

## Statement on principal adverse impacts of investment decisions on sustainability factors

**MEAG MUNICH ERGO Kapitalanlagegesellschaft mbH („MEAG“) LEI  
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### Summary

In the following, “MEAG”, as well as “MEAG’s asset portfolio” refer to MEAG MUNICH ERGO Kapitalanlagegesellschaft mbH.

MEAG considers the Principal Adverse Impacts (PAI) of its investment decisions on sustainability factors. This statement is the consolidated PAI statement of MEAG.

This PAI statement applies to the reference period from 1 January 2023 to 31 December 2023.

The description of the PAI in the table of the German [MEAG PAI Erklärung](#) refers to the asset classes of: corporate equity, corporate bonds, bonds issued by government related entities, government bonds, sub-sovereign bonds, bonds issued by supranational entities, infrastructure and real estate. The eligibility and coverage figures in the “*Erläuterung*” column pertain to MEAG’s entire asset portfolio, which has a total asset value of around €103 bn (the average from the 4 quarters of 2023). The eligibility figure indicates the share of the assets in the overall portfolio for which the PAI indicator is relevant. The coverage figure indicates the share of the assets in the portfolio for which the relevant data are available.

The following calculation method is applied for the single PAI indicators: For the definition of the denominator (“current value of all investments”) only those investments are considered, for which (1) the respective PAI indicator is relevant and (2) data is available. This method generally leads to higher PAI values. As calculation methods differ amongst financial market participants (FMPs) a comparison of the MEAG PAI values to the ones from other FMPs is only meaningful to a limited extent.

For further details on how PAI are calculated, see „MEAG PAI Erklärung“ - Section entitled: *Beschreibung der Strategien zur Feststellung und Gewichtung der wichtigsten nachteiligen Auswirkungen auf Nachhaltigkeitsfaktoren*.

In addition to the PAI listed in Annex I Table 1 of the Delegated Regulation (EU) 2022/1288 supplementing Regulation (EU) 2019/2088 (DR SFDR), MEAG also considers the additional environmental indicators “Investments in companies without carbon emission reduction initiatives” and “Exposure to areas of high-water stress” and the additional social indicators “Rate of accidents” and “Lack of a human rights policy” as is provided for in the requirements in Art. 6 para. 1 lit. a and b of the DR SFDR. These indicators are explained in more detail in Annex I Table 2 no. 4 and 8 and Table 3 no. 2 and 9. The selection of these additional indicators is based on MEAG’s view that the reduction of carbon emissions to fight climate change is one of the biggest global problems in the world today. Next to this, also water scarcity becomes more and more relevant, being closely linked to climate change. With regards to the social indicators, MEAG considers the respect of human rights and safe working conditions of great importance for all industries. In its ESG strategy, MEAG puts particular focus on the topics “climate change” and “human rights”.

When taking the PAI into account in its investment process, MEAG currently prioritises the PAI indicators of greenhouse gas emissions (“GHG Emissions”), companies active in the fossil fuel sector, activities negatively affecting biodiversity-sensitive areas, violations of UN Global Compact principles and OECD guidelines for multinational enterprises, companies involved in the manufacture or selling of controversial weapons, and countries subject to social violations. Here, the measures taken by MEAG currently focus on setting exclusion criteria, engagement and exercising voting rights, and regular portfolio screenings. MEAG will successively further develop and extend the measures taken to reduce and mitigate PAI.

For the overarching consideration of the PAI in the investment process, see the descriptions in „MEAG PAI Erklärung“ – Section entitled: *Beschreibung der Strategien zur Feststellung und Gewichtung der wichtigsten nachteiligen Auswirkungen auf Nachhaltigkeitsfaktoren*.

Date of publication: June 25, 2024