

Disclosures on sustainability factors in accordance with EU Sustainable Financial Disclosure Regulation (SFDR) 2019/2088

Regulation (EC) 2019/2088 on Sustainable Finance Disclosure Regulation (SFDR), effective from 10.03.2021, lays down harmonized rules for financial market participants and financial advisors on transparency in integrating sustainability risks and examining the adverse effects of sustainability on their processes and providing sustainability information on financial products.

According to this Regulation, "sustainability risk" means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment, while "sustainability factors" means environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

EDEKT SA, as a fiduciary manager, falls under the definition of a financial market participant, while as manager that also provides investment advisory services, falls under the definition of a financial advisor under Regulation (EC) 2019/2088 and therefore has the respective obligations. Specifically, the Company recognizes the importance of incorporating criteria related to sustainability, including criteria related to environmental, social and governance (ESG) factors.

In this context, EDEKT SA joined the Principles for Responsible Investment (PRI) initiative as an "Investment Manager Signatory" in early 2021. The PRI was established with the support of the United Nations and the Economic Initiative of the United Nations Environment Program, to promote responsible investment and to incorporate ESG criteria into investment decisions on a global level. By joining the PRI initiative, EDEKT SA adopts the following principles of responsible investments:

- Incorporate ESG issues into investment analysis and decision-making processes.
- Being active owners and incorporating ESG issues into our ownership policies and practices.
- Seek appropriate disclosure on ESG issues by the entities in which we invest.
- Promote acceptance and implementation of the Principles within the investment industry.
- Work together to enhance our effectiveness in implementing the Principles for Responsible Investing.
- Reporting on our activities and progress towards implementing the Principles for Responsible Investing.

The Company's objective in the long run is the full integration of ESG criteria in its investment processes. As the Company primary activity concerns the provision of fiduciary management services to Social Security Institutions and Occupational Pension Schemes in Greece, the integration and monitoring of sustainability factors in the Investment Process mainly concerns the assessment of such factors in the long-term investment policy, and in the provision of investment advisory services, as well as the implementation of proper due diligence when selecting external managers, either through segregated accounts or through Collective Investments, and ensuring compliance of such with sustainability rules. At the same time, the Company intends to evaluate the incorporation of financial products that promote environmental or social characteristics (according to the definition of article 8 of Regulation 2019/2088), as well as products that have sustainable investment as their objective (according to the definition of article 9 of Regulation 2019/2088), in research and investment advice on long-term investment policy (strategic asset allocation) that it prepares on behalf of clients.

Adverse Effects of Investment Decisions on Sustainability Factors

EDEKT SA states that currently it does not take into account in the investment advice it provides to its clients and in the managed portfolios the main adverse effects of investment decisions on sustainability factors, as presently there is a lack of necessary data for the assessment of such factors. It is the Company's intention to review the integration of the assessment of the adverse effects of investment decisions on sustainability factors in the investment process followed, when the availability and reliability of the necessary data for such factors is deemed sufficient.

Integration of sustainability risks in the Company's remuneration policy

The Company, in the context of its remuneration policy, ensures that the proper and effective management of sustainability risks is promoted, while the remuneration structure does not encourage excessive risk-taking in relation to sustainability risks.