposure to Sustainable Impact Themes

Based on a portfolio's exposure to companies whose core business model is tied to activities that address the world's social and environmental challenges.

20-100%	Very High exposure to sustainable impact themes
10-20%	High exposure to sustainable impact themes
5-10%	Moderate exposure to sustainable impact themes
1-5%	Low exposure to sustainable impact themes
0-1%	Negligible exposure to sustainable impact themes






ESG Rating Distribution (%)

The percentage of portfolio's market value exposed to ESG Rating:

The Fund ESG Rating is calculated as a direct mapping of "Fund ESG Quality Score" to letter rating categories. The Portfolio ESG Quality Score measures the ability of underlying holdings to manage key medium- to long-term risks and opportunities arising from environmental, social, and governance factors.

yourSRI Diamonds

The yourSRI diamonds represent the ESG performance of a fund compared to the peer group.

yourSRI Diamonds	Peergroup
	Top 20%
	21-40%
	41-60%
	61-80%
	Bottom 20%

Benchmark

The funds investment universe defined by selective equity and bond indexes.

Peer Group

The fund peer group as defined by the Lipper Global Classification.

Classification

The Global Industry Classification Standard (GICS®). The industry classification used to map portfolio holdings for sector breakdown.

Coverage

Percent by weight of a portfolio's holdings that have ESG data.

Holding Date

Latest holding date for the portfolio

Ranking - Global Percentile

The Portfolio ESG Score - Global Percentile is a percentile rank (1-100) that measures how the Portfolio ESG Score ranks relative to all funds in yourSRI coverage.

Ranking - Peer Percentile

The Portfolio ESG Score - Peer Percentile is a percentile rank (1-100) that measures how the Portfolio ESG Score ranks relative to funds in the same peer group.

ESG Rating Momentum (%)

The percentage of portfolio's market value with a positive resp. negative ESG rating trend (upgrade resp. downgrade) in the year prior to the most recent ESG rating.

ESG Leaders & Laggards (%)

The percentage of portfolio's market value with an ESG rating of ESG Leaders: AAA or AA (best in class relative to peers). ESG Laggards: B or CCC (worst in class relative to peers).

Climate Impact – Carbon Footprint:

Portfolio Carbon footprint are the emissions of the portfolio in total as tons CO₂ estimated resp kg CO₂ estimated. We compare the Carbon footprint for transparency reasons with every day examples (e.g. Carbon Footprint of a flight from Munich to Paris).

Portfolio ESG Scores

Portfolio Environmental Score

A portfolio's Environmental Score measures holdings' management of and exposure to key environmental risks and opportunities.

Portfolio Social Score

A portfolio's Social Score measures holdings' management of and exposure to key social risks and opportunities.

Portfolio Governance Score

A portfolio's Governance Score measures holdings' management of and exposure to key governance risks and opportunities.

Controversies

Controversies

Provides consistent assessments of ESG controversies involving the portfolio's companies. It assesses the impact of company operations and/or products and services that allegedly violate national or international laws, regulations, and/or commonly accepted global norms.

Controversies - Signals

The severity of the assessment is signalled through color-coded alerts. Red indicates at least one very severe controversy. Orange indicates one or more major controversies that approach the criteria for a red flag. Yellow indicates noteworthy controversies. Green indicates either less significant controversies or none at all.

Controversies Coverage

Percent by weight of a portfolio's holdings that have controversy data

Controversies, Environmental (%)

The percentage of portfolio's market value exposed to companies facing one or more Environmental controversies related to Energy & Climate Change, Land Use & Biodiversity, Toxic Spills & Releases, Water Stress, or Operational Waste.

Controversies, Social - Customer (%)

Part of the Social Pillar, the percentage of portfolio's market value exposed to companies facing one or more customer-related controversies related to Anticompetitive Practices, Customer Relations, Market & Advertising, Privacy & Data Security, or Product Safety.

Controversies, Social - Human Rights & Community

Part of the Social Pillar, the percentage of portfolio's market value exposed to companies facing one or more Severe or Very Severe Human Rights and Community controversies related to Impact on Local Communities, Civil Liberties, or Human Rights.

Controversies, Social - Labor Rights & Supply Chain

Part of the Social Pillar, the percentage of portfolio's market value exposed to companies facing one or more Severe or Very Severe Labor controversies related to Child Labor, Collective Bargaining, Discrimination, Health & Safety, Labor Management, or Supply Chain Labor Standards.

Controversies, Governance (%)

The percentage of portfolio's market value exposed to companies facing one or more Severe or Very Severe Governance controversies related bribery, fraud, controversial investments, and governance structures.

Business Involvement Screening

Adult Entertainment

The recent-year percent of revenue, or maximum estimated percent, a company has derived from producing, directing, or publishing adult entertainment materials that fall into the following categories: Producer of X-rated films, Producer of Pay-per-view programming or channels, Producer of sexually explicit video games, Producer of books or magazines with adult content, Live entertainment of an adult nature, Producer of adults-only material on the internet.
Threshold: 5%

Alcohol

The recent-year percent of revenue, or maximum estimated percent, a company has derived from manufacture of alcoholic products.
Threshold: 5%

Cluster Munitions

Companies that manufacture cluster munitions whole weapons systems, components, or delivery platforms. Threshold: none (any company)

Gambling Operations

The recent-year percent of revenue, or maximum estimated percent, a company has derived from ownership or operation gambling facilities such as casinos, racetracks, bingo parlors, or other betting establishments, including: horse, dog, or other racing events that permit wagering; lottery operations; online gambling; pari-mutuel

wagering facilities; bingo; pachislot and pachinko parlors; slot machines; Jai-alai; mobile gambling; and sporting events that permit wagering.
Threshold: 5%

Gambling Support

The recent-year percent of revenue, or maximum estimated percent, a company has derived from providing key products or services fundamental to gambling operations, including: slot machines, roulette wheels, or lottery terminals; gambling technology and support such as IT maintenance, software design, security or surveillance systems, lottery ticket printing, gambling-related services such as credit lines, casino management and consultation.
Threshold: 5%

Genetic Engineering

Companies involved in the production of genetically modified organisms, any kind. Threshold: none (any company)
Landmines
Companies that manufacture landmines whole systems or components. Threshold: none (any company)

Landmines

Companies that manufacture landmines whole systems or components. Threshold: none (any company)

Nuclear Power (Supplier)

The recent-year percent of revenue, or maximum estimated percent, a company has derived from supplying key nuclear-specific products or services to the nuclear power industry.
Threshold: 15%

Nuclear Power (Utility)

Companies that own or operate nuclear power plants. Threshold: none (any company)

Tobacco

Companies that manufacture tobacco products, such as cigars, blunts, cigarettes, beedis, kreteks, smokeless tobacco, snuff, snus, and chewing tobacco. This also includes companies that grow or process raw tobacco leaves.
Threshold: none (any company)

Weapons (Biochemical)

The recent-year percent of revenue, or maximum estimated percent, a company has derived from the manufacture of chemical or biological weapons and related systems or components.
Threshold: none (any company)

Weapons (Civilian Firearms Producer)

Companies that manufacture firearms and small arms ammunitions for civilian markets. The research does not cover companies that cater to the military, government, and law enforcement markets.
Threshold: none (any company)

Weapons (Systems & Components)

The recent-year percent of revenue, or maximum estimated percent, a company has derived from weapons systems, components, and support systems and services.
Threshold: 5%

Impact Measurement

Sustainable Impact Metrics

Sustainable Impact measures revenue exposure to Sustainable Impact Solutions which reflects the extent to which company revenue is exposed to products and services that help solve the world's major social and environmental challenges. It is calculated as a weighted average, using portfolio weights and each issuer's percent of revenue generated from Sustainable Impact Solutions. Additionally, Sustainable Impact Solutions revenue from companies with negative externalities is excluded.

Negative externalities refer to very severe and severe ESG controversies, ESG Ratings of CCC and B, direct involvement in predatory lending, involvement in controversial weapons, more than 5% revenue from conventional weapons or firearms, and more than 10% revenue from alcohol or tobacco production.

OVERALL

Revenue Exposure to Sustainable Impact Companies (%):

A portfolio's exposure to Sustainable Impact Solutions is the portfolio weighted average of each company's percent of revenue generated by Environmental Impact and Social Impact Solutions goods and services. Additionally, Sustainable Impact Solutions revenue from companies with negative externalities is excluded.

ENVIRONMENTAL

Environmental Impact Companies (%):

A portfolio's exposure to Environmental Impact is the portfolio weighted average of each company's percent of revenue generated by Environmental Impact goods and services. Additionally, Environmental Impact revenue from companies with negative externalities is excluded. The following environmental metrics represent a portfolio's exposure to each theme which is calculated as the portfolio weighted average of each company's percent of revenue generated from goods and services. Additionally, revenue from companies with negative externalities is excluded.

CLIMATE CHANGE

- Energy Efficiency (%)
- Alternative Energy (%)
- Green Building (%)

NATURAL CAPITAL

- Pollution Prevention
- Sustainable Waters

SOCIAL

Social Impact Companies (%):

A portfolio's exposure to Social Impact is the portfolio weighted average of each company's percent of revenue generated by Social Impact goods and services. Additionally, Social Impact revenue from companies with negative externalities is excluded.

The following social metrics represent a portfolio's exposure to each theme which is calculated as the portfolio weighted average of each company's percent of revenue generated from goods and services. Additionally, revenue from companies with negative externalities is excluded.

BASIC NEEDS

- Major Disease Treatment (%)
- Nutrition (%)
- Sanitation Products (%)

EMPOWERMENT

- Affordable Real Estate (%)
- Education (%)
- Social Finance (%)

Sustainable Impact Assessment

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Total Revenue from Sustainable Impact Solutions

This percentage figure identifies the part of companies total revenue that derive revenue from products or services that address at least one of the major social and environmental challenges defined by the UN Sustainable Development Goals (UN SDGs). Using the UN SDGs as a reference.

Fund Overview

Listing of Funds

invested in the portfolio.

Rating Average

invested in the portfolio.

Score Average

ESG Score of the funds holdings.

Peer Percentile

The Percentile ranking of the fund relative to all funds in yourSRI coverage.

Global Percentile

The Percentile ranking of the fund relative to funds in the same peer group.

yourSRI Diamonds

Diamonds representing the ESG quality of the fund.

UNGC (United Nations Global Compact)

Passing or failing United Global Compact Compliance of the funds holdings.

BIS (Business Involvement Screening)

The percentage of funds holdings flagged for one or more standard SRI exclusion factors (alcohol, civilian firearms, gambling, weapons, cluster bombs, landmines, nuclear power, GMOs, and tobacco). Please see the section(Screen Definition for further details).