

# P R O S P E C T U S

for

## Dynamik Invest

Investment fund in accordance with §§ 2 (1) and (2) in  
conjunction with 50 Investment Funds Act 2011  
(hereinafter "InvFG")  
(UCITS)

of

**KEPLER-FONDS**

**Kapitalanlagegesellschaft mbH**

4020 Linz, Europaplatz 1a  
(hereinafter "Management Company")

|                |  |
|----------------|--|
| - AT0000A0PDE4 | (ISIN reinvested EUR)                                |
| - AT0000A1DW11 | (ISIN reinvested EUR – for institutional investors)* |

\* The acquisition of this tranche is only permitted if at least EUR 500,000 is invested per investor or no portfolio commission is paid out of the management fee for this share class, but the costs of the advice can be charged directly to the investor by the respective service provider in accordance with his individual agreement.

This prospectus was prepared in June 2024 according to fund regulations issued pursuant to the provisions of the Investment Fund Act (InvFG) 2011 (in force since **01 June 2022**). The prospectus will come into force on **June 21<sup>st</sup> 2024**.

This Prospectus is supplemented by the last available annual report or semi-annual report. Every acquisition or sale of shares is based on this Prospectus, including the fund regulations attached to this prospectus as an appendix and the last published annual or semi-annual report.

The Key Information Document must be made available free of charge to the investor well in time before the offered subscription of the shares. On request the currently valid prospectus, the fund regulations,

the annual report and the semi-annual report will be made available by the management company free of charge. The documents referred to, together with the Key Information Document, can be downloaded from the website [www.kepler.at](http://www.kepler.at) in German. The documents mentioned are also available at the depositary bank as well as the sales outlets listed in the appendix to this Prospectus.

### **Sales restriction**

The units issued under this fund may only be publicly offered or sold in countries in which such public offers or sales are permitted. Unless an announcement has been made to the local supervisory authorities by the management company or a third party commissioned by it, unless a permit has been obtained from the local supervisory authorities, and unless such an announcement or approval exists, this is not regarded as an offer to acquire investment fund units.

The investment fund cannot be acquired for taxpaying investors in the countries of Finland, Italy, Japan, Portugal and Serbia.

**The investment fund has not been registered according to the relevant legal requirements in the USA. Units of the investment fund are not therefore intended for sale in the United States or for transfer to any US citizens (or those who are permanent residents there) or to partnerships or corporations established there according to the laws of the USA.**

### **NOTE:**

The investment fund has been registered properly with the IRS (Internal Revenue Service = US tax authority) and meets the registration obligations associated with FATCA (= a US law aimed at preventing the reduction taxes by US taxpayers through financial institutions established abroad or other non-US legal structure). The investment therefore has the status of "FATCA compliant". The GIIN ("Global Intermediary Identification Number") allocated to the investment fund is therefore available to the management company and is made known to the investor on request.

## SECTION I – INFORMATION ABOUT THE MANAGEMENT COMPANY

### 1. Information concerning the management company with an indication of whether the Management Company is established in a Member State other than the Member State of origin of the investment fund

#### 1.1. Name or style, legal form, registered office and head office if this does not coincide with the registered office

The management company of the investment fund described in more detail in this prospectus is KEPLER-FONDS Kapitalanlagegesellschaft mbH with its registered office at 4020 Linz, Europaplatz 1a.

The management company is established in no Member State other than the Home Member State (Austria) for this investment fund.

KEPLER-FONDS Kapitalanlagegesellschaft mbH is a management company within the meaning of Federal Act on Investment Funds (InvFG). It has the legal form of a limited liability company (Ges.mbH), it is subject to the Austrian legal system and is registered with the Linz Commercial Court of Registration under company register number FN 169380p.

#### 1.2. Date of incorporation of the company

KEPLER-FONDS Kapitalanlagegesellschaft mbH was founded on 1 April 1998 and was established for an indefinite period.

### 2. List of all investment funds managed by the Company

For this information please refer to the Appendix to this Prospectus.

### 3. Management

Dir. Andreas Lassner-Klein, Dir. Dr. Michael Bumberger

The current composition of the management can be found at [www.kepler.at](http://www.kepler.at) (imprint).

### 4. Supervisory Board

VDStv. Prok. Mag. Christian Ratz (Vorsitzender), GD Mag. Klaus Kumpfmüller (Vorsitzender Stellvertreter), Prok. Mag. Serena Denkmaier, Prof. Dr. Teodoro Cocca, Prok. Gerhard Lauss, Mag. Thomas Pointner

The current composition of the Supervisory Board can be found at [www.kepler.at](http://www.kepler.at) (Imprint).

### 5. Information on other main functions of the members of the management and supervisory board

For this information please refer to the Appendix to this Prospectus.

### 6. Share capital

The share capital of the Company amounts to EUR 7.412.168,19.

### 7. Remuneration policy

In the course of implementing the regulations concerning remuneration policy and practice as stipulated in §§ 17a to 17c of the Investment Fund Act, § 11 of the Alternative Investment Manager Act and Annex

2 to § 11 of the Alternative Investment Manager Act, KEPLER-FONDS KAG ("KAG") has issued the "The KEPLER-FONDS KAG Remuneration Policy and Practice Principles" ("Remuneration Guidelines"). These contain rules governing general remuneration policy, as well as those applying to personnel identified pursuant to §§ 17a of the Investment Fund Act, § 11 of the Alternative Investment Manager Act ("risk bearers") and in addition establish the circle of such risk bearers. The Remuneration Guidelines also incorporate rules for the appropriate determination of fixed and variable salaries, voluntary retirement pension and other social benefits, rules for the allocation and payment of variable emoluments and the related performance assessment.

These guidelines ensure that the remuneration policy and practice of KAG are both compatible with and conducive to solid and effective risk management, and do not encourage the acceptance of risks that are incompatible with the risk profile or the terms of the portfolio that the fund administers. At all times a solid and balanced business approach has been emphasized to bring environmental protection, social responsibility, good corporate governance and economic success into accordance. This is ensured especially by performance criteria and the risk management process.

The Remuneration Guidelines conform with the business strategy, objectives, values and interests of KAG, the portfolio that it administers and its stockholders by means that include the employment of risk-relevant performance criteria and comprehensive measures for the avoidance of conflicts of interest.

The fixed and variable salary components are established on the basis of the Remuneration Guidelines. Total emoluments are in keeping with the market and financeable.

The fixed salary represents remuneration that does not fluctuate in accordance with the performance of the company (financial result) or the employee in question (attainment of individual targets). The decisive criteria for the calculation of the fixed salary are educational qualifications, length of service, professional experience, special (professional) competence, the specific assignment and the related and accepted responsibilities.

In terms of total remuneration, there is an appropriate balance between the fixed and any variable salary elements that enables every employee to enjoy a reasonable standard of living on the basis of the fixed income.

Preconditions for the payment of variable salary components are an adequate overall result of KAG and sufficient financing. As a rule, a poor or negative KAG result leads to a considerable reduction of the entire variable remuneration.

The KAG Supervisory Board is responsible for the agreed version of the Remuneration Guidelines, the ongoing examination, realisation and monitoring of related compliance, as well as the determination of the variable salary elements of the executive management.

The Salaries Committee is responsible for the preparation of Supervisory Board resolutions and the examination of the payments to the higher management grades in the areas of risk management and compliance.

The details of the Remuneration Guidelines, as well as the composition of the Salaries Committee can be called up from KAG's Internet website under [www.kepler.at](http://www.kepler.at) (menu "Service", sub-menu "Infocenter", sub-menu "Downloads", category "Sonstige Informationen"). Upon request, a free version on paper will be provided.

## **8. The management company has delegated the following activities to third parties**

To Raiffeisenlandesbank Oberösterreich Aktiengesellschaft, Europaplatz 1a, 4020 Linz:

- Keeping of records
- Financial and accounting system (accounting), including reporting system (reporting)
- Internal auditing
- Activities relating to the control of money laundering and the financing of terrorism
- Compliance (misuse of the market, employee business, compliance training courses, conflict reporting register, investor complaints)

- Administration of user authorisations

The management company wishes to point out that it has delegated tasks to a company closely associated with it, i.e. an associate company within the meaning of Art. 4 (1) Z 38 VO (EU) 575/2013.

To EQS Group GmbH, Siebensterngasse 31/8, 1070 Vienna: Implementation of the procedure for receiving reports of infringements and their follow-up according to § 99g BWG.

Electronic data processing and IT to the

- RAITEC GmbH, Goethestraße 80, 4020 Linz (IT Infrastruktur, Simcorp Dimension, UnRisk, Website)
- Bloomberg Finance L. P., 731 Lexington Avenue, New York, NY 10022 United States (Bloomberg)
- MSCI Limited, Ninth Floor, Ten Bishops Square SW19 London, E1 6EG, United Kingdom (BarraOne)
- StatPro Group Limited, Mansel Court, Mansel Rd. Wimbledon London SW19 4AA, United Kingdom (StatPro Seven)

## 9. Financial year

The financial year is the calendar year (1 January to 31 December).

## 10. Partners (who exercise or are able to exercise a controlling influence directly or indirectly)

|             |   |
|-------------|---|
| Directly:   | Raiffeisenlandesbank Upper Austria Aktiengesellschaft, Linz<br>Oberösterreichische Landesbank Aktiengesellschaft, Linz<br>Oberösterreichische Versicherung Aktiengesellschaft, Linz |
| Indirectly: | Raiffeisen Banking Group Upper Austria Verbund registered cooperative, Linz<br>HYPO Holding GmbH, Linz Oberösterreichische Landesholding GmbH, Linz                                 |

## SECTION II - INFORMATION ON THE INVESTMENT FUND

### 1. Name of the investment fund

The investment fund bears the name **Dynamic Invest** and is an investment fund in accordance with §§ 2 (1) and (2) in conjunction with 50 InvFG and Directive (EU) 2009/65/EC ("UCITS Directive") as defined in Directive 2014/91/EU (UCITS V).

### 2. Date of founding of the investment fund and indication of term if this is limited

**Dynamic Invest** was launched on **31 May 2011** for an indefinite period.

### 3. Brief information on the tax regulations that apply to the investment funds if they are of importance to the unit holder. Indication of whether deductions at source are on the incomes and capital gains obtained by the unit holders from the investment fund.

#### TAX TREATMENT of investors in Austria with unlimited tax liability

##### (Legal) Notice:

The tax information is based on the currently known legal situation. It refers to persons in Austria with unlimited income tax liability or unlimited corporation tax liability. The tax implications also depend, among other things, on the individual circumstances of each investor and may be subject to future changes. No guarantee can therefore be given that the tax assessment will remain unchanged through legislation, court rulings or other legal acts of the tax authorities. For these reasons we recommend that advice be sought from a tax expert before the acquisition or sale of investment fund units and that the personal tax consequences of such an acquisition or sale of investment fund units be clarified.

Detailed information on the tax treatment of dividends and incomes equivalent to dividends is contained in the statement of accounts.

The following comments relate essentially to portfolio managements in this country.

#### Determination of income at investment fund level

The incomes from an investment fund are composed essentially of ordinary and extraordinary incomes. Ordinary incomes are understood to include essentially incomes from interests and dividends. Expenses incurred in connection with the investment fund (e.g. management fees, auditor's costs) reduce the ordinary incomes.

Extraordinary incomes are profits from the realisation of assets (essentially from shares, receivable securities and associated derivatives), balanced with losses suffered. Losses carried forward and any expense carry-over also reduce current profits. Any loss carry-over can be offset against the ordinary incomes.

Unrecognised losses may be carried forward for an unlimited period.

## Private assets

### **Full tax settlement (final taxation), no tax return obligations on the part of the investor**

If the dividend derives from capital gains subject to capital gains tax (CGT), and if the recipient of the dividend is subject to capital gains tax, capital gains tax in the amount legally prescribed for these incomes is deducted from the dividend (intermediate dividend) of an investment fund paid to unit holders by the Austrian paying agent. Under the same condition "payouts" from reinvestment funds are withheld as CGT for the dividend-equivalent income included in the unit value (except for fully reinvested investment funds).

The private investor has in principle no tax return obligations to meet. All the tax obligations of the investor are settled with the capital gains tax deduction. The capital gains tax deduction has the full effects of final taxation as far as income tax is concerned.

### **Exemptions from final taxation**

There are exemptions from final taxation:

- a) for CGT II-exempt debt securities included in the fund assets (so-called old issues) if no option declaration has been issued. Such income shall remain subject to tax returns;
- b) for securities included in the fund assets deducted by the Austrian tax authorities unless benefits from the Double Taxation Treaty (DBA/DTT) are claimed. Such income must be entered in the income tax return in the column "In addition to the income listed, income has been earned for which the taxation right based on a double taxation agreement is assigned to another state";

In this case, however, the recognition of CGT deducted for this or its reclamation is possible according to § 240 BAO.

### **Taxation at investment fund level**

The ordinary income from the Investment Fund (interests, dividends) is subject to deduction of expenses of the 27.5 % CGT. Exchange losses suffered (after previous balancing with the realised exchange gains) and new losses carried forward (losses from fiscal years which began in 2013) also reduce the ordinary income.

At least 60 % of all realised income, even if this includes reinvested extraordinary income, is also subject to 27.5 % CGT. If dividends are paid on the capital gains realised, these are fully taxable (for example, if 100 % dividend is paid, 100 % is taxable; if 75 % dividend is paid, 75 % is taxable).

### **Taxation at unit certificate holder level**

Sale of the investment fund unit:

For investment fund units acquired before 1 January 2011 (old units) the one-year speculation period shall continue to apply (§ 30 of the Income Tax Act as amended before the 2011 Ancillary Budget Act). These units are no longer taxable at the present time.

Investment fund units acquired from 1 January 2011 (new units) shall be subject – regardless of the retention period –, in the event of the sale of units, to taxation of the increase in value realised. The taxation will be imposed by the portfolio managing institution which increases the acquisition value tax amortised on the difference between the sale proceeds (acquisition costs are increased by dividend-equivalent income and reduced by tax-free sales) at 27.5 % CGT.

### **Loss relief at portfolio level of the unit certificate holder:**

Since 1 April 2012 the portfolio managing bank has had to offset **exchange rate gains and losses, as well as income** except old stock coupons, interest income from cash deposits and savings deposits) from all types of securities from all the portfolios of a single holder within a credit institution within one calendar year (so-called loss relief). However, the maximum that can be credited is the CGT already

paid. Any further losses not compensated for by (further) profits or income in the calendar year will lapse. Carrying a loss beyond the calendar year is not possible.

Investors whose income tax rate is below 27.5 % are able to be taxed on all capital gains which are subject to the tax rate of 25 % and 27.5 % respectively, as part of the income tax return at the correspondingly lower income tax rate (Regular taxation option). A deduction of acquisition costs (e.g. portfolio expenses) is not possible in this case. He previously deducted capital gains tax is refundable within the framework of the tax return. If the taxpayer only requires a loss relief within the capital gains taxed at 27.5 % he exercise the **loss relief option**, separately from the standard taxation option. The same applies in cases where relief obligations may be undertaken on the basis of the DTT (Double Taxation Treaty). The disclosure of all the capital gains subject to final taxation is not required for this.

## **Business assets**

### **Taxation and tax liability on units held as business assets by natural persons**

For natural persons who receive income from capital assets or business activities (Individual proprietors, partners), the income tax on income subject to CGT (interests from debt securities, domestic and foreign dividends and other ordinary income) shall be considered to have been settled by the CGT deduction.

Dividends (interim dividends) from capital gains deriving from domestic investment funds and dividend-equivalent capital gains deriving from foreign sub-funds were subject to tax payable in financial years beginning in 2012 at the standard rate, after which the 25 % special rate 27.5 % for taxable income from 1 January 2016) was applied (assessment).

In fund financial years that commenced after 31 December 2012 all exchange rate gains realised in the fund assets are immediately taxable (i.e. tax-exempt reinvestment of capital gains is no longer possible). However, the 27.5 % CGT deduction has no effect on the final taxation, but is only a prepayment on the special income tax rate on the basis of the assessment.

Profits from the sale of the fund unit are also subject, in principle, to the 27.5 % CGT rate. This CGT deduction is again only a prepayment on the special income tax rate to be levied on the basis of the assessment, amounting to 27.5 % (profit = difference between the sales proceeds and acquisition costs, from which must be deducted the dividend-equivalent income already taxed during the retention period or at the time of sale. The dividend-equivalent income must be carried outside the balance in the form of a taxable "extra item" for the period of retention of the investment fund unit. Depreciations of the investment fund unit in corporate law reduce the dividend-equivalent income for the year in question correspondingly).

In the case of portfolios in the business assets a loss relief by the bank is not possible. Offsetting is only possible through the tax return.

### **Taxation in the case of units included in the business assets of corporate bodies**

The ordinary income earned in the investment fund (e.g. interests, dividends) are taxable in principle. However, the following are tax-exempt:

- domestic dividends (the CGT deducted where a contribution is made to the investment fund is refundable)
- Dividends from shares in EU corporations
- Dividends from shares in foreign corporations which are comparable to a national corporation falling under the scope of § 7 (3) of the Corporation Tax Act and with whose country of establishment there is comprehensive official assistance.

Dividends from other countries are subject to Austrian corporation tax.

Other special features of the Corporation Tax Act in relation to dividends are not described here due to their lack of relevance for investment funds.



In the case of fund financial years which began after 31 December 2012, all exchange rate gains realised in the fund assets are taxable immediately, i.e. tax-exempt reinvestment of capital gains is no longer possible.

If no exemption declaration according to § 94, line 5 of the Income Tax Act exists, the paying agent must also withhold capital gains tax from the dividend for units included in the business assets or make payments to the tax office from reinvestment funds as capital gains tax. CGT deducted and paid to the Tax Authority may be offset against the assessed corporation tax or refunded. Profits from the sale of the investment fund unit are subject to corporation tax (for the current tax rate see § 22 (1) resp. (2) Corporation Tax Act). Exchange rate losses or partial depreciations are immediately tax-deductible.

#### **Corporations with incomes from capital assets**

If corporate bodies (e.g. associations) receive income from capital assets, the corporation tax shall be considered to have been settled by the tax deduction. CGT on tax-exempt dividends is refundable.

For incomes received from 1 January 2016 onwards the CGT rate will be increased from 25 % to 27.5 %. For corporations with incomes from capital gains, however, it will remain at the (regular) Austrian corporation tax rate for this income (for the current tax rate see § 22 (1) resp. (2) Corporation Tax Act). If the paying agent does not apply the CGT rate in the amount of corporation tax rate for the taxpayers, the taxpayer may be refunded the excess corporation tax withheld from the tax authority.

If their income is earned in the investment fund, private foundations are in principle subject to the (regular) Austrian corporation tax rate (intermediate tax).

However, domestic dividends (the corporation tax deducted from contributions to the investment fund is refundable) and dividends from shares in EU corporations and from shares in foreign corporations which are comparable to a domestic corporation falling within the scope of § 7 (3) of the Corporation Tax Act and with whose country of establishment there is comprehensive official assistance, are tax-exempt.

Dividends from other countries are subject to Austrian corporation tax.

Other special features of the Corporation Tax Act in relation to dividends are not described here due to their lack of relevance for investment funds.

At least 60 % of all capital gains realised, even though reinvested (exchange rate gains from realised shares and share derivatives, and from bonds and bond derivatives), and are also subject to the corporation tax (intermediate tax). If the capital gains realised are paid in dividend, they are fully taxable (e.g. if 100 % is paid in dividend, 100 % is liable to tax, and if 75 % is paid in dividend, for example, 75 % is liable to tax).

Investment fund units acquired from 1 January 2011 onwards are subject to the taxation on the increase in value realised when the units are sold. The taxation is assessed on the basis of the difference between the proceeds of the sale and the amortised acquisition value of the investment fund units. For the purposes of the tax-amortised acquisition value, incomes taxed during the holding period increase the acquisition costs of the share certificate, whilst dividends and CGT paid reduce the acquisition costs.

#### **4. Qualifying date for the year-end accounts and indication of frequency of dividend payment**

The accounting year (financial year) of the investment fund commences on 1 May and ends on 30 April the following calendar year. The qualifying date for the year-end accounts is therefore 30 April.

The dividend – or if no dividends are paid to the unit holders (reinvested investment fund) – the capital gains tax (CGT) \*) is paid according to § 58 (2) of the Investment Fund Act in conjunction with Article 6 of the Fund Regulations shall be paid from 15 July of the following accounting year (financial year). Intermediate dividends are possible.

The management company must issue a statement of account for each accounting year of the fund, and a semi-annual report for the first six months of each accounting year. After the end of each reporting period the statement of account must be published within 4 months, and the semi-annual report must be published within 2 months.

\*) not for full income-retaining investment funds

## **5. Names of the persons who are commissioned with the auditing of year-end accounts according to § 49 (5) of the Investment Fund Act**

KPMG Austria GmbH, Auditors and Tax Consultants, Kudlichstraße 41, 4020 Linz, has been appointed year-end accounts auditor according to § 49 (5) of the Investment Fund Act.

The natural persons entrusted with the specific audit are indicated in the audit certificate for the financial statement, which can be consulted on the website [www.kepler.at](http://www.kepler.at).

## **6. Indicate of the type and main characteristics of the units**

### **Nature of the right associated with the investment fund unit**

According to the number of their investment fund units, the investors are co-owners of the assets in the investment fund. Each investment fund unit therefore represents a right in rem, namely a co-ownership right, in the fund assets. The value of each co-ownership unit represented is obtained by dividing the total asset value of the investment, including earnings, by the number of units issued. The value of each co-ownership unit is therefore the same within a unit certificate class. Investment fund units are issued in unlimited numbers.

### **Unit certificates as original documents or certificates providing evidence of title**

The unit certificates (certificates) are securities which incorporate co-ownership shares in the asset values of the investment fund and the rights of the investors vis-à-vis the management company and the depositary bank. They must be qualified as financial instruments within the meaning of § 1, line 7, letter c of the Austrian Securities Supervision Act (WAG 2018).

The unit certificates are securitised in global certificates (according to § 24 of the Deposit Act, BGBl. I no. 424/1969 in the current wording) per share certificate class.

With the consent of its supervisory board the management company may split the co-ownership units and must in addition issue unit certificates to the unit holders or convert existing unit certificates to new ones if the management company considers such splitting of the co-ownership certificates to be in the interests of the unit holders due to the amount of the estimated unit value.

### **Unit certificate classes**

Dividend unit certificates and/or reinvestment unit certificates with CGT deduction and/or reinvestment unit certificates without CGT deduction (full income retention) may be issued for the investment fund. Moreover, unit certificate classes may be issued with a different amount of the issue premium and/or with a different currency and/or with a different amount of the management fee.

### **Unit certificates as registered or bearer shares**

The share certificates are bearer shares. The unit certificates may be issued for one or more units or fractions thereof.

### **Voting rights**

No voting rights are associated with the unit certificates.

## **7. Conditions under which the dissolution or termination of the investment fund may be decided upon, and the modalities of the resolution or termination, particularly relating to the rights of the unit holders**

An investment fund may be dissolved for different reasons. Possibly the dissolution of the investment fund may be caused by the termination of the management by the management company or by the transfer of the asset values resulting from a merger or split. The management of the investment fund by the management company shall terminate even when the management company loses its concession to management investment funds or the management is terminated ahead of the decision on its own dissolution. Term funds expire at the end of the period for which the investment fund was launched. In detail, the grounds for dissolution and its conditions are set out as follows:

### **a) Termination of management**

The management company may terminate/end the management of the investment fund under the following conditions:

- i) with the approval of the FMA subject to a notice of (at least) six months by publication of the termination. The FMA may only grant the authorisation if the interests of the unit holders are adequately protected. Publication may then be waived if evidence is produced that all the unit holders have been notified of the termination (§ 133 of the Investment Fund Act). In this the termination shall come into force on the date indicated in the notice but no earlier than 30 days after notification of the unit holders. The unit holders may (subject to price suspension) then redeem their investment fund units during the period mentioned on payment of a redemption price.
- ii) with immediate effect from the date of public announcement with simultaneous notification of the FMA if the fund assets amount to less than EUR 1,150,000.-.

Termination according to ii) is not permissible during a period of notice according to i).

Should fund management be ended due to a termination, the responsible entity shall initiate liquidation. At the start of liquidation, the rights of the shareholder to management and the repayment of the holding value at any time will be replaced respectively by the right to correct liquidation and the right to payment of the proceeds following the end of liquidation, whereby should a shareholder request assets that have become illiquid, a pay-out is permitted to the extent that all the remaining shareholders expressly agree to this pro rata payment.

### **b) Transfer of management**

The management company may transfer the management of the investment fund, among other things, with the authorisation of the FMA, to another management company. The transfer of the management must be published. It shall come into force on the date indicated in the publication, but no earlier than three months after the publication. Publication may be waived if all the unit holders are notified of the transfer of the management to another management company, but at least 30 days before transfer of the management (§ 133 of the Investment Fund Act).

The unit holders may redeem their investment fund units on payment of the redemption price during the period mentioned.

### **c) Other reasons for terminating the management**

The right of the management company to manage an investment fund shall expire with the loss of the concession for the investment business (§ 1 (1), line 13 of the Banking Act in conjunction with § 6, (2) of the Investment Fund Act) or of the licence according to Art. 6 of Directive 2009/65 EC, or with the decision of the management company to dissolve it or with the withdrawal of the authorisation of the management company, by the FMA according to § 50 (7) of the Investment Fund Act, to issue further unit certificates of the investment fund concerned.

If management ends due to concession loss, it shall pass to the custodian bank. Subject to FMA approval, within six months of the end of management by the original responsible entity, the custodian bank may transfer management to a new entity. The FMA may only grant its approval when the

justifiable interests of the shareholders are sufficiently guaranteed. Should the custodian bank not transfer the management of the investment fund within six months, it shall initiate its liquidation.

At the start of liquidation, the rights of the shareholder to management and the repayment of the holding value at any time will be replaced respectively by the right to correct liquidation and the right to payment of the proceeds following the end of liquidation, whereby should a shareholder request assets that have become illiquid, a pay-out is permitted to the extent that all the remaining shareholders expressly agree to this pro rata payment.

**d) Merger/consolidation of the investment fund with another investment fund**

The management company may merge investment funds after authorisation for this has been granted by the FMA and the investors have been informed. The merger may take place between Austrian investment funds or even internationally between investment funds in different Member States of the European Union. The following procedures for merging investment funds are legally provided for:

- i) The management company may transfer all the asset values and obligations of one or more investment funds to another existing investment fund ("gross merger by absorption").
- ii) The management company may transfer all the asset values and obligations of two or more investment funds to an investment fund to be newly formed ("gross merger by the formation of a new fund").
- iii) The management company may transfer the net assets of two or more investment funds that continue to exist until the obligations of these investment funds have been met to an investment fund to be newly formed ("net merger").

After the merger has been approved by the FMA the unit holders must be informed of the details, either by publication or notification (§ 133 of the Investment Fund Act). The unit holders may redeem their investment fund units during the period mentioned in this publication or notification on payment of the redemption price or, if possible, exchange them for units of another investment fund of the same management company or an associated management company with a similar investment policy.

In the case of the "gross merger by absorption" the unit holders of the transferring investment fund shall become unit holders of the acquiring investment fund, and in the case of "gross merger by the formation of a new fund" they shall become unit holders in the newly formed investment fund. In each case the exchange shall take place according to the exchange ratio and on any payment of a cash amount of a maximum of 10% of the net asset value of the unit to be exchanged (peak equalisation). In the case of the "gross merger by absorption" the exchange ratio is determined on the basis of the ratio of the net asset values (NAV) of the transferring and acquiring investment fund, and in the case of the "gross merger by formation of a new fund" on the basis of the ratio of the net inventory values of the investment funds to be transferred to the investment funds to be newly formed.

**e) Splitting of fund assets**

The management company may split stock of the fund assets that has become unpredictably liquid. This splitting presupposes, among other things, the approval of the FMA and publication of details of the planned split. According to their shares, the unit holders will become co-owners of the split investment fund wound down by the depositary bank. The proceeds will be paid to the unit holders after the wind-down operation.

**8. Indication of the stock markets or markets on which the units are quoted or traded**

The units are issued and redeemed by the depositary bank. The management company reserves the right to arrange for the investment fund to be launched onto the stock market.

Currently, however, the management company has neither organised a market flotation nor is it aiming to do so.

## **9. Issue and redemption of the units**

### **9.1. Modalities and conditions for issue and/or sale of the units**

#### ***Issue of units***

The units shall be issued at the times indicated in the fund regulations.

The number of units issued and the corresponding unit certificates for each class of unit is unlimited in principle. The units may be acquired from the sales offices listed in the appendix. The management company reserves the right to suspend the issue of units temporarily or completely.

#### ***Issue fee and issue price***

When establishing the issue price an issue premium shall be added to the value of a unit in order, among other things, to defray the issue costs. The issue premium shall amount to up to 2.75% of the value of one unit, commercially rounded to two decimal places.

This issue premium may reduce performance or even exhaust it altogether after only a short investment period. For this reason a longer investment period is recommended when acquiring investment unit certificates.

#### ***Qualifying settlement date***

The valid issue price used for settlement represents the established calculation value on the next Austrian bank working day\*), plus the respective front load commission.

Exceptions to this are completed fund saving plans; in this case the purchase is made at the issue price (current calculated value plus issue premium) on the day of the month agreed as part of the order or on the following Austrian banking day.

The deadline for accepting orders is 13:00 hours (time at the head office of the depositary bank) on Austrian banking day\*). The acceptance deadlines for issue certificate transactions relate to the submission of the transaction information to the depositary bank. Forwarding times must be allowed for, depending on the actual order accepting office. Please find out about this from your customer advisor. The value date on which the purchase price is to be charged is one Austrian banking day\*) after the calculated value date of the purchase order or after the fund saving plan is completed.

\*) except Good Friday and New Year's Eve.

### **9.2. Modalities and conditions of redemption or payment of the units and conditions under which they may be suspended**

#### ***Redemption of units***

The unit holders may request the redemption of units at any time by issuing a redemption order to the depositary bank. The management company is obliged to redeem the units at the applicable redemption price for the account of the investment fund.

The redemption shall take place at the times mentioned in the fund regulations.

Payment of the redemption price and the calculation and publication of the redemption price may be temporarily waived subject to simultaneous notification of the Financial Market Authority (FMA) and the corresponding publication, and may be made dependent on the sale of asset values of the investment fund and receipt of the redemption proceeds in the case of extraordinary circumstances which indicate that this may be necessary taking into consideration the justified interests of the unit holders. The resumption of redemption of the unit certificates must also be published with simultaneous notification of the Financial Market Authority (FMA).

**Redemption fee and redemption price**

When unit certificates are redeemed no redemption premium is payable. The redemption price corresponds to the value of one unit.

**Qualifying settlement date**

The valid redemption price used for settlement represents the established calculation value of the next Austrian bank working day\*).

Exceptions to this are payments according to a payment phase agreed in all cases for fund saving plants (payment plan); in this case the payment is made at the redemption price on the day of the month agreed as part of the order or on the following Austrian banking day.

The deadline for accepting orders is 13:00 hours (time at the head office of the depositary bank) on Austrian banking day\*). The acceptance deadlines for unit certificate transactions relate to the submission of the transaction information to the depositary bank. Forwarding times must be allowed for, depending on the actual order accepting office. Please find out about this from your customer advisor.

The value date on which the purchase price is credited is one Austrian banking day\*) after the calculated value date of the sales order or after the payment plan is completed.

\*) except Good Friday and New Year's Eve

**9.3. Determination of the sale or issue and the payment or redemption prices of the units, in particular:****Calculation method**

In principle the last published or available prices of the asset values acquired by the investment fund are used to **calculate the price of the investment fund**. If the last published valuation price quite obviously does not correspond to the actual values due to the political or economic situation, and not only in the individual case, a price calculation may be waived if the fund has invested a portion of its fund assets in assets that have no prices or prices that do not conform to the market which makes it appear necessary taking into account the legitimate interests of the shareholders.

**Frequency of calculation of the prices**

The issue and redemption prices are calculated in principle on Austrian banking days (except Good Friday and New Year's Eve), but at least twice a month.

**Costs of issuing and redeeming the units**

With the exception of the issue surcharge, the issue by the depositary/custodian bank is made without charging additional costs. Additional costs may be charged by the depositary/custodian bank for the redemption of units.

The extent to which additional fees are charged to the individual investor for the acquisition and redemption of unit certificates (in addition to the issue premium and/or redemption premium) depends on the individual agreements of the investor with the portfolio managing credit institution and is not therefore subject to the influence of the management company.

**Type, place and frequency of publication of the issue and redemption prices**

The calculated value (NAV) of a unit and of the issue and redemption price is determined in principle for each stock market day (related to the Vienna Stock Exchange), but at least twice a month, and is published in electronic form at [www.kepler.at](http://www.kepler.at).



#### 9.4. Rules for asset valuation

The **value of one unit in a particular unit class** is obtained by dividing a value of a particular unit class, including earnings, by the number of units issued in this unit class.

When units in a particular unit class are first issued their value must be calculated on the basis of the value determined for the entire investment fund. Consequently the value of a particular unit class is calculated from the sum of the proportional net asset values of the investment fund to be calculated for this class.

The unit value is calculated thus to two decimal places with no commercial rounding of the second decimal place.

The **total value of the investment fund** must be determined on the basis of the market values of the securities, money market instruments, shares in investment funds and subscription rights incorporated in the investment fund, plus the value of the financial investments, cash amounts, credits, claims and other rights incorporated in the investment fund, less liabilities and obligations.

The market values of the asset values are determined as follows:

- a) The value of assets which are quoted or traded on a stock exchange or on another regulated market is in principle calculated on the basis of the last available price.
- b) If an asset is not quoted or traded on a stock exchange or on another regulated market, or if the price does not reasonably reflect the actual market value for an asset which is quoted or traded on a stock exchange or another regulated market, use is made of the prices of reliable data providers or alternatively market prices of similar securities or other recognised valuation methods.
- c) Shares in a UCITS or UCI are valued at the last available redemption prices, or if their units are traded on stock exchanges or regulated markets (e.g. ETFs), with the last available closing prices.
- d) The liquidation value of futures and options which are traded on a stock exchange or other regulated market is calculated on the basis of the last available settlement price.

#### 10. Rules for determination and appropriation of the incomes / claims of unit holders on incomes

##### ***The use of earnings in the case of dividend unit certificates (distribution)***

The earnings accrued during the accounting year (interests and dividends) can be distributed at the discretion of the management company after the costs are covered. A dividend may not be paid, taking into consideration the interests of the unit holders. The same applies to the distribution of income from the sale of assets of the investment fund, including subscription rights, at the discretion of the management company. The payment of dividend from the fund assets and intermediate dividends are permissible.

In no case may the fund assets drop below the legal minimum volume for a termination due to the payment of dividends.

The amounts must be distributed to the holders of unit certificates from **15 July** of the following accounting year, the remainder being carried forward to a new account.

In any case, from **15 July** the amount determined according to the Investment Fund Act must be paid, i.e. the amount which must be used, if necessary, to cover a capital gains tax payment obligation on the dividend-equivalent income from the unit certificate, unless the management company ensures, by providing suitable evidence from the credit institutions, that the unit certificates are, at the time of payment, only held by unit holders who are not subject to Austrian income or corporation tax or are eligible for exemption according to § 94 of the Income Tax Act (ITA) or exemption from capital gains tax.

***Use of earnings in the case of income-retaining unit certificates with CGT deduction (income-retaining)***

The earnings accrued during the accounting year, after the costs are covered, are not distributed. In the case of income-retaining unit certificates, from **15 July**, the amount determined according to the Investment Fund Act must be paid, i.e. the amount of the unit certificate which must be paid, if necessary, to cover a capital gains tax payment requirement on the dividend-equivalent income from the unit certificate, unless the management company ensures, by providing suitable evidence from the credit institutions, that the unit certificates are, at the time of payment, only held by unit holders who are not subject to Austrian income or corporation tax or are eligible for exemption according to § 94 of the Income Tax Act (ITA) or exemption from capital gains tax.

***Use of earnings in the case of income-retaining unit certificates without CGT deduction (full income retention, Austrian and foreign tranches)***

The earnings accrued during the accounting period, after the costs are covered, are not distributed. No payment is made according to the Investment Fund Act. The determining date for waiving the CGT payment on the annual income is always **15 July** of the following accounting year.

By providing corresponding evidence from the portfolio managing institutions, the management company ensures that the unit certificates are, at the time of payment, held only by unit holders who are either not subject to Austrian income or corporation tax or who are eligible for an exemption according to § 94 of the Income Tax Act (ITA) or exemption from capital gains tax.

If these conditions are not met at the time of payment, the amount determined according to the Investment Fund Act must be paid by crediting the credit institution concerned.

**11. Description of the investment objectives of the investment fund, including the financial objectives (e.g. increase in capital or income), the investment policy (e.g. specialising in geographical or economic areas), any limitations to this investment policy, and an indication of any technologies and instruments or authorities for borrowing powers during the management of the investment fund**

**Note:**

**The investment fund strives to achieve the investment objectives, but it cannot be guaranteed that these objectives will actually be achieved.**

**The following description does not take account of the individual risk profile of the potential investor. For an assessment of personal suitability and appropriateness of the investment fund we recommend using a specialist investment consultancy.**

Dynamik Invest purposes an investment objective of capital growth by incurring higher risks. According to the market situation and at the discretion of the fund management, the investment fund invests in all kinds of bonds, shares, certificates, ETFs and shares in investment funds of national and international issuers, as well as in money market instruments and sight deposits or deposits at notice. The proportion of these investment categories may vary dynamically. Issuers of the bonds or money market instruments in the fund may, among other things, be states as well as regional authorities, supranational issuers and/or companies. To control the degree of investment derivative financial instruments may also be used speculatively and for hedging purposes.

For this purpose it will acquire and sell the assets permitted according to the Investment Fund Act and the fund regulations (securities, money market instruments, sight deposits, investment fund units and financial instruments) after evaluating the economic and capital market situation and the stock exchange prospects as part of its investment policy.

In doing so particular attention is paid to the risk spread.

The fund is administered actively (discretionary investment decision) and is not restricted by a benchmark.



**Divergences for investments in investment fund units:**

Shares can be purchased in investment funds that differ from the investment restrictions or instruments and/or investment strategy of the Dynamik Invest in the following respects:

| Investment restrictions   | Divergence   |
|---|--|
| No extended issuer limit (more than 35 % of the fund assets) for investment in securities and money market instruments of certain issuers (governments, local authorities, international organizations) | Extended issuer limit (more than 35 % of the fund assets) for investment in securities and money market instruments of certain issuers (governments, local authorities, international organizations) |
| Acquisition of securities / money market instruments that are not fully paid up up to 10% of the fund assets  | Different regulation or no restriction   |
| Repurchase agreements are currently not carried out.  | Different regulation or no restriction   |
| Securities loan transactions are currently not carried out  | Different regulation or no restriction   |

Despite these possible deviating investments for units in investment funds, the investment strategy is adhered to at fund level and the overall risk profile of the fund is not changed significantly at any time.

**Information according to Art 8 VO (EU) 2019/2088 (SFDR):**

Information on the environmental or social characteristics of the investment fund can be found in the annex to the prospectus ("Annex II - Information pursuant to Art. 8 VO (EU) 2019/2088 (Disclosure Regulation)).

Securities (including securities with embedded derivative instruments) may be acquired to the legally permissible extent whilst conforming to the above description of the investment fund.

Money market instruments may be acquired to the legally permissible extent.

Shares in investment funds (UCITS, UCI) may each be acquired at up to 20 % of the fund assets with the total within the legally permissible extent if they (UCITS or UCI) in turn invest in shares in other investment funds in the amount of no more than 10 % of the fund assets. Shares in UCI may be acquired up to a total of 30 % of the fund assets.

Derivative instruments may be used as part of the investment strategy to the legally permissible extent, and for hedging purposes.

Sight deposits and deposits at notice, with a maximum term of 12 months, may be held for up to 100 % of the fund assets.

The management company shall be permitted to take out temporary loans on behalf of the investment fund amounting to 10 % of fund assets.

**The management company may conduct transactions with derivatives for Dynamik Invest as part of its investment strategy, which means that the loss risk relating to the assets in the investment fund may increase.**

**The total risk of derivative instruments which are not held for hedging purposes must not exceed 100% of the total net value of the fund assets.**

When selecting financial instruments investors should bear in mind that securities entail the possibility of risks as well as price gains.

**Note:**

- ***As part of the investment strategy substantial investments may be made in investment funds, bank deposits and derivatives.***

**12. Technologies and instruments of the investment policy**

The investment fund invests within the investment and issuer limits established by the Investment Fund Act in conjunction with the fund regulations and in application of the principle of risk spread. The investment limits generally applicable to the investment fund are described, and in point 11 of the prospectus as well as in the fund regulations (see appendix) the specific investment limits for this investment fund can be found.

## **12.1. Securities**

### ***Securities are***

- a) equities and other securities equivalent to equities,
- b) bonds and other securitized debt instruments,
- c) all other marketable financial instruments (e.g. subscription rights) which grant an entitlement to purchase financial instruments within the meaning of InvFG by means of subscription or exchange, according to § 69 InvFG, with the exception of the techniques and derived financial instruments (derivatives) mentioned in § 73 InvFG.

Subject to fulfillment of criteria stipulated by law (§ 69 (2) InvFG) securities also include:

- 1. units in closed investment funds in the form of an investment company or an investment fund,
- 2. units in closed investment funds in the form of a contract,
- 3. financial instruments according to § 69 (2) item 3 InvFG.

The management company may purchase securities which are officially licensed at one of the Austrian or foreign stock exchanges listed in the appendix to the fund regulations or traded on regulated markets listed in the appendix to the fund regulations which is recognized and open to the general public and which function in an orderly manner. In addition, securities may be acquired from new issues whose terms and conditions of issue include the obligation to apply for an official listing on a stock exchange or regulated market subject to the proviso that their listing must actually take place not later than one year after their day of issue.

## **12.2. Money market instruments**

Money market instruments are instruments normally traded on the money market which are liquid, whose value may be precisely determined at any time and which fulfill the requirements laid down in § 70 InvFG.

Money market instruments may be purchased for the investment fund where these are

- 1. officially licensed at one of the Austrian or foreign stock exchanges listed in the appendix to the fund regulations or which are traded on regulated markets listed in the appendix to the fund regulations, which is recognized and is open to the general public, and which function in an orderly manner.
- 2. normally traded on the money market, freely transferable, liquid and whose value can be precisely determined at any time and for which appropriate information is available, including such information as enables an appropriate valuation of the credit risks associated with investing in such instruments, and which may be purchased even if they are not traded on regulated markets, provided, where the issue or the issuer of these instruments is already subject to the relevant provisions concerning protection of deposits and investors and these instruments are either
  - a) issued or guaranteed by a central, regional or local unit of government or the central bank of a member state, the European Central Bank, the European Union or the European Investment Bank, a third country or - for federal states - a member state of the federation or by an international institution established under public law of which at least one member state is a member, or
  - b) issued by companies whose securities are traded on regulated markets listed in the appendix to the fund regulations, or

- c) issued or guaranteed by an institution which is subject to supervision in accordance with the criteria stipulated in Union law (i.e. EU law) or issued or guaranteed by an institution which is subject to and complies with supervisory regulations which in the opinion of the Austrian Financial Market Authority are at least as stringent as those set out in Union law or
- d) issued by other issuers belonging to a category licensed by the Austrian Financial Market Authority, where investor protection provisions apply for investments in these instruments which are equivalent to those set out in items a to c and where the issuer is either a company with shareholders' equity of at least EUR 10 m. which prepares and publishes its annual financial statements in accordance with the provisions set out in Directive 2013/34/EU or a legal entity which, within a business group comprising one or more stock exchange-listed companies, is responsible for the financing of this group or a legal entity which, in business, corporate or Raiffeisen-Dynamic-Assets Page 16 contractual form, is due to finance its securitization of liabilities through a credit line granted by a bank; such credit line must be guaranteed by a financial institution which itself fulfils the criteria specified in item 2 c.

### **Unlisted securities and money market instruments**

A maximum of 10 % of the fund assets may be invested in securities or money market instruments which are not officially admitted to trading on one of the stock exchanges listed in the appendix to the fund regulations or which are not traded on one of the regulated markets specified in the appendix to the fund regulations or in case of new issuance of securities if not admitted to trading within one year of their issuance.

### **12.3. Units in investment funds**

1. Units in investment funds (= investment funds and open-end investment companies) pursuant to InvFG, which comply with the provisions set out in Directive 2009/65/EC (UCITS), may each be purchased up to **an amount of 20 % of the fund assets** and - **and up to the legally permitted limit overall** - provided that these funds do not invest more than 10 % of the fund assets in units in other investment funds.
- 2 Units in any single investment fund pursuant to § 71 (2) InvFG which do not wholly comply with the provisions set out in the Directive 2009/65/EC (UCI) and whose exclusive purpose is
  - for joint account and in accordance with the principle of risk spreading to invest publicly procured monies in securities and other liquid financial investments and
  - whose units are, at the request of the unit holders, repurchased or redeemed at the direct or indirect expense of the assets of the investment fund,

may **each** be purchased **up to 20 % of the fund assets, but not exceeding 30 % of the fund assets overall**, where

- a) these funds do not invest more than 10 % of their fund assets in units in other investment funds and
- b) they are licensed in accordance with legal provisions which make them subject to supervision which in the opinion of the Austrian Financial Market Authority is equivalent to supervision under Union law (i.e. EU law) and there is an adequate guarantee of cooperation between the authorities and
- c) the level of protection afforded the unit holders is equivalent to the level of protection afforded the unit holders in investment funds which comply with the provisions set out in the Directive 2009/65/EC (UCITS) and, in particular, the provisions concerning separate safekeeping of the portfolio of assets, the take-up of loans, the extensions of loans and uncovered sales of securities and money market instruments are equivalent to the requirements set out in the Directive 2009/65/EC and

- d) the relevant business activity is the subject of annual and semi-annual reports which enable a judgment to be made as to the relevant assets and liabilities, income and transactions during the period under review.

The criteria stated in § 3 of the Austrian Information and Equivalency Determination Ordinance (IG-FestV), as amended, shall be consulted for evaluation of the equivalency of the level of protection for unit holders within the meaning of Sec. c).

- 3. Units may also be purchased for the investment fund in investment funds which are directly or indirectly managed by the same management company or by a company with which the management company is affiliated through joint management or control or a substantial, direct or indirect investment.

#### **12.4. Derivative financial instruments**

##### ***Listed and non-listed derivative financial instruments***

For the investment fund derived financial instruments (derivatives), including instruments settled in cash, which are officially licensed on one of the stock exchanges mentioned in the appendix to the fund regulations or are traded on one of the regulated markets mentioned in the appendix to the fund regulations, or derived financial instruments which are not officially licensed by a stock exchange or are traded on a regulated market (UCI derivatives), may be part of the investment fund if

- 1. the underlying instruments are instruments pursuant to § 67 (1) items 1 to 4 InvFG or financial indices, interest rates, exchange rates or currencies in which the investment fund is permitted to invest according to its fund regulations,
- 2. the counterparty in transactions involving OTC derivatives is a supervised institution belonging to a category licensed by the Austrian Financial Market Authority by regulation,
- 3. the OTC derivatives are subject to a reliable and verifiable daily valuation and at the initiative of the management company may at any time and at an appropriate current market value be sold, liquidated or balanced through an offsetting transaction and
- 4. they do not lead to the delivery or transfer of assets other than those specified in § 67 (1) InvFG.

The default risk for investment fund transactions involving OTC derivatives may not exceed the following levels

- 1. if the counterparty is a credit institution within the meaning of § 72 InvFG, 10 % of the fund assets,
- 2. otherwise 5 % of the fund assets.

The default risk associated with OTC derivatives can be reduced by any collaterals received.

Investments made by an investment fund in index-based derivatives shall not be taken into consideration with regard to the specific investment limits. If a derivative is embedded in a security or a money market instrument, it must be considered in respect of its compliance with the above-mentioned prescriptions.

This also includes instruments for the transfer of the credit risk.

##### ***Purpose of use***

As part of the investment scheme for Dynamik Invest, derivative instruments shall be used at the discretion of the management company both for hedging purposes and also as part of the investment strategy (e.g. to safeguard or increase income, as a replacement for securities, to control the investment fund's risk profile or for synthetic liquidity control, etc.). This means that derivative instruments may also be used as a replacement for a direct investment in assets and, in particular, for the purpose of increasing earnings. The loss risk associated with the investment fund may thus increase.

### **Total return swaps or comparable derivative instruments**

A total return swap is a credit derivative instrument in which the earnings and value fluctuations of the basic financial instrument (basic value of the reference asset) are exchanged for fixed agreed interest payments.

Total return swaps or comparable derivative instruments are not currently carried out/used for the investment fund. Therefore, no additional disclosures need to be made in accordance with Art 14 Regulation (EU) 2015/2365.

### **Risk management**

The management company must use a risk management procedure which enables it to monitor and measure at any time the risk associated with the investment positions and its share of the total risk profile of the fund assets.

The total risk must be determined according to the commitment approach or the value-at-risk approach.

The management company must specify, implement and maintain appropriate and documented risk management principles. These risk management principles must include procedures such as are necessary for the evaluation of market, liquidity and counterparty risks as well as other risks, including operational risks.

### **Total risk**

#### Commitment approach

The management company applies the commitment approach to determine the total risk. Following this approach, all positions in derivative financial instruments, including embedded derivatives within the meaning of § 73 (6) InvFG, are converted to the market value of an equivalent position in the basic value of the derivative concerned (basic value equivalent).

When calculating the total risk consideration may be given to agreements on the offsetting of assets (so-called netting agreements) and agreements on the protection of assets (so-called hedging agreements), provided that these obvious, substantial risks are not ignored and clearly lead to a reduction in the risk.

Positions in derivative financial instruments which do not present an additional risk to the investment fund must not be included in the calculation.

The detailed conditions for calculating the total risk adopting the commitment approach, and its qualitative and quantitative design, can be found in the current version of the Decree of the Financial Market Authority (FMA) on Risk Calculation and the Registration of derivatives (can now be downloaded from: [www.fma.gv.at](http://www.fma.gv.at)).

The total risk associated with derivatives in this way must not exceed **100 % of the total net value of the fund assets**.

### **12.5. Sight deposits or deposits at notice**

Bank balances in the form of sight deposits or deposits at notice, with a maturity not exceeding 12 months, may be acquired under the following conditions:

1. Sight deposits or deposits at notice with a maturity not exceeding 12 months may be invested at any one credit institution up to an amount of 20 % of the fund assets if the relevant credit institution
  - is headquartered in a member state or
  - is located in a third country and is subject to supervisory regulations which in the opinion of the Austrian Financial Market Authority are equivalent to those set out in Union Law.
2. Irrespective of any individual upper limits, an investment fund may not invest with any one credit institution more than 20 % of its fund assets in a combination of securities or money market

instruments issued by this credit institution and/or deposits held by this credit institution and/or OTC derivatives purchased by this credit institution.

3. No minimum bank balance must be maintained.

#### **12.6. Borrowing**

The management company may take out temporary loans **up to the amount of 10 % of the fund's assets** for account of the investment fund.

This may therefore increase the risk of the investment fund by the same amount.

#### **12.7. Repos**

The management company is entitled to acquire assets, for the account of the investment fund, for up to 100% of the fund assets, subject to an obligation on the seller to repurchase those assets at a predetermined time and for a predetermined price.

This means that the characteristics of an asset, a security for example, will differ from those of the repurchase agreement. For instance, the return, maturity and buying and selling prices of the repurchase agreement may deviate significantly from those of the underlain instrument.

#### **Note:**

Although mention is made in the fund regulations of repurchase transactions, and this possibility would therefore be provided for, the present strategy of the investment fund does not provide for this and the technology is not therefore used. Consequently, no further information regarding collateral management pursuant to Art 14 Regulation (EU) 2015/2365 need be divulged.

#### **12.8. Securities lending**

Within the investment limits laid down by the Austrian Investment Fund Act, the management company shall be entitled to transfer to third parties securities up to the amount of 30 % of the fund's assets within the framework of an acknowledged securities lending system and for a limited period, subject to the proviso that the third party shall be obliged to re-transfer the transferred securities after a predetermined loan period.

The premium payments thus received represent an additional income component and can thus improve the value development of the investment fund.

#### **Note**

Information regarding securities loans is disclosed in the terms and conditions of the fund, and this possibility is thus foreseen. However, the current strategy of the investment fund does not envisage such a measure and therefore, this technique is not employed. Consequently, no further information regarding collateral management pursuant to Art 14 Regulation (EU) 2015/2365 need be divulged.

### **13. Risk profile of the investment fund**

#### **Note:**

**The following description of the level of risk associated with the investment fund does not reflect a potential investor's individual risk profile. We recommend that investors should obtain expert investment advice for an assessment of whether the investment fund is suitable and appropriate for their personal circumstances.**

#### **General information**

The assets in which the management company invests for the account of the investment fund entail risks as well as income opportunities. If the investor sells investment fund units at a time when the prices of the assets have fallen since the time of acquisition, he/she will not receive all of the money which he has invested in the investment fund. However, the risk to the investor is limited to his total investment, thus there is no reserve liability.

The list is not exhaustive and the risks mentioned may affect the investment fund to varying degrees.

**Due to the different structures of the individual unit classes, the investment outcome achieved by the investor may vary in accordance with the unit class to which his purchased units belong.**

Depending on the nature of the investment fund, it may be exposed to the following risks in particular:

#### **Specific risks**

Note for investors with a national currency other than the tranche currency, EUR or CZK: We would point out that the yield may rise or fall as a result of currency fluctuations.

The following applies to investors of the unit class in CZK: The foreign currency risk that exists relating to the further tranches in EUR is largely hedged. All other currency risks associated with the fund asset will continue to exist.

Based on the assessments that are possible according to the fund regulations, the risks described in detail in the following are important for **Dynamik Invest**:

#### **Main risks**

- Market risk
- Credit risk or issuer risk
- Fulfilment or counterparty risk
- Liquidity risk
- Operational risk

#### **Further major risks of the investment fund**

- Exchange rate or currency risk
- Custody risk
- Concentration risk
- Performance risk
- Information on the rating of any guarantors (information risk)
- Inflation risk
- Capital risk
- Risk of the change of other general conditions
- Valuation risk
- Country or transfer risk
- Risks of suspension of the redemption
- Risks relating to other investment fund units (sub-funds)
- Commodity risk
- Special risks relating to subordinated bonds
- Risks relating to asset backed securities (ABS) / Mortgage backed securities (MBS) / Collateralised debt obligations (CDO)
- Risks relating to structured securities
- Volatility risk
- Securities lending risk
- Risk for assets deposited as collateral (collateral risk)
- Risk associated with derivative financial instruments
- Sustainability risk

**These risks are particularly relevant to the investment fund. However, we wish to point out that the other general risks described below may also be relevant to this investment fund.**



## General risks and definitions

### **Market risk**

The performance of securities is particularly dependent on the development of the capital markets, which is in turn influenced by the general situation of the world economy and the general economic and political conditions in the relevant countries.

The market risk is reflected in different forms, among other things in the fact that a country in one asset class develops negatively and therefore negatively influences the price and value of these assets (**country risk**), or in the fact that a branch of this asset class develops negatively and therefore negatively influences the price and value of these assets (**branch risk**).

One particular form of the market risk is the **interest-change risk**, by which is meant the possibility that the market interest level that exists at the time of issue of a fixed interest security or a money market instrument may change. Changes in the market interest level may result, among other things, from changes in the economic situation and the policy of the central bank reacting to it.

If the market interests increase (e.g. due to an inflation – inflation risk), the prices of the fixed interest securities or money market instruments generally fall. On the other hand, if the market interest level falls, an opposite price development (performance) takes place in the case of fixed interest securities or money market instruments. In both cases the price development (performance) causes the yield from the security or money market instrument to correspond roughly to the market interest. However, the price fluctuations produce different results according to the term of the fixed interest security or money market instrument. Thus fixed interest securities or money market instruments with shorter terms are subject to smaller price risks than those with longer terms. However, fixed interest securities and money market instruments with shorter terms generally have lower yields than fixed interest securities and money market instruments with longer terms.

In the case of inflation-indexed securities and money market instruments the interest-relevant risk factor is the real market interest level, i.e. changes in the real market interest level result in price changes in the case of inflation-indexed securities and money market instruments similar to the above description of the (nominal) market interest level. On the contrary, inflation-relevant changes in the (nominal) market interest level generally lead only to minor price changes in the case of inflation-indexed securities and money market interests.

Depending on the market, the interest change risk may also be relevant to sight deposits and deposits at notice in the form of negative credit risks or other unfavourable conditions, where the latter may be subject to an increased frequency of change both in the positive and the negative sense.

Apart from interest rate changes, alterations to the credit spread also influence the current values of securities and money market instruments. Should the difference in returns extend to a “loss risk free” credit spread, this leads to negative value shifts.

**Equity exposure** represents another particular form of market risk. By this is meant that shares and share-equivalent securities may be subject to considerable price fluctuations. There is the particular risk that the current price of a share or share-equivalent security may fall below the price at which the security was acquired. The price, as the market price, is the result of the ratio of supply and demand at the time of the price formation. Here important factors of influence are the economic expectations which are placed on individual companies or industries, but also general national economic conditions, political expectations, speculations and interest purchases.

### **Credit risk and issuer risk**

In addition to the general trends in the capital markets, the particular developments of the issuers and credit institutions concerned also influence the price of a security or money market instrument and the value of a bank deposit. The essential forms of the credit risk are as follows:

1. Default risk: Even in the case of the most careful selection of assets, the incurrence of losses owing to the financial collapse of issuers, credit institutes, or the assets underlying the security (underlying credit risk) cannot be excluded.
2. Credit rating migration Risk: Downgrades of the credit rating by credit rating agencies may result in losses of value.



3. **Bail-in risk:** An officially sanctioned bank resolution may result in creditor participation (bail-in), which can lead to a total loss of the capital invested. In the case of restructuring or resolution, the sale of affected assets may also be more difficult and potentially sizeable value losses. Even if the original issue documentation or advertising material relating to an asset issued by a bank does not expressly describe loss participation, this can be a mandatory part of a bail-in measure.

***Fulfilment or counterparty risk (default risk of the counterparty)***

Any risk that a settlement will not be fulfilled as expected in a transfer system may be subsumed under this category when a counterparty does not pay or deliver as expected or does so too late. The **settlement risk** exists when corresponding service in return is received when settling a transaction when a service has been provided.

When acquiring unquoted financial products, or if this acquisition is conducted via a transfer office in particular, there is the risk that a concluded transaction will not be performed as expected because a counterparty does not pay or deliver, or that losses may occur due to deficiencies in the operational area during the processing of a transaction. The default risk may be reduced with UIC derivatives by any securities received.

***Liquidity risk***

Taking into account the opportunities and risks involved in investments in shares and bonds, in particular the management company purchases securities for the investment fund that have official approval for trading on domestic and international stock exchanges, or regulated markets, which are recognised, open to the public, and function lawfully. Details regarding the permitted stock exchanges and regulated markets for the investment fund are contained in the annex to the fund's terms and conditions. Nevertheless, for individual securities in certain phases or certain stock market segments, the problem of selling them at the desired time may arise. There is also the risk that securities that are traded in a rather narrow market segment are subject to considerable price volatility.

In addition to this, securities from re-issues are acquired whose issue conditions include the obligation to apply for permission for an official quotation on a stock market or in a regulated market if such permission is obtained before the end of a year after the issue at the latest.

***Exchange rate or currency risk***

A further variant of the market risk is represented by the exchange rate/currency risk. Unless otherwise determined, assets of an investment fund may be invested in currencies other than the fund or tranche currency. The earnings, repayments and receipts from such investments are received by the investment fund in the currencies in which they are invested. The value of these currencies may fall relative to the fund or tranche currency. There is therefore a currency risk which detracts from the value of the units insofar as the investment fund invests in currencies other than the fund or tranche currency.

***Custody risk***

A loss risk, which may be caused by insolvency, breaches of duty of care or abusive behaviour of the custodian or a sub-custodian, is associated with the custody of assets of the investment fund. In particular, the use of a prime broker as a depository may not, under certain circumstances, guarantee the same security as a bank used as a depository.

***Cluster or concentration risk***

Further risks may arise because there is a concentration of assessment in certain assets or markets.

***Performance risk***

Assets acquired for the investment fund may experience a price development (performance) other than that expected at the time of the acquisition. A positive price development (performance) cannot therefore be promised except in the case of the granting of a guarantee by a third party.

***Information on the solvency of any guarantors***

The risk of the investment increases or decreases according to the solvency of any guarantors. Among other things, an insolvency of the guarantor may lead to a situation where the guarantee is no longer effective or is at least no longer fully effective.

***Inflexibility risk***

The risk of inflexibility may be due to the product itself and restrictions when switching to other investment funds.

***Inflation risk***

The earnings from an investment may be negatively influenced by inflation development. The money invested may on the one hand be subject to a loss of purchasing power due to inflation, and on the other hand inflation development may have a direct (negative) influence on the price development (performance) of assets.

***Capital risk***

The risk relating to the capital of the investment fund may be due, in particular, to the fact that it may be cheaper to sell than purchase the assets. This also involves the risk of erosion resulting from redemptions and dividend in excess of investment returns.

***Risk of the change of other general conditions***

The value of the assets of the investment fund can be adversely affected by existing or emerging uncertainties in countries in which investments are made or in which the trading centres used are located. This applies, for example, to trading on stock markets which are subject to less stringent regulations than in the EEA states or the USA, for international political developments, changes in government policy, tax regulations and other developments in the legal system (such as restrictions on foreign investments).

***Valuation risk***

The pricing of certain securities and other financial instruments may be limited on capital markets, particularly in times when there are liquidity bottlenecks among the market participants due to financial crises and a general loss of confidence, making difficult valuations in the investment fund. If in such times higher unit redemptions are transacted simultaneously by the public, the fund management may, in order to maintain the overall liquidity of the investment fund, sell securities at prices which differ from the actual market values.

***Country or transfer risk***

There is said to be a country or transfer risk if, despite the ability to pay, a foreign borrower is unable to make payments in time, or not at all, due to the inability or unwillingness of his/her country of domicile to execute transfers. This means, for example, that payments to which the fund is entitled may not occur, or may be in a currency that is no longer convertible due to restrictions on currency exchange.

***Risk of suspension of redemption***

In principle the unit holders may request redemption of their units at any time. However, the management company may temporarily suspend the redemption of units in the presence of extraordinary circumstances in which the unit price may be lower than that prevailing before suspension of the redemption.

***Key staff risk***

The exceptionally positive performance of certain sub-funds during a particular period is also attributable to the abilities of the individuals acting on behalf of such sub-funds, and therefore to the correct decisions made by their respective fund managements. Fund management staff may change, however. New decision-makers might not be as successful.

***Operational risk***

A loss risk for the investment fund emanates from inadequate internal processes and human or system error at the managing company, or external events such as negative effects upon financial instruments caused by changes to, or the loss of, a reference value or inter-bank interest rate. This risk incorporates legal, contractual and documentation risks and risks deriving from the trading, accounting and evaluation processes employed for the investment fund.

***Risks connected to other investment fund units (sub-funds)***

The risks of the sub-funds which are acquired for the investment fund are closely connected to the risks of the assets contained in these sub-funds and the investment strategies pursued by them.

Since the managers of the individual sub-funds trade independently it may happen that several sub-funds pursue the same or opposing investment strategies, thus enabling existing risks to accumulate and eliminate possible opportunities.

***Risks related to trend-tracking models***

During market phases that lack clear trends (sideways markets), trend-tracking models can produce an increased number of inaccurate signals. Losses may then result from the related transaction costs and the incorrect positioning of the fund.

***Commodity risk***

Both securities involving the purchase of raw materials and, in particular, shares or bonds issued by companies in the raw material sector, and structured bonds which are collateralised by raw materials and raw material derivatives, or are linked to their price development (performance), and derivative financial instruments which are bound to the price development (performance) of raw material indices or raw material funds (or investment funds with a raw material (index) addition) in which the investment fund invests as target funds, are particularly subject to the following risks typical of raw material markets and commodity futures markets that have a negative effect on the unit value: highly fluctuating supply and/or demand conditions, government interventions, adverse weather conditions, environmental disasters, (world) political disputes, war and terrorism.

***Special risks connected to subordinated bonds***

Subordinated bonds, particularly hybrid bonds and bonds of core capital quality which are issued by credit institutions or other financial service providers, may under certain circumstances assume a share-equivalent risk profile. They are subject to an increased risk that the issuer may not fulfil his interest and repayment obligations, may only partially do so or may postpone doing so. Due to the subordination the claims of the prior ranking creditors take precedence over the claims of the subordinated bond creditors in the event of insolvency, liquidation or similar events befalling the issuers, so that no service, or only a partial service is provided.

Even if the business operation continues interest payments (if necessary without a repayment obligation on the part of the issuer) may be waived, reduced, deferred or serviced in an alternative form (e.g. in the form of shares) without initiating insolvency proceedings; furthermore, there may be a permanent or temporary reduction in the subordinated bond nominals which may, if applicable, be accompanied by a conversion to shares, for example. Moreover, subordinated bonds often have no due date ("perpetual annuities", "perpetuals"), or a repayment may be prohibited by a supervisory authority. Furthermore, subordinated bonds may be subject to increased liquidity risks.

***Risks connected to asset backed securities (ABSs) / Mortgage backed securities (MBSs) / Collateralised debt obligations (CDOs)***

ABSs, MBSs and CDOs (hereinafter "ABSs") are based on the (actual or synthetic) transfer of asset positions (generally a pool of receivables from borrowers or lessees; alternatively or additionally, securities) in a special purpose vehicle (SPV) created exclusively for this purpose. The SPV is refinanced by the issue of securities termed ABSs, for the interest payments and repayments of which only the transferred pool is available. Generally the ABS issue is "structured", i.e. the pool is the basis of several ABS tranches which differ in the priority of the service of their claims in the case of loss of assets from the pool, so that tranches that are to be operated as low(er) priority serve as a loss buffer for tranches to be operated as high(er) priority. In addition to repayments or failures the pool may also be subject to changes due to transactions conducted by the legal entity(ies) managing the pool, with an appropriate ABS configuration. Furthermore, risk-reducing design features may also include, for example, guarantees and credit insurance provided by third parties. Due to the diversity and complexity of ABSs these may be subject to very specific risks in the individual case, so that they cannot be based on a universal risk profile. In principle the following risks are often of particular significance, but in the individual case both the relative importance of individual risks may deviate and other risks may occur.

- Peculiarities relating to the credit risk: ABS investors bear, in particular, the risk claims from the basic pool may not be met in whole or in part (underlying default risk). Moreover the possibility that

- other participating parties, e.g. any guarantors or credit insurers, counterparties of financial derivatives, administrators or others may not be able to meet their obligations, cannot be ruled out.
- Increased liquidity risk: ABSs are generally subject, compared to conventional bonds with the same credit rating, to a higher risk of not being able to be sold in a timely manner without an above-average premium relative to the market value.
  - A specific form of market risk is represented, for example, by early repayments in the basic pool which may accentuate the interest-change risk.
  - Complexity risks due to the often complex and branched structuring and lack of standardisation
  - Legal risks, in particular the risk of nullity of the asset transfer in the event of insolvency of the original owner (risk of inadequate bankruptcy protection of the SPV).
  - Operational risks: Particularly among the activities of the investment manager(s), the custodian(s) and the servicer(s) there is a risk of inadequacy or failure of internal processes, people and systems, e.g. a lack of human or IT resources, or even fraudulent actions.

### ***Risks relating to structured securities***

Structured securities constitute bonds in which derivatives are embedded. Therefore, in general the income and/or capital repayments on such investment products are not fixed, but instead are dependent upon certain future events or developments. Apart from standard, bond-related risks, additional risks may occur, the type and extent of which emanate from the nature and complexity of the contained derivative. The estimation of the underlying market risk can be made more difficult by the embedded derivative. In addition, structured issues are frequently characterized by lower liquidity than standard bond issues.

### ***Volatility risk***

In the case of option investments and other securities with embedded option components, changes to the implied volatilities may result in value fluctuations.

### ***Securities lending risk***

If the investment fund lends securities according to Article 3 of the fund regulations, these securities are subject to the risk of delay or omission of return. Due in particular to financial losses suffered by the security lender, the latter may possibly fail to meet his obligations in this respect towards the investment fund. Where the security lender provides the investment fund with guarantees in connection with the security lending transaction, these will be subject to the collateral risk.

### ***Risk to the security of deposited assets (collateral risk)***

If the investment fund is provided with guarantees by third parties, or if the investment fund provides securities, these are subject to the investment risks typically associated with them. A reinvestment of securities received by the investment is prohibited in all cases.

### ***Risks associated with derivative instruments***

As part of the proper management of an investment fund, the management company may acquire derivatives under certain conditions and subject to certain limitations.

### **It must be pointed out that risks may be associated with derivative products, as follows:**

- a) Acquired limited-term rights may fall in price or suffer a loss of value.
- b) The risk of loss may not be calculable and may exceed any furnished collateral.
- c) Transactions designed to exclude or reduce risks may not be possible or may only be possible at a market price that shall cause a loss.
- d) The risk of loss may increase if the obligations associated with such transactions or the consideration that can be claimed as a result of such transactions is denominated in a foreign currency.

In the case of transactions with OTC (over-the-counter) derivatives the following additional risks may arise:

- a) problems with the sale of the financial instruments acquired on the OTC market to third parties because they do not have a regulated market; because the individual agreement obligations entered into may be difficult to fulfil or may be associated with considerable costs (liquidity risk);
- b) the economic success of the OTC transaction may be jeopardised by the default of the counterparty (counterparty risk); the default risk associated with OTC derivatives may be reduced by any collateral received.

### **Sustainability risk**

A sustainability risk is an event or a condition in the environmental, social or company management areas that would, or should it arise could have actual or potentially material negative effects upon the value of the investment.

Sustainability risks are not to be seen as a separate type of risk, but are to be shown in the current risk categories (main risks or other stated additional investment fund risks), as they affect existing risk types to which the investment fund is potentially exposed.

The management company has identified the following sustainability risks:

- Environmental risks, which include those connected to the containment of the effects of climate change, adjustments to climate change and the transition to a CO<sub>2</sub> reduced society, the protection of biodiversity and the management of resources, waste and other pollutant emissions.
- Social risks including those in connection with work and safety conditions, as well as adherence to recognised labour law standards, the observance of human rights and production safety.
- Governance risks, which include those arising from the due diligence obligations of the company's management bodies, measures to combat bribery and corruption and adherence to the relevant legal statutes and regulations.

Data from external data providers is used to include sustainability risks in investment decisions. This data is taken into account in the form of exclusion criteria or sustainability scores and is monitored by risk management.

In addition, sustainability risks are taken into account in key figures of the internal limit system and, where applicable, in scenario analyses.

The data employed may be incomplete, imprecise or temporarily unavailable.

With regard to the assessment of the expected impact of sustainability risks on the return of the investment fund, the possibility exists that as opposed to other financial products for which during the selection of asset values no sustainability criteria or risks were considered, a sustainable investment may demonstrate a divergent performance pattern or achieve a lower yield during certain market phases. The allowance for sustainability risks in the course of a sustainability approach can also result in the fact that investments are no longer made in certain securities even though they offer both a current and subsequent positive effect upon overall earnings.

Nonetheless, the management company is of the opinion that in the medium-term the taking into account of sustainability risks can have a positive influence upon returns, as owing to the limited or entirely absent weighting of certain securities in the investment portfolio, disproportionately poor results due to the occurrence of a sustainability risk can be ameliorated or avoided entirely. However, a commitment/ guarantee in this regard cannot be given.

More detailed information concerning the inclusion of sustainability risks in the investment decision making procedures of the management company are available on the website under [www.kepler.at/de/themen/nachhaltige-geldanlage](http://www.kepler.at/de/themen/nachhaltige-geldanlage).

**14. Information on the method, amount and calculation of the fees charged to the investment fund for the management company, the depositary bank or third parties and of the reimbursements of costs to the management company, the depositary bank or third parties by the investment fund.**

***Management fees***

The management company receives an annual fee of up to 1.85 % for its management activities. The remuneration is calculated for each calendar day on the basis of the respective fund assets of the previous day, deferred in the unit value calculation and withdrawn from the fund on a monthly basis. The individual unit classes may be subject to different management fees.

The management fee covers not only the management fee but also any sales costs and external manager and consultation services.

***Maximum management fee of the invested sub-funds***

The investment fund may invest more than 10 % of the fund assets in other investment funds (sub-funds). In these sub-funds further management fees of up to 4.00 % p.a. may be charged by their administering management companies. If necessary a performance fee may be charged additionally. No issue premiums will be charged for the purchase of shares in sub-funds.

***Processing Fee***

If the fund is in liquidation in accordance with §§ 60 (1) and (2) of the InvFG, the management company receives a fee of 0.50% of the fund's assets.

***Other expenses***

In addition to the fees payable to the management company the expenses listed in the following may be charged to the investment fund.

**a) Transaction costs**

These relate to the costs which are incurred in connection with the acquisition and sale of assets of the investment fund provided that they have not already been taken into consideration as part of the settlement of the price of the assets. The transaction costs also include the costs of a central counterparty for OTC derivatives (in accordance with the Regulation (EU) No. 648/2012 (EMIR)). In addition, the transaction costs also include the bank charges.

The management company provides notice that it may process transactions for the investment fund through a closely associated company, and thus through an affiliate within the meaning of Art. 4 (1) item 38 of the Regulation (EU) 575/2013

**b) Costs of the year-end account audit and tax consultation**

The amount of the fee to the auditor is based on the one hand on the fund volume and on the other on the investment principles.

The costs of the tax consultation include the determination of the tax data per unit for taxpaying unit holders both in and outside Austria.

**c) Publicity costs and regulatory fees**

These include the costs which are incurred in connection with the preparation and publication of legally required information for unit holders in Austria and abroad.

Moreover, all costs charged by the supervisory authorities and the costs resulting from fulfilment legal sales conditions in selling countries may be charged to the investment fund to the extent legally permitted. The costs of creating and using a permanent data medium (except the legally prohibited cases) are also included.

**d) Costs of the custody and other services/tasks performed by the depositary bank**

Normal bank deposit fees, costs of coupon collection, including if necessary the normal bank costs of custody of foreign securities and financial instruments abroad are charged to the fund, together with a



other services performed by the depositary bank in addition to the custody of financial instruments (deposit fee)

e) Costs of services provided by external consultants or investment advisers

Should external consultancy firms or investment advisors be commissioned by the investment fund, the related expenses will be collated under this item and charged to the investment fund, unless these costs are already covered by the administration charge.

f) Costs relating to foreign sales

One-off and running expenses which are incurred in connection with an investment fund sales permit, in particular costs of the competent authorities, publication costs, translation costs, registration costs, costs of certificates, costs of tax consultation and consultation costs, if such costs are not included in the items mentioned in letters b) to e), are summarised under this item and charged to the investment fund.

g) Other expenses

An annual settlement is charged to the fund for management of the fund accounting, the pricing of the investment fund (including an indication of withholding taxes and the basis of their assessment) for the dividend and for the publication of prices.

In addition, should the management company so judge and subject to the protection of the interests of the shareholder, expenses employed for the benefit of the shareholder that are not included in the aforementioned costs may be charged to the investment fund.

In particular, such expenses include:

- Costs in connection with the gathering of valuation prices (data licences, external price suppliers) for the evaluation of assets and price setting,
- Costs for financial index licences or benchmarks, which are necessary for an investment, the VAR calculation or other reasons,
- Costs for licences, which are required for the designation of the investment fund,
- Costs for ratings, which are employed for the evaluation of the creditworthiness and the assessment of risk relating to investment fund assets,
- Costs for research, financial analyses and other market and price information systems,
- Costs for Collateral Management,
- Costs in connection with voting rights,
- Costs for the external calculation of fund ratios required by supervisory law,
- Costs for the certification of certain product features (e.g. Costs in connection with the certification/use of the Austrian eco-label or other sustainability labels). Costs in connection with the recovery and reduction of withholding taxes.
- Costs associated with the application and, if applicable, renewal of identification numbers.

The above-mentioned items are indicated in the current statement of accounts under the point "Fund result", sub-point "Expenses". Individual items mentioned in letters b) to g) may also be indicated separately.

### **Benefits**

The management company wishes to point out that because of its management activity for the investment fund (other monetary values) it only accepts benefits (e.g. for broker research, financial analyses, market and price information systems) when they are used in the interests of the unit holders.

Furthermore, the management company may allow refunds from the management fee collected (in the sense of commissions). The granting of such refunds does not result in any additional costs charged to the investment fund.

More detailed information on the benefits received by the management company and granted refunds from the management fee is available on request.

Refunds made by third parties (in the sense of commissions) are passed on to the investment fund and are indicated in the statement of accounts.

## **15. External consultancy firms or investment consultants**

The services of external consultancy firms or investment advisors at the expense of fund assets are not employed.

## **16. Information on the measures that have been taken to make the payments to the unit holders, the repurchase or redemption of the units and the distribution of information on the UCITS**

The issue and redemption of unit certificates and the making of payments to the unit holders are undertaken by the depositary bank. Here the dividends or payments are credited by the credit institution acting as custodian for the unit holder, this institution having a direct or indirect custodial link to the depositary bank. This also applies to any unit certificates sold abroad.

The prospectus (incl. fund regulations), the Key Information Document and the annual and semi-annual report are obtainable free of charge from the management company and the depositary bank and are also available on the website [www.kepler.at](http://www.kepler.at). These documents are also available from the sales offices mentioned in the appendix.

The calculated value (NAV) of a unit and the issue and redemption prices are determined on Austrian banking days (except Good Friday and New Year's Eve) and are published in electronic form at [www.kepler.at](http://www.kepler.at).

## **17. Further investor information**

### **17.1. Voting policy of KEPLER-FONDS Kapitalanlagegesellschaft m.b.H at annual general meetings**

The management company exercises voting rights independently and exclusively in the best interests of the unit holders. Voting rights are only delegated to third parties with express instructions as to how the right is to be exercised. The management company aims to prevent conflicts of interest relating to the exercising of voting rights and to resolve or settle them in the best interests of the investors. Uniform voting rights in respect of stocks in all the investment funds of the management company can only be exercised if this does not result in a conflict of interests between the investment funds and investors. The management company will establish its voting behaviour and that of its voting right representatives in an written report, which is published on the homepage pursuant to §185 BörseG: [www.kepler.at](http://www.kepler.at) (category "Service", menu item "Infocenter/Downloadcenter").

In the matter of voting the management company abides by the following principles:

- The management company is committed to the equal treatment of all shareholders and is against restricting the rights of shareholders
- The approval by the management company of the business reports and year-end accounts depends on an adequate amount of transparency.
- The management company shall reject auditors where there is justified doubt about independence and shall reject boards of directors and supervisory boards where there is a lack of professional qualifications and impartiality.
- If there are serious doubts about the performance of the board of directors/supervisory board, the management company will vote against granting them discharge.
- If this appears to be useful for the long-term further development of the company, the management company will approve capital increases and share buy-backs. In this case share buy-backs may represent neither a purely defensive measure nor the mere attempt to strengthen the position of the management.



- The voting behaviour of the management company in acquisitions and mergers depends essentially on a fair purchase price, a clearly recognisable added value and on the sustainability of the decision. The KAG pursues the goal of preventing conflicts of interest in connection with the exercise of voting rights and of resolving or regulating them in the best interests of the investors. A uniform exercise of voting rights for the holdings in all investment funds of the KAG can only take place if no conflict of interest can arise between the investment funds or investors as a result. In the absence of the exercise of the other participation rights associated with shares mentioned above, no conflicts of interest can arise in this respect. Furthermore, internal compliance regulations in the KAG determine how potential conflicts of interest are handled. Details can be found in particular in the Conflict of Interest Policy at [www.kepler.at](http://www.kepler.at).

Due to the high diversification in investment funds and the resulting low participation in the individual companies on the one hand, and the high cost of exercising voting rights at annual general meetings on the other, the company management will only actually exercise its voting rights in specific cases. 1% of the voting rights of a company held altogether by all the investment funds managed by the management company is regarded as the relevant limit for attending an annual general meeting.

If investments are made in shares for the investment fund, the management company may use the services of a voting rights advisor to exercise voting rights on these shares. Further information on this can be found in the voting rights policy of the management company, which is available on the homepage:

([www.kepler.at](http://www.kepler.at) (section "Service", menu item "Infocenter/Downloadcenter", section "Sonstige Informationen").

## **17.2. Procedure for handling investor complaints**

KEPLER-FONDS Kapitalanlagegesellschaft m.b.H. has established effective, transparent procedures for the reasonable and prompt handling of investor complaints. Each complaint and all measures taken for its resolution are continuously recorded and stored.

Investor complaints relating to products of KEPLER-FONDS Kapitalanlagegesellschaft m.b.H. may be referred free of charge, by letter, Email, telephone or fax, to all sales offices of KEPLER-FONDS Kapitalanlagegesellschaft m.b.H. (among others Raiffeisenlandesbank Oberösterreich AG, Oberösterreichische Landesbank AG and Raiffeisenbanken).

Investor complaints regarding the investment fund licensed for operation in Germany can among others be addressed to Raiffeisenlandesbank Oberösterreich AG and its branches, as well as DZ BANK AG, the Deutsche Zentral-Genossenschaftsbank and its branches.

Investor complaints regarding the investment fund licensed for operation in Italy can be addressed to Alpen Privatbank AG as well as the Cassa Centrale Raiffeisen dell'Alto Adige SpA, Bolzano.

Investor complaints regarding the investment fund licensed for operation in the Czech Republic can be addressed to Raiffeisenlandesbank Oberösterreich AG as well as the Raiffeisenbank a.s., Prague.

The contact data of the sales offices are contained in the annex to this brochure.

KEPLER-FONDS Kapitalanlagegesellschaft m.b.H. makes available to its sales offices, free of charge, current comprehensive fund information. This enables the sales offices to answer queries on products of KEPLER-FONDS Kapitalanlagegesellschaft m.b.H. and any complaints. If no clarification is obtained in this way, or if an investor wishes to complain directly to the management company, this is possible by contacting it at the following address:

KEPLER-FONDS Kapitalanlagegesellschaft m.b.H.

Europaplatz 1a

4020 Linz

Tel.: +43 (0) 732 6596 5314

Fax: +43 (0) 732 6596 5319

Email: [info@kepler.at](mailto:info@kepler.at)

Additional possibilities for the registration of complaints are available on the KAG homepage under [www.kepler.at](http://www.kepler.at) ("Quicklinks" in the footer of the homepage, selection point "Beschwerden")

### **17.3. Method of processing requests for information**

KEPLER-FONDS Kapitalanlagegesellschaft m.b.H. shall ensure, within the meaning of § 132 (1) InvFG 2011, that an investor is informed, on request, of the investment limits of the risk management of the investment fund in question, the risk management methods and the most recent developments in the area of the risks and returns of the most important categories of investment instruments according to § 133 InvFG.

Requests for information may be sent by the investors by letter, telephone, fax or Email to the management company:

KEPLER-FONDS Kapitalanlagegesellschaft m.b.H.  
Europaplatz 1a  
4020 Linz  
Tel.: +43 (0) 732 6596 25314  
Fax: +43 (0) 732 6596 25319  
Email: [info@kepler.at](mailto:info@kepler.at)

The management company will make every effort to answer the request for information within a reasonable time. If the requests for information are unclear or imprecise, the investor will be contacted immediately for clarification.

### **17.4. Implementing policy of KEPLER-FONDS Kapitalanlagegesellschaft mbH in the fund and portfolio management (Best Execution Policy)**

#### **1. Preamble**

In implementing the relevant provisions of the Investment Fund Act 2011 (InvFG 2011), the Alternative Investment Fund Manager Act (AIFMG), Commission Delegated Regulation (EU) No. 231/2013, Commission Delegated Regulation (EU) No. 565/2017, the Austrian Securities Supervision Act 2018 (WAG 2018), the management company establishes measures to ensure the best possible execution of trading decisions as part of the fund and portfolio management with the aim of achieving the best possible result for the investment funds and portfolios managed by it. The determination of the best possible execution venue does not entail a guarantee that the optimum result is actually achieved for each individual order. Of decisive importance is that as a rule, the process applied leads to the best possible result for the managed investment fund and portfolio.

#### **2. Criteria for implementation and execution venues**

The following criteria are relevant to the management company for achieving the best possible implementation results for the investment funds and portfolio mandates on a continuing basis:

- **Rate/price**

The rate (price) is determined primarily on the basis of quantitative criteria: According to the nature of the order (purchase or selling order), the transaction is conducted at the lowest possible price (for purchases) and the highest possible price (for sales). Moreover, the price quality of the execution venue is also relevant. The price quality can be determined on the basis of the liquidity at any time and further criteria relating to the execution venue (e.g. establishment of binding prices by market makers taking into consideration maximum buying and selling margins and minimum sizes).

- **Market influence**

This criterion relates to the influence of a transaction on the rate/price. The greater the market depth of a security at the trading venue concerned, (i.e. the greater the number and volume of the buying and selling orders on the stock exchange concerned), the smaller will be the expected influence of a transaction on the rate/price.

- **Costs**

The costs include expenses related directly to the execution of a transaction (including execution venue fees, clearing and processing fees), together with all other fees which are paid to third parties involved in the execution of the order (e.g. broker charges).

– **Nature and scope of the order**

The nature of the order refers to different order types which can be placed at the trading venues (e.g. unlimited/limited orders, time-limited orders, stop-loss orders, etc.). The scope of the order refers to the size of the order.

– **Speed**

This criterion refers to the period of time from receipt of the order to its theoretical practicability via a broker or a trading centre. The speed of execution at the trading centre is determined essentially by the type of market model. The speed of execution also depends on the process of forwarding the order to the trading centre.

– **Probability of execution and processing**

The probability of execution of the order at an execution venue depends essentially on the liquidity at this execution venue and can be estimated on the basis of the situation in the relevant order book prevailing at the time of the execution. The probability of processing depends on the risks of processing the individual execution transactions that may result in an impairment of the delivery of financial instruments (security of execution at the particular execution venue).

### **3. Weighting of the criteria**

In the portfolio management the best possible result is determined mainly by the total fee. This includes the price of the financial instrument and the costs associated with the order execution.

The following applies to all the other trading decisions: the relative importance of the criteria represented depends primarily on the type of financial instrument constituting the object of the order concerned. Moreover, the investing strategy of the investment fund or portfolio, the characteristics of the order and the characteristics of the places of performance are decisive for the relative importance of the criteria.

#### **a. Shares, investment funds traded on stock exchanges, derivatives traded on stock exchanges, other equity securities, certificates**

Transactions relating to shares and other equity securities, funds traded on the stock exchange, derivatives and certificates are conducted at the current market price. In principle the management company forwards orders for these financial instruments to the commission house of Raiffeisenlandesbank Oberösterreich AG (RLB OÖ), which is separate spatially and organisationally from the own-account trading of RLB OÖ, for execution. Generally the broker is selected by the portfolio manager involved and RLB OÖ is notified of the choice (the current broker list is attached as an appendix). In this case RLB OÖ may also be selected as broker, depending in particular on existing stock exchange links.

RLB OÖ is responsible for communication of the execution and processing details with the brokers and has all the human and technical resources required for this. Cooperation with RLB OÖ contributes substantially to the best possible implementation of trading decisions because of the high standard and the considerable efficiency provided by the electronic link to the management company.

When the portfolio manager selects the broker the criteria described below are applied. There is only cooperation with brokers who meet these criteria. The brokers are regularly subjected to evaluation.

#### **Criteria for broker selection**

- access to trading centres which have the required liquidity
- normal market commission fees
- high quality of operations
- balance between the speed of the operations on the one hand and a reduction in market influence on the other, depending on liquidity and market depth
- link to an electronic trading system which is used by RLB OÖ

- timely handling and correction of error sin execution
- efficient, transparent processing

Orders are primarily executed in the manner described at the relevant principal trading centre, on another related market or in a multilateral trading system as a transaction that meets the weighted performance criteria taking into consideration existing stock exchange memberships and the liquidity of the markets is regularly possible. The main trading centre is the stock exchange which was established by the issuer and/or at which a high trading turnover is achieved. Orders are mainly executed at trading centres which show high trading turnovers in the relevant securities. If this seems appropriate taking into consideration the above-mentioned criteria, the portfolio managers may also specify other places of performance. In addition, the selection of the places of performance is left to the brokers provided that compliance with the criteria mentioned is not jeopardised.

If RLB OÖ acts through the management company without specifying a broker, it ensures the best possible execution as part of its "execution policy".

#### **b. Debt securities (bonds)**

Trading transactions concerning bonds are transferred to the Commission Trade of RLB OÖ by the management company either with or without broker default by the portfolio manager to conclude (the current broker list is attached as an appendix).

The main criterion for the decision as to whether a broker is to be specified is the liquidity of the bonds concerned. The less liquid the bonds are, the sooner such trading transactions will be completed by the portfolio manager through RLB OÖ after specifying the broker on the basis of the required market knowledge and market access. The management company has at its disposal suitable price valuation models for bonds with limited liquidity.

The processing is carried out in all cases through RLB OÖ. RLB OÖ communicates to brokers the execution and processing details and has all the human and technical resources required for this. The cooperation with the RLB OÖ contributes substantially to the best possible execution of trading decisions because of the high standard and considerable efficiency thanks to the electronic link to the management company.

The execution may be performed both on a stock exchange (in most cases the main trading venue) and off-market. Unlike shares, annuities are largely traded off-market on the basis of price agreements and not on the basis of market prices (if available at all).

In the case of orders relating to bonds the criteria of the total fee (price and costs) and the probability of execution are central. In the case of liquid bonds the transaction generally has no influence on the market. In the case of instruments with limited liquidity, on the other hand, consideration is given to proceeding with due consideration to market forces. (i.e. carrying out transactions in several steps, for example). The rapid execution of transactions is an essential criterion which can generally be met in the case of liquid bonds without having to accept price disadvantages.

Where instruments have limited liquidity the criterion of speed of execution may assume secondary importance in favour of achievement of the best price.

#### **c. Fund unit certificates**

In principle the management company places trading orders relating to fund unit certificates if execution at the NAV (Net Asset Value – currently calculated value) and freedom from charges can be guaranteed by the trading partner.

In the case of trading orders relating to fund unit certificates considerable flexibility is essential. Fast, reliable execution and processing, high flexibility in terms of acceptance times and the settlement of any portfolio commissions (refunds of management fees) have the highest priority. The amount of the portfolio commissions is also of decisive importance. The management company passes on all portfolio commissions to the relevant investment fund.

#### **d. OTC derivatives**

In the case of trading transactions relating to OTC derivatives (derivatives which are not traded on a stock exchange), not only price and costs but above all high flexibility, credit rating and seriousness of the trading partner are decisive because of the potential complexity of such financial instruments and the default risk of the trading partner. In addition, technical requirements of the depositary bank may represent a decision-making criterion.

The following applies to **forward exchange transactions** (the most significant OCT derivative in the management company): in principle forward exchange transactions are traded via RLB OÖ as long as the main criteria of high reliability of the trading partner and competitive exchange rate are met. Moreover, forward exchange transactions are also concluded with other trading partners if the criteria represented are met.

#### **4. Special places of performance**

Trading orders can be completed outside regulated marketplaces if performance and handling would otherwise be improbable (e.g. over-the-counter execution of listed certificates and warrants, or listed bonds owing to a lack of stock market liquidity).

Furthermore, special execution venues or brokers may arise for the asset classes equities and bonds as a result of corporate actions, which cannot be determined by the above-mentioned criteria for broker selection or are not on the broker list of the KAG. In such cases, the broker or the execution venue results solely from the actual execution probability and settlement possibility of the financial instruments, which is in any case in the best interest of the investors of the investment fund.

#### **5. Instructions of the client**

A client instruction refers to any form of written (incl. electronic) notification of requirements in the connection with the place of performance of an order. If the client issues instructions he recognises that the management company (or the bank commissioned by it) is exempt, as a result of his instruction, from the obligation to execute the order according to this execution policy. It is expressly pointed out that the management company may be prevented on instructions from the client from achieving the best possible result for the client as part of the present execution policy.

The following applies to investment funds managed by the management company:

Orders for investment funds managed by the management company are issued entirely in accordance with this execution policy.

#### **6. Benefits**

The management company will receive benefits (e.g. for broker research, financial analyses, market and price information systems) as a result of its management activity for investment funds and portfolio management mandates, but only when they are used in the interests of the unit holder.

#### **7. Prevention of impermissible practices**

Through the clear regulation of the cut-off times for orders regarding fund shares, the responsible entity prevents market timing (trading at old rates with knowledge of the trend of the anticipated new prices) and late trading (trading at old rates with a knowledge of the new prices).

The respective cut-off time for order acceptance is 1.00 p.m. (time at the seat of the custodian bank) on an Austrian banking day (except Good Friday and New Year's Eve)

When an order is received by the custodian bank prior to the order cut-off time, the net asset value (NAV) on the next Austrian banking day, or should the investment fund invest to a considerable extent in fund shares, the Austrian banking day after next (except Good Friday and New Year's Eve) is employed for the settlement of the impending valid issue price plus the respective issue surcharge. Excepted are concluded fund savings plans.

The only exceptions to this are completed fund savings plans. Moreover, the management company practises neither specifically marketing timing nor late trading.

Similarly the management company has clearly structured procedures and measures for preventing excessive trading.

#### **8. Procedure for delegation of the investment management**

The management company has delegated the investment management to third parties for some of the investment funds managed by it. The procedure for achieving the best possible result when executing trading decisions depends, in the case of delegation, essentially on whether the distribution of the order remains with the management company or not. If the order is distributed by the management company, reference can be made to the procedures described in point 3 above. In cases where the third party is permitted to order transactions without the participation of the management company, the management company shall ensure that the execution policy for achieving the best possible execution of trading decisions of the third party conform to the corresponding regulations, is not contrary to the principles of the execution policy of the management company described above, and is also complied with.

#### **9. Exceptional situations**

In justified exceptional cases (e.g. turbulent market phases which may lead to the announcement of a fast market; delays to be expected in the execution etc.) the above weighting of the criteria may be deviated from in the interests of the investors.

#### **10. Effectiveness of precautions**

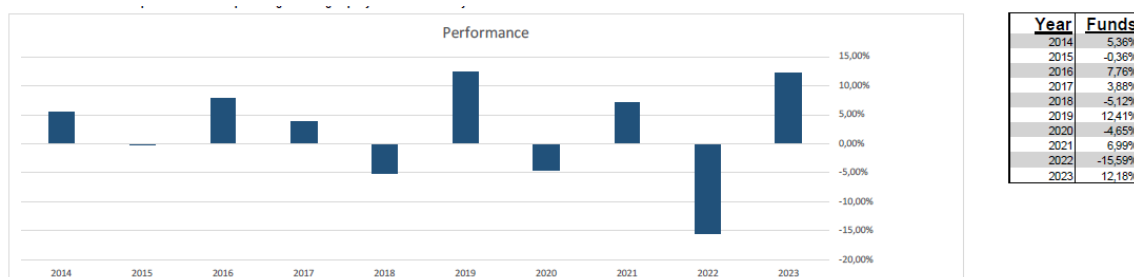
The company management regularly monitors the effectiveness of its precautions and the established principles of order execution, and if trading orders are passed on to other institutions, the quality of the execution in particular (at least annually, and in justified cases even more frequently), in order to detect any deficiencies and eliminate them if necessary.

The respective current version of the best execution policy, including the list of brokers (annex to the best execution policy), can be called up from the homepage of the managing company at [www.kepler.at](http://www.kepler.at) (category „Service“, menu item „Infocenter/Downloadcenter“section “Sonstige Informationen”))

## 18. Where appropriate, previous results of the investment fund

The following graphics shows the annual performance of the investment fund up the 29 December 2023 closing date.

### Dynamik Invest (AT0000A0PDE4 - EUR)



This chart shows the performance of the fund as a percentage loss or gain per year over the last 10 years.

Past performance is not a reliable indicator of future performance. The markets could develop completely differently in the future.

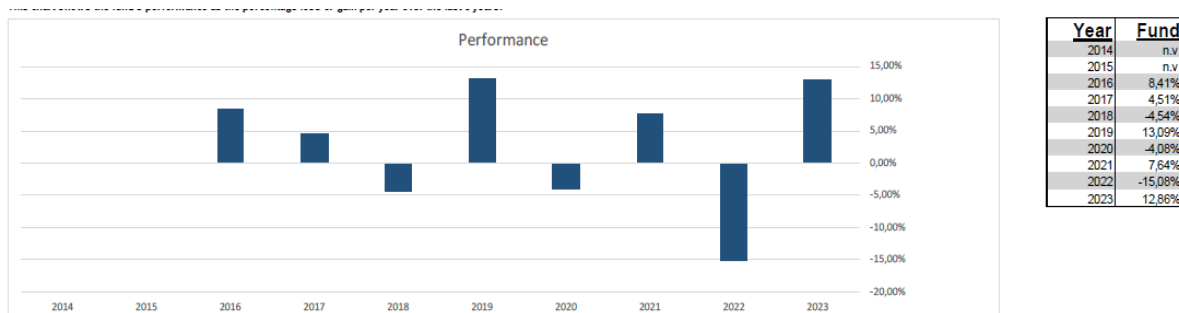
You can use the chart to assess how the fund has been managed in the past.

The performance is shown after deduction of ongoing charges. Entry and exit costs are not taken into account in the calculation.

Performance p.a. to the qualifying date: 2 January 2023 (issued on 31 May 2011)

| in % p.a.  | Since start p.a. | 1 year | 3 years p.a. | 5 years p.a. | 10 years p.a |
|------------|------------------|--------|--------------|--------------|--------------|
| before AGA | 2,45%            | 12,18% | 0,45%        | 1,56%        | 1,92%        |
| after AGA  | 2,23%            | 9,18%  | -0,45%       | 1,01%        | 1,65%        |

### Dynamik Invest IT (AT0000A1DW11 - EUR)



This chart shows the performance of the fund as a percentage loss or gain per year over the last 8 years.

Past performance is not a reliable indicator of future performance. The markets could develop completely differently in the future.

You can use the chart to assess how the fund has been managed in the past.

The performance is shown after deduction of ongoing charges. Entry and exit costs are not taken into account in the calculation.

Performance p.a. to the qualifying date: 2 January 2024 (issued on 22 April 2015)

| in % p.a.  | Since start p.a. | 1 year | 3 years p.a. | 5 years p.a. | 10 years p.a |
|------------|------------------|--------|--------------|--------------|--------------|
| before AGA | 1,65%            | 12,86% | 1,05%        | 2,17%        | n.v.         |
| after AGA  | 1,33%            | 9,83%  | 0,15%        | 1,62%        | n.v.         |



The increase in value from 30 December 2023 and the current data on the increase in value may be taken from Key Information Document and the current product sheet of the investment fund, as well as from the home page of the management company at [www.kepler.at](http://www.kepler.at).

**Note:**

The data on the price development (performance) (determined by the OeKB method on the basis of the published fund prices or, if the payment of the redemption price is postponed, using any indicative values) **relate to the past and are not a reliable indicator of the future price development (performance) of the investment fund.** Currency fluctuations in non-Euro investments may influence the price development (performance) by increasing or reducing earnings. Advice for investors with a domestic currency other than the fund currency (EUR) tranche currency EUR or CZK: We would point out that the rate of return may rise or fall as a result of currency fluctuations.

The following applies to investors of the unit class in CZK: The foreign currency risk that exists relating to tranches in EUR is largely hedged. All other currency risks associated with the fund assets will continue to exist.

**19. Profile of the typical investor for whom the investment fund has been created**

The investment fund is aimed at investors seeking capital growth /yield of return with their investment. As far as higher earning opportunities are concerned the investors must also be prepared and able to accept greater value fluctuations and, if necessary, higher losses. In order to assess the risks and opportunities associated with the investment the investors should have sufficient experience and knowledge of investment products and capital markets or should have received advice about them. The recommended holding time (investment horizon) of the investment fund is at least: from 7 years.

**20. Economic information**

**Any costs or fees, with the exception of the costs mentioned in points 9.1 and 9.2, broken down into those which must be paid by the unit holder and those which must be paid from the special assets of the investment fund.**

The fees for custody of the unit certificates depend on the agreement between the unit holder and his/her credit institute.

If the bond certificates are returned costs may be incurred (e.g. order fees) when the unit certificates are redeemed.

Otherwise no costs in addition to those mentioned in point 14 will be incurred.

## SECTION III – INFORMATION ON THE DEPOSITARY BANK

### 1. Identity of the depositary of the UCITS and description of its obligations as well as the conflicts of interest that may arise

#### Identity of the depositary bank

Raiffeisenlandesbank Oberösterreich Aktiengesellschaft, Europaplatz 1a, 4020 Linz, has assumed the role of depositary bank for the investment fund according to the Notice of 27 April 2011, GZ FMA-IF25 6779/0001-INV/2011 of the Financial Market Authority.

It is a credit institute according to Austrian law, its principal activity being the giro, investment and credit business as well as the security business.

The appointment and replacement of the depositary bank requires the approval of the Financial Market Authority (FMA). This approval may only be granted if it is to be assumed that the credit institute guarantees the performance of the tasks of a depositary bank. The appointment and replacement of the depositary bank must be published and the publication must cite the approval notice.

#### Tasks and obligations of the depositary bank

The depositary bank shall fulfil the tasks and obligations laid down in §§ 40 ff of the 2011 Investment Fund Act.

The depositary bank shall be obliged, in particular, to ensure the safekeeping of the assets of the investment fund and proper management of the accounts and deposits of the investment fund (§ 40, para. 1 of the 2011 Investment Fund Act).

The depositary bank must follow the instructions of the management company, unless these instructions infringe the provisions of the 2011 Investment Fund Act or the fund regulations.

As part of the supervisory and monitoring obligations imposed on it, the depositary bank must guarantee, in particular,

- that the issue, repurchase, redemption and cancellation of units are effected on behalf of the investment fund in accordance with the provisions of the 2011 Investment Fund Act;
- that the value of the units is calculated according to the provisions of the 2011 Investment Fund Act and the fund regulations in the interests of the unit holder;
- that in the case of transactions relating to the assets of the investment fund, the equivalent value is transferred to it immediately;
- that the income from the investment fund are used according to the provisions of the Investment Fund Act and the fund regulations, and
- that all payments made at the time of subscription of units by unit holders or on behalf of unit holders have been received and that all money available in the investment fund have been entered in bank accounts which are clearly assignable to the fund and are kept according to the legal requirements by approved authorities.

In undertaking the tasks and obligations imposed on it the depositary bank must act honourably, honestly, professionally, independently and exclusively in the interests of the unit holders (§ 44, para. 2 of the 2011 Investment Fund Act).

The remuneration assigned to the management company for the management, according to the fund regulations, and the reimbursement for the expenses relating to the management, must be paid by the depositary bank into the accounts kept for the investment fund. The depositary bank may debit the investment fund with the remuneration assigned to it for custody of the securities of the investment fund and for keeping the account. In taking these measures the depositary bank may only act on the basis of an order from the management company (§ 45 of the 2011 Investment Fund Act).

Furthermore, the activities cited in Section I, point 8, shall be undertaken by the depositary bank in the context of a transfer according to § 28 of the Investment Fund Act.

#### **Potential conflicts**

The management company wishes to point out that the depositary bank is an undertaking that is closely associated with it and therefore represents an associated company within the meaning of Art. 4, para. 3 of Z 38 VO (EU) 575/2013.

You may find details of potential conflicts of interest in the current guideline for handling conflicts of interests and incentives in KEPLER-FONDS KAG (Conflicts of Interest Policy) on the home page of the management company at [www.kepler.at](http://www.kepler.at) (category „Service“, menu item „Infocenter/Downloadcenter“, category „Sonstige Informationen“))

## **2. Description of all the custody functions transferred from the depositary, list of representatives and sub-representatives, and an indication of all the conflicts of interest that may arise from the transfer of tasks**

The depositary bank may use the following subdepositories for custody of the assts of the investment fund:

- OeKB CSD GmbH, Strauchgasse 1-3, 1010 Vienna
- Euroclear Bank SA/NV, 1 Boulevard du roi Albert II, 1210 Brussels, Belgium
- Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxembourg, Luxembourg The Bank of New York Mellon SA/NV, Messe Turm, Friedrich-Ebert-Anlage 49, 60327 Frankfurt am Main, GermanyRaiffeisen Bank International AG, Am Stadtpark 9, 1030 Vienna
- Oberösterreichische Landesbank Aktiengesellschaft, Landstraße 38, 4010 Linz

The depositary/depositary bank may use the following sub-depositary for custody of the unit certificates for the investment funds managed by the management company:

- OeKB CSD GmbH, Strauchgasse 1-3, 1010 Vienna

You can find details on potential conflicts of interest which may arise from the transfer of custody to sub-depositaries in the document “Information on potential conflicts of interest relating to sub-depositaries” on the home page of the management company at [www.kepler.at](http://www.kepler.at). (category „Service“, menu item „Infocenter/Downloadcenter“, category „Sonstige Informationen“).

## **3. Declaration that on application the investors are advised of the most recent version of the above information**

On request up to date information on the data on the depositary bank given up is made available to the investors.

KEPLER-FONDS  
Kapitalanlagegesellschaft m.b.H.

Dr. Michael Bumberger

Mag. Katharina Lang

## APPENDIX

### 1. Sales offices

- Raiffeisenlandesbank Oberösterreich Aktiengesellschaft  
Europaplatz 1a 4020 Linz, [www.rlbooe.at](http://www.rlbooe.at) and its branches
- Oberösterreichische Landesbank Aktiengesellschaft  
Landstraße 38, 4020 Linz, [www.hypo.at](http://www.hypo.at) and all branches  
Oberösterreichische Versicherung Aktiengesellschaft  
Gruberstraße 32, 4020 Linz, [www.keinesorgen.at](http://www.keinesorgen.at)
- Banks of Raiffeisenbankengruppe Oberösterreich
- DZ BANK AG  
Deutsche Zentral-Genossenschaftsbank, Platz der Republik, 60325 Frankfurt  
am Main, [www.dzbank.de](http://www.dzbank.de)

and, where applicable, further sales offices in Austria and Germany.

### 2. Payment centre in the Czech Republic

Raffaelsenbank a.s. Hvězdova 1716/2b, 140 78 Praha (Czech Republic)\*

\*since 7 January 2016 is the sale of shares in **Dynamik Invest** in the Czech Republic valid.

### 3. Stock exchanges and markets at which securities may be acquired

See Appendix to the Fund Regulations

### 4. Indication of investment funds (UCITS and AIFs) which are managed by KEPLER-FONDS Kapitalanlagegesellschaft m.b.H., Linz (As at: June 2024)

Active World Portfolio, Alpen Privatbank Aktienstrategie, Alpen Privatbank Anleihenstrategie, Alpen Privatbank Ausgewogene Strategie, Banner Power Alpha, Dividend Select Aktien, Dynamik Ertrag, Dynamik Invest, Ethik Mix Ausgewogen, Ethik Mix Dynamisch, Ethik Mix Solide, H 500, HYPO 3-Wert, Hypo K 7, Hypo K 36, K 101, K 120, K 122, K 125, K 14, K 140, K 141, K 150, K 17, K 19, K 20 Fonds, K 2004, K 222, K 250, K 274, K 300, K 33, K 380, K 40, K 42, K 46, K 460, K 5, K 51, K 56 ESG, K 57 ESG, K 6, K 61, K 62 ESG, K 64, K 66, K 76, K 77, K 79, K 81, K 82, K 88, K 95, K 96, Keine Sorgen Aktiv - VLV Aktiv, Keine Sorgen Ausgewogen - VLV Konservativ, Keine Sorgen Top - VLV Offensiv, Kepler 333, KEPLER Dachfonds Hoffnung, KEPLER D-A-CH Plus Aktienfonds, KEPLER Dollar Rentenfonds, KEPLER Emerging Markets Rentenfonds, KEPLER Ethik Aktienfonds, KEPLER Ethik Rentenfonds, KEPLER Ethik Quality Aktienfonds, KEPLER Euro Rentenfonds, KEPLER Euro Plus Rentenfonds, KEPLER Europa Aktienfonds, KEPLER Europa Rentenfonds, KEPLER Growth Aktienfonds, KEPLER High Grade Corporate Rentenfonds, KEPLER High Yield Corporate Rentenfonds, KEPLER KARUM Fonds, KEPLER Liquid Rentenfonds, KEPLER Mix Ausgewogen, KEPLER Mix Dynamisch, KEPLER Mix Solide, KEPLER Multi-Flex Portfolio, KEPLER Multi-Med Fund, KEPLER Osteuropa Plus Rentenfonds, KEPLER Realzins Plus Rentenfonds, KEPLER Rent 2026, KEPLER Rent 2028, KEPLER Rent Select 2030, KEPLER Risk Select Aktienfonds, KEPLER Short Invest Rentenfonds, KEPLER Small Cap Aktienfonds, KEPLER Trend Select Aktienfonds, KEPLER Umwelt Aktienfonds, KEPLER US Aktienfonds, KEPLER V 1832, KEPLER Value Aktienfonds, KEPLER Vorsorge Mixfonds, KEPLER Vorsorge Rentenfonds, MANDO aktiv Multi Assets, META CORE, META SAT, MF 43, Minimum Varianz Fonds, Novogenia, OOEV 1, OOEV 2, Optima Rentenfonds, Pension Income D 2, Portfolio Management AUSGEWOGEN, Portfolio Management DYNAMISCH, Portfolio Management KONSERVATIV, Portfolio Management SOLIDE, PPF 6, PRIVAT BANK ECI, PRIVAT BANK SWA, PRIVAT BANK VALERE, PRIVAT BANK WEF, RBW Dynamik Alpha, Starmix Ausgewogen, Starmix Konservativ, TTM PM Fonds, Valida Aktien Europa 2, Valida Aktien Nachhaltig 3, Valida Anleihefonds 5, Valida Anleihen Emerging Markets 2, Valida Anleihen HTM 3, Valida Global 5, Valida Global 6, VAP 2, VM Aktien Select, Vorsorgezertifikat-Fonds, WSTW V, X-250 Welt Aktien, Zukunftsvorsorge15, Zukunftsvorsorge25, Zukunftsvorsorge30; The current list of investment funds managed by KEPLER-FONDS Kapitalanlagegesellschaft m.b.H can be found at [www.kepler.at](http://www.kepler.at) (under the heading Fund Documents/Fund Publications).

## 5. Indication of the other principal functions of the members of the management and supervisory board

### Management

Dir. Andreas Lassner-Klein

Dir. Dr. Michael Bumberger

### Supervisory Board

Mag. Christian Ratz, Chairman

|                           |  |
|---------------------------|--|
| Authorised representative | <a href="#">Oberösterreichische Landesbank Aktiengesellschaft</a> , 4020 Linz<br>Since 17 December 2012, the Chairman represents the bank together with another Board member |
|---------------------------|--|

Mag. Klaus Kumpfmüller, Deputy Chairman

|                    |  |
|--------------------|--|
| Board of directors | <a href="#">Oberösterreichische Landesbank Aktiengesellschaft</a> , 4010 Linz<br>since 10 August 2020 represents the bank together with another board member, or an executive with the power of attorney |
| Supervisory Board  | <a href="#">EBS Wohnungsgesellschaft mbH Linz</a> , 4020 Linz,<br>Deputy Chairman  |
|                    | <a href="#">WAG Wohnungsanlagen Gesellschaft m.b.H.</a> , 4025 Linz,<br>Deputy Chairman  |
|                    | <a href="#">Hypo Wohnbaubank Aktiengesellschaft</a> , 1040 Wien<br>Chairman  |
|                    | <a href="#">Hypo-Banken-Holding Gesellschaft m.b.H.</a> , 1040 Wien<br>Member  |
|                    | <a href="#">Einlagensicherung AUSTRIA Ges.m.b.H.</a> , 1010 Wien<br>Member   |

Mag. Serena Denkmaier

|                                      |   |
|--------------------------------------|---|
| Executive with the power of attorney | <a href="#">Oberösterreichische Landesbank Aktiengesellschaft</a> , 4010 Linz<br>Since 8 September 2004, represents the bank together with a Board member, or an another executive with the power of attorney |
|--------------------------------------|---|

Prof. Dr. Teodoro Cocca

|                   |  |
|-------------------|--|
| Owner             | <a href="#">Cocca Asset Management KG</a> , 4616 Weißkirchen an der Traun<br>has represented independently since December 18, 2009 |
| Supervisory Board | <a href="#">APK Pensionskasse AG</a> , 1030 Wien<br>member   |



Gerhard Lauss

|                           |   |
|---------------------------|---|
| Authorised representative | <a href="#">Raiffeisenlandesbank Oberösterreich Aktiengesellschaft</a> , 4020 Linz<br>has represented the company since 22 December 2008 together with a member of the board of directors |
|---------------------------|---|

Mag. Thomas Pointner

|                           |  |
|---------------------------|--|
| CEO                       | OÖV-Holding Gesellschaft m.b.H, 4020 Linz                            |
|                           | Stadtwerke Oberwölz GmbH, 4020 Linz                                  |
|                           | VEC Versicherungs-Experten-Center Gesellschaft m.b.H., 4020 Linz     |
|                           | M!Serv Marketing Services GmbH, 4020 Linz                            |
| Authorised representative | Oberösterreichische Versicherung Aktiengesellschaft, 4020 Linz       |
| Supervisory Board         | Sparkasse Oberösterreich Kapitalanlagegesellschaft m.b.H., 4040 Linz |
|                           | ELAG Immobilien AG, 4020 Linz  |



## Additional information for investors in the German Federal Republic

The Federal Institute of Financial Services Supervision, Bonn, has been notified of the sale of Dynamik Invest units, mutual funds according to §§ 2, (1) and (2), in conjunction with 50, InvFG 2011, with the German WKN (WKN-T A1H9V0, WKN-T A14RQ6,) in the German Federal Republic.

Before the conclusion of the contract the Key Information Document and the prospectus of the management company, in the currently valid wording, must be made available to the purchaser of a unit free of charge. The prospectus must be supplemented by the last published statement of accounts and the subsequent semi-annual report if the latter has been published.

### **German Paying and Information Agent**

DZ BANK AG

Deutsche Zentral-Genossenschaftsbank

Frankfurt am Main

Platz der Republik

60325 Frankfurt am Main

[www.dzbank.de](http://www.dzbank.de)

Redemption applications for the units of **Dynamik Invest** may be submitted to the German Paying and Information Agent. All payments to the unit holders (redemption proceeds, any dividends and other payments) may be forwarded via the German Paying and Information Agent.

All the information required for the investors are also available from the German Paying and Information Agent free of charge:

- the prospectus
- Key Information Document
- the Fund Regulations
- the Annual and semi-annual Reports and
- the Issue and Redemption Prices.

In addition to the above-mentioned documents the paying and sales agent agreement concluded between KEPLER-FONDS Kapitalanlagegesellschaft m.b.H., Linz, and DZ BANK AG, Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, Platz der Republik, 60325 Frankfurt am Main, as well as the Austrian Investment Fund Act, are available for inspection at the German Paying and Information Agent.

### **Publications**

The following publications are issued:

Issue and Redemption Prices [www.kepler.at](http://www.kepler.at)

Basic Taxation Principles [www.kepler.at](http://www.kepler.at)

All other information for the unit holders are published in the "Bundesanzeiger".

In cases provided for by law, information is also sent to the unit holders by means of a durable data medium.

Moreover, all the information at the registered office of KEPLER-FONDS Kapitalanlagegesellschaft m.b.H. and Raiffeisenlandesbank Oberösterreich Aktiengesellschaft, Europaplatz 1a, 4020 Linz and DZ BANK AG, Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, Platz der Republik, 60325 Frankfurt am Main is available free of charge.

Investors or potential investors can find a summary of their investor rights and the instruments for collective redress in German and English at <https://www.kepler.at/de/startseite/beschwerden.html>.

***Sales offices in the German Federal Republic***

- DZ BANK AG, **Deutsche Zentral-Genossenschaftsbank**,  
Platz der Republik, 60325 Frankfurt am Main and their sales offices
- Raiffeisenlandesbank Oberösterreich Aktiengesellschaft  
Europaplatz 1a, 4020 Linz and their branches

Corresponding sales agreements have been concluded with the sales offices listed above.

**Overview of changes to the brochure regarding information pursuant to § 131 Para. 1 to 4 of the 2011 Investment Fund Act, which is suitable for influencing the assessment of OGAW shares:**

| Validity                         | Alterations   |
|----------------------------------|---|
| Since June 21 <sup>st</sup> 2024 | Change of investment objectives due to the investment according to ethical and sustainable criteria to promote a sustainable economy. |

For previous changes that are likely to affect the assessment of the shares in the investment fund, see respective previous version.

# Fund regulations

The fund regulations for the **Dynamik Invest** investment fund, a mutual fund according to the **Investment Fund Act (InvFG) 2011 in the currently applicable wording** have been approved by the Financial Market Authority (FMA).

The investment fund as a special guideline-conforming asset and is managed by KEPLER-FONDS Kapitalanlagegesellschaft m.b.H. (hereinafter referred to as the "management company") with its registered office in Linz.

## Article 1 Co-ownership units

The co-ownership units are incorporated by unit certificates (certificates) in the nature of a security made out in the name of the holder.

The unit certificates are represented in collective certificates for each class of unit. No actual securities may therefore be paid.

## Article 2 Depositary bank (Custodian)

The depositary bank (custodian) appointed by the investment fund is Raiffeisenlandesbank Oberösterreich Aktiengesellschaft, Linz.

The paying agents for unit certificates are the depositary bank (custodian) or other paying agents mentioned in the prospectus.

## Article 3 Investment instruments and principles

**The following assets may be selected for the investment fund according to the InvFG.**

According to the market situation or estimate of the fund management the investment fund invests in all types of bonds, shares, certificates, ETFs and shares in investment funds of national and international issues, and in money market instruments and sight deposits or deposits at notice. The proportion of these investment categories may in this vary dynamically. Derivative financial instruments may also be used for hedging purposes and speculatively for investment level control.

It is possible that shares may be purchased in an investment fund, which has divergent restrictions upon investment and on the investment instruments listed below. However, this does not affect the permanent adherence to the investment focus described above.

- **Securities**

Securities (including securities with embedded derivative instruments) may be acquired **to the legally permissible extent** provided that the description of the investment fund set out above is complied with.

- **Money market instruments**

Money market instruments may be acquired **to the legally permissible extent**.

- **Securities and money market instruments**

The acquisition of securities or money markets not fully paid up and of subscription rights to such instruments or other financial instruments not fully paid up is permissible **up to 10 %** of the fund assets.

Securities and money market instruments may be acquired if they meet the requirements regarding notice or trading on a regulated market or a securities stock exchange according to the InvFG.

Securities and money market instruments which do not meet the criteria mentioned in the previous paragraph may be acquired if they amount in total to **up to 10 %** of the fund assets.

- **Shares in investment funds**

Shares in investment funds (UCITS, UCI) may be acquired for **up to 20 %** of the fund assets in each fund, provided that the total is **within the permissible legal limit**, and provided that these funds (UCITS and UCI) invest in other investment funds to the extent of no more than **10%** of the fund assets for each fund.

Shares in UCI may be acquired in a total amount of **up to 30%** of the fund assets.

- **Derivative instruments**

Derivative instruments may be used as part of the investment strategy **to the legally permitted extent** and also for hedging purposes.

- **Risk measurement method(s) of the investment fund**

The investment fund uses the following risk measurement method:

**Commitment approach:**

The commitment value is determined according to Chapter 3 of the 4<sup>th</sup> Derivative Risk Calculation and Reporting Decree in the applicable wording.

The total risk of derivative instruments which are not used for hedging purposes must not exceed **100 %** of the total net value of the fund assets.

Details and explanations can be found in the prospectus.

- **Sight deposits and deposits at notice**

Sight deposits and deposits at notice with a maximum term of 12 months may be held at **up to 100%** of the fund assets.

No minimum bank credit need be kept.

- **Temporary loans**

The management company may take out temporary loans for **up to 10%** of the asset funds for the account of the investment fund.

- **Repurchase agreements**

Repurchase agreements may be used for **up to 100 %** of the fund assets.

- **Securities loan**

Securities loan transactions may be used for **up to 30 %** of the fund assets.

The acquisition of investment instruments is only possible in a uniform manner for the entire investment fund and not for an individual unit class or group of unit classes.

However, this does not apply to currency hedging transactions. These transactions may also be concluded exclusively in favour of a single unit class. Expenditure and receipts relating to a currency hedging transaction are assigned exclusively to the unit class concerned.

More detailed information can be found in the brochure.

## **Article 4      Conditions for issue and redemption**

The unit value is calculated in EUR or in the currency of the particular unit class. More detailed information can be found in the prospectus.

The time of calculation of the unit value coincides with the time of calculation of the issue and redemption price.

- **Issue and issue premium**

The calculation of the issue price and the issue take place on Austrian bank working days (except Good Friday and New Year's Eve). The issue price is obtained from the unit value plus a premium per unit amounting to **up to 2,75 %** to cover the issue costs of the management company, commercially rounded to two decimal places.

In principle the issue of the units is not limited, but the management company reserves the right to postpone the issue of unit certificates temporarily or completely.

It is at the discretion of the management company to phase the issue premium.

More detailed information can be found in the prospectus.

#### - **Redemption and redemption premium**

The calculation of the redemption price and the redemption take place on Austrian bank working days (except Good Friday and New Year's Eve).

The redemption price is obtained from the unit value. At the request of a unit holder his/her share of the investment fund must be paid to him/her at the applicable redemption price on return of the unit certificate.

No redemption premium is levied.

### **Article 5      Accounting year**

The accounting year of the investment is the period from **01.05.** until **30.04.**

### **Article 6      Unit classes and use of proceeds**

Income-distributing unit certificates and/or reinvestment unit certificates with CGT deduction and/or reinvestment unit certificates without CGT deduction may be issued for the investment fund.

Different classes of unit certificates may be issued for this investment fund. The formation of unit classes and the issue of units in a unit class are at the discretion of the management company. More detailed information can be found in the prospectus.

#### - **The use of earnings in the case of dividend unit certificates**

The earnings accrued during the accounting year (interests and dividends) can be distributed at the discretion of the management company after the costs are covered. A dividend may not be paid, taking into consideration the interests of the unit holders. The same applies to the distribution of income from the sale of assets of the investment fund, including subscription rights, at the discretion of the management company. The payment of dividend from the fund assets and intermediate dividends are permissible.

In no case may the fund assets drop below the legal minimum volume for a termination due to the payment of dividends.

The amounts must be distributed to the holders of unit certificates from **15.07** of the following accounting year, the remainder being carried forward to a new account.



In any case, from **15.07** the amount determined according to the Investment Fund Act must be paid, i.e. the amount which must be used, if necessary, to cover a capital gains tax payment obligation on the dividend-equivalent income from the unit certificate, unless the management company ensures, by providing suitable evidence from the credit institutions, that the unit certificates are, at the time of payment, only held by unit holders who are not subject to Austrian income or corporation tax or are eligible for exemption according to § 94 of the Income Tax Act (ITA) or exemption from capital gains tax.

**- Use of earnings in the case of income-retaining unit certificates with CGT deduction**

The earnings accrued during the accounting year, after the costs are covered, are not distributed. In the case of income-retaining unit certificates, from **15.07**, the amount determined according to the Investment Fund Act must be paid, i.e. the amount of the unit certificate which must be paid, if necessary, to cover a capital gains tax payment requirement on the dividend-equivalent income from the unit certificate, unless the management company ensures, by providing suitable evidence from the credit institutions, that the unit certificates are, at the time of payment, only held by unit holders who are not subject to Austrian income or corporation tax or are eligible for exemption according to § 94 of the Income Tax Act (ITA) or exemption from capital gains tax.

**- Use of earnings in the case of income-retaining unit certificates without CGT deduction  
(full income retention, Austrian and foreign tranches)**

The earnings accrued during the accounting period, after the costs are covered, are not distributed. No payment is made according to the Investment Fund Act. The determining date for waiving the CGT payment on the annual income is always **15.07** of the following accounting year.

By providing corresponding evidence from the portfolio managing institutions, the management company ensures that the unit certificates are, at the time of payment, held only by unit holders who are either not subject to Austrian income or corporation tax or who are eligible for an exemption according to § 94 of the Income Tax Act (ITA) or exemption from capital gains tax.

If these conditions are not met at the time of payment, the amount determined according to the Investment Fund Act must be paid by crediting the credit institution concerned.

## **Article 7 Management fee, reimbursement of expenses, processing fee**

The management company receives an annual fee of up to 1.85 % for its management activities. The remuneration is calculated for each calendar day on the basis of the respective fund assets of the previous day, deferred in the unit value calculation and withdrawn from the fund on a monthly basis.

Phasing of the management fee is at the discretion of the management company.

More detailed information can be found in the prospectus.

The management company may claim a reimbursement for all the expenses incurred in connection with the management.

More detailed information can be found in the prospectus.

The costs of introducing new unit classes for existing special assets are charged against the unit prices for the new unit classes.

For managing the investment fund the settlement centre receives a fee of **0.50 %** of the fund assets.

## Appendix

List of officially trading stock exchanges and regulated markets.

### 1. Officially trading stock exchanges and regulated markets in the member states of the EEA as well as stock exchanges of European non EEA member states, which are equal to regulated markets

According to Article 16 of Directive 93/22/EEC (Securities Service Directive), each member state must keep an up to date list of the markets approved by it. This list must be submitted to other member states and the Commission.

According to this provision the Commission is obliged to publish an annual list of the regulated markets of which it has been notified.

Following the reduced entry barriers and specialisation in the trading segments the list of “regulated markets” has been subject to major changes. In addition to the annual publication of a list in the Official Gazette of the European Union, the Commission will therefore make available an updated version on its official website.

#### 1.1 You will find the up to date list of regulated markets at

[https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_upreg](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_upreg)<sup>12</sup>

#### 1.2 Markets in the EEA recognised according to § 67 (2) Line 2 of the InvFG:

Markets in the EEA (European Economic Area) which are classified as recognised markets by the competent supervisory authorities.

### 2. Stock exchanges in European countries outside the member states of the EEA

|     |                     |                       |
|-----|---------------------|-----------------------|
| 2.1 | Bosnia Herzegovina: | Sarajevo, Banja Luka  |
| 2.2 | Montenegro:         | Podgorica             |
| 2.3 | Croatia:            | Zagreb Stock Exchange |
| 2.4 | Russia:             | Moscow Exchange       |

---

<sup>1</sup> For opening the list go to “Entity type” in the left column, choose „regulated market” and click the “Search” button (or rather „Show table columns” and „Update”). The possibility that ESMA changes the link does exist.

2.5 Serbia: Belgrade

2.6 Turkey: Istanbul (betr. Stock Market, "National Market" only)

**2.7 United Kingdom of Great Britain**

**and Northern Ireland**

Cboe Europe Equities Regulated Market – Integrated Book Segment, London Metal Exchange, Cboe Europe Equities Regulated Market – Reference Price Book Segment, Cboe Europe Equities Regulated Market – Off-Book Segment, London Stock Exchange Regulated Market (derivatives), NEX Exchange Main Board (non-equity), London Stock Exchange Regulated Market, NEX Exchange Main Board (equity), Euronext London Regulated Market, ICE FUTURES EUROPE, ICE FUTURES EUROPE - AGRICULTURAL PRODUCTS DIVISION, ICE FUTURES EUROPE - FINANCIAL PRODUCTS DIVISION, ICE FUTURES EUROPE - EQUITY PRODUCTS DIVISION und Gibraltar Stock Exchange

**3. Stock exchanges in non-European countries**

3.1 Australia: Sydney, Hobart, Melbourne, Perth

3.2 Argentina: Buenos Aires

3.3 Brazil: Rio de Janeiro, Sao Paulo

3.4 Chile: Santiago

3.5 China: Shanghai Stock Exchange, Shenzhen Stock Exchange

3.6 Hong Kong: Hongkong Stock Exchange

3.7 India: Mumbai

3.8 Indonesia: Jakarta

3.9 Israel: Tel Aviv

3.10 Japan: Tokyo, Osaka, Nagoya, Fukuoka, Sapporo

3.11 Canada: Toronto, Vancouver, Montreal

3.12 Columbia: Bolsa de Valores de Colombia

3.13 Korea: Korea Exchange (Seoul, Busan)

3.14 Malaysia: Kuala Lumpur, Bursa Malaysia Berhad

3.15 Mexico: Mexico City

|      |                       |  |
|------|-----------------------|--|
| 3.16 | New Zealand:          | Wellington, Auckland   |
| 3.17 | Peru                  | Bolsa de Valores de Lima   |
| 3.18 | Philippines:          | Philippine Stock Exchange  |
| 3.19 | Singapore:            | Singapore Stock Exchange   |
| 3.20 | South Africa:         | Johannesburg   |
| 3.21 | Taiwan:               | Taipei   |
| 3.22 | Thailand:             | Bangkok  |
| 3.23 | USA:                  | New York, NYCE American, New York Stock Exchange (NYSE), Philadelphia, Chicago, Boston, Cincinnati, Nasdaq |
| 3.24 | Venezuela:            | Caracas  |
| 3.25 | United Arab Emirates: | Abu Dhabi Securities Exchange (ADX)  |

#### **4. Regulated markets in countries outside the member states of the European Union**

|     |              |  |
|-----|--------------|--|
| 4.1 | Japan:       | Over the Counter Market  |
| 4.2 | Canada:      | Over the Counter Market  |
| 4.3 | Korea:       | Over the Counter Market  |
| 4.4 | Switzerland: | Over the Counter Market of the members of the International Securities Market Association (ISMA), Zürich |
| 4.5 | USA:         | Over the Counter Market (under regulated supervision as e.g. SEC, FINRA)                                 |

#### **5. Stock exchanges with futures and options markets**

|     |            |   |
|-----|------------|---|
| 5.1 | Argentina: | Bolsa de Comercio de Buenos Aires                               |
| 5.2 | Australia: | Australian Options Market, Australian Securities Exchange (ASX) |

|      |               |  |
|------|---------------|--|
| 5.3  | Brazil:       | Bolsa Brasileira de Futuros, Bolsa de Mercadorias & Futuros, Rio de Janeiro Stock Exchange, Sao Paulo Stock Exchange   |
| 5.4  | Hong Kong:    | Hong Kong Futures Exchange Ltd.  |
| 5.5  | Japan:        | Osaka Securities Exchange, Tokyo International Financial Futures Exchange, Tokyo Stock Exchange  |
| 5.6  | Canada:       | Montreal Exchange, Toronto Futures Exchange  |
| 5.7  | Korea:        | Korea Exchange (KRX)   |
| 5.8  | Mexico:       | Mercado Mexicano de Derivados  |
| 5.9  | New Zealand:  | New Zealand Futures & Options Exchange   |
| 5.10 | Philippines:  | Manila International Futures Exchange  |
| 5.11 | Singapore:    | The Singapore Exchange Limited (SGX)   |
| 5.12 | South Africa: | Johannesburg Stock Exchange (JSE), South African Futures Exchange (SAFEX)  |
| 5.13 | Turkey:       | TurkDEX  |
| 5.14 | USA:          | NYCE American, Chicago Board Options Exchange, Chicago Board of Trade, Chicago Mercantile Exchange, Comex, FINEX, ICE Future US Inc. New York, Nasdaq, New York Stock Ex-change, Boston Options Exchange (BOX) |

## Disclosure according to Article 8 Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation)

Sustainable

investment

means

an investment in an

economic activity

that contributes to

an environmental or

social objective,

provided that the

investment does not

significantly harm

any environmental

or social objective

and that the

investee companies

follow good

governance

practices.

The EU Taxonomy

is a classification

system laid down in

Regulation (EU)

2020/852,

establishing a list of

environmentally

sustainable

economic activities.

That Regulation does

not include a list of

socially sustainable

economic activities.

Sustainable

investments with an

environmental

objective might be

aligned with the

Taxonomy or not.

Product name: Dynamik Invest

Legal entity identifier: 5299004U4NT5M22X0V95

### Environmental and/or social characteristics

#### Does this financial product have a sustainable investment objective?



Yes



No



It will make a minimum of **sustainable investments with an environmental objective:** \_\_\_\_%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It will make a minimum of **sustainable investments with a social objective:** \_\_\_\_%



It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 5 % of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promotes E/S characteristics, but **will not make any sustainable investments**



#### What environmental and/or social characteristics are promoted by this financial product?

In Dynamik Invest, the selection of individual stocks is based on a sustainable investment process. Ratings from the sustainability agency ISS ESG and exclusion criteria play just as much a role as the exchange of opinions between experts in the KEPLER ethics advisory board. The sub-funds are selected according to sustainability criteria.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The ISS ESG Performance Score is used to measure the environmental and social characteristics of the investment fund.

The ISS ESG Performance Score evaluates the sustainability of the portfolio. The rating is based on a scale from 0 to 100. The higher the rating, the more sustainable the portfolio.

Furthermore, an assessment of the environmental and social characteristics is made through a use of external data points, which is described in more detail in the section "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?".

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The sustainable investments, through products/services of the invested companies, contribute to one or more of the 17 United Nations Sustainable Development Goals (UN SDGs), each to varying degrees, according to ISS ESG's assessment: No poverty, zero hunger; good health and well-being; quality education; gender equality; clean water and sanitation; affordable and clean energy; decent work and economic growth; industry, innovation and infrastructure; reduced inequalities; sustainable cities and communities; responsible consumption and production; climate action; life below water; life on land; peace, justice and strong institutions; partnerships for the goals.



**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

The following criteria ensure that the sustainable investments do not significantly harm any of the environmental or social sustainable investment objectives: Companies with exposure to controversial weapons or thermal coal (producers with a share of turnover equal to or greater than 1%), as well as companies that disregard established norms such as human or labour rights, or have controversial environmental practices, are not eligible as issuers of sustainable investments.

— — ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

Principal Adverse Impacts (PAIs), are taken into account during the process of identification of sustainable investments by screening issuers for negative contributions to the 17 UN Sustainable Development Goals. In addition, issuers are screened to determine whether their activities have a material adverse impact on sustainability factors: Exposure to controversial weapons or thermal coal (miners with a revenue share equal to or greater than 1%), disregard for established norms such as human or labour rights, controversies in environmental practices.

— — ***How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

When determining the share of sustainable investments, the companies invested in (via sub-funds) are checked to see whether they violate the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. Only companies without such violations and compliant with criteria of good corporate governance



(avoidance of labour rights controversies, human rights controversies, controversial environmental behaviour) can be considered as issuers of sustainable investments.



*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

### **Does this financial product consider principal adverse impacts on sustainability factors?**



Yes, the investment fund considers principal adverse impacts on sustainability factors (PAIs - Principal Adverse Impacts), which are presented using a series of indicators in the areas of "Climate and Environment", "Social and Employment, Respect for Human Rights and Combating Corruption and Bribery" and "States and Supranational Organisations".

Consideration in the selection of individual securities is based on both exclusion criteria (negative criteria) and a "best-in-class" approach (positive criteria).

Below you find the sustainability indicators for adverse impacts considered in the investment process for individual securities as well as the measures taken:

PAIs 1-3 - GHG emissions; carbon footprint; GHG intensity of investee companies: Companies with exposure to fossil fuels are excluded if they exceed different turnover thresholds, depending on the type of activity (coal mining, coal-fired power generation, oil sands, fracking, other fossil fuels). There is also a consideration in the ISS SDG Impact Rating ("SDG 13 Climate action").

PAI 4 - Exposure to companies active in the fossil fuel sector: Companies with exposure to fossil fuels are excluded according to different turnover thresholds depending on the type of activity (coal mining, coal-fired power generation, oil sands, fracking, other fossil fuels).

PAI 5 - Share of non-renewable energy consumption and production: Consideration is given in the ISS ESG Corporate Rating (indicator "Energy use - Coal/nuclear/unclear energy sources").

PAI 6 - Energy consumption intensity per high impact climate sector: Included in the ISS ESG Corporate Rating (SDG 7: Affordable and clean energy; SDG 9: Industry, innovation and infrastructure; SDG 13: Climate action).

PAI 7 - Activities negatively affecting biodiversity-sensitive areas: companies with controversial environmental behaviour are excluded.

PAI 8 - Emissions to water: In the rating process of the ISS ESG Corporate Rating, the indicator "COD (Chemical Oxygen Demand) emissions" is taken into account.

PAI 9 – Hazardous waste and radioactive waste ratio: The rating process of the ISS ESG Corporate Rating takes into account the indicator "Hazardous waste".

PAI 10 - Violations of the UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises: Companies that disregard established standards such as human or labour rights, or are involved in controversial environmental or economic practices, are excluded.

PAI 11 - Lack of processes and compliance mechanisms to monitor compliance to the UN Global Compact Principles and the OECD Guidelines for Multinational Enterprises: Consideration in ISS ESG Corporate Rating (indicators "Business Ethics", "Environmental Management", "Human rights", "Training and education").

PAI 12 - Unadjusted gender pay gap: Consideration in ISS SDG Impact Rating ("SDG 5: Gender equality", "SDG 8: Decent work and economic growth" and "SDG 10: Reduced inequalities").

PAI 13 – Board gender diversity: Consideration in ISS SDG Impact Rating ("SDG 5: Gender equality", "SDG 8: Decent work and economic growth" and "SDG 10: Reduced inequalities")

PAI 14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons): Companies involved in "controversial weapons" are excluded.

In the selection of sub-funds, consideration is given as follows: The majority of sub-funds that do not invest almost exclusively in public bonds or in inflation-indexed bonds must take into account the principal adverse impacts on sustainability factors (PAIs).

For information on how the principal adverse impacts on sustainability factors were taken into account in the last financial year of the fund, please refer to the annual report under "Information pursuant to Art. 11 Disclosure Regulation".



No

## What investment strategy does this financial product follow?

The investment fund invests in individual securities and sub-funds, taking into account sustainability criteria to promote a sustainable economy.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

According to the market situation or estimate of the fund management the investment fund invests in all types of bonds, shares, certificates, ETFs and shares in investment funds of national and international issues, and in money market instruments and sight deposits or deposits at notice. The proportion of these investment categories may in this vary dynamically. Derivative financial instruments may also be used for hedging purposes and speculatively for investment level control.

The selection of individual securities and sub-funds is largely based on criteria of economic, ecological and social sustainability. In addition, ESG exclusion criteria are taken into account in the selection of individual securities.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The attainment of the advertised ecological or social characteristics is to be ensured by the following investment strategy:

**Investment process of individual securities:**

The selection of individual securities includes both exclusion criteria and a best-in-class approach.

KEPLER-FONDS KAG uses, among others, the analysis company ISS ESG, a long-standing partner in the field of sustainability analysis.

First, the investments are analysed with regard to violations of exclusion criteria. The exclusion criteria for companies (company controversies) take into account both the level of business areas (sector-based screening) and the business practices of companies (norm-based screening).

The selection of the majority of investments in companies is also based on a "best-in-class" rating. The "best-in-class" criteria for companies are primarily determined by ISS ESG's SDG Impact Rating. This is based on ESG Corporate Rating, SDG Solutions Assessment and controversy research by ISS ESG. The Carbon Risk Rating is taken into account as an additional criterion. All companies from the investment universe of the KEPLER Ethik funds also meet the "best-in-class" criteria.

Based on the criteria defined in the sustainability process described above, ISS ESG provides KEPLER-FONDS KAG with a sustainable investment universe on a quarterly basis with a list of issuers that meet the targeted criteria. While the exclusion criteria apply to all individual securities, the "best-in-class" criteria must be implemented for the majority of individual securities.

In order to discuss and promote the social and environmental performance of the investments, the KEPLER Ethics Advisory Board has been established, which meets regularly and consists of both internal and external experts on the topic of ethics, sustainability and sustainable investments.

More details, including a list of the exclusion criteria applied, can be found at <https://www.kepler.at/de/themen/nachhaltige-geldanlage/kepler-esg-investmentprozesse/investmentprozess-kepler-esg-balanced.html>.

**Investment process sub-funds:**

The majority of the sub-funds must also fulfil sustainability criteria. The following criteria are defined as sustainability criteria for these sub-funds:

The sub-fund either promotes social and/or environmental characteristics as defined in Art. 8 or strives for a sustainable investment objective as defined in Art. 9 EU Disclosure Regulation. At the same time, these investments also take into account the principal adverse impacts on sustainability factors (PAIs).

Deviating from this, sub-funds that invest almost exclusively in public bonds or in inflation-indexed bonds also fulfil the sustainability criteria if their securities investments predominantly take into account the "ESG balanced" country exclusion criteria defined by KEPLER.

More details can be found at <https://www.kepler.at/de/themen/nachhaltige-geldanlage/kepler-esg-investmentprozesse/investmentprozess-kepler-esg-balanced-dachfonds.html>.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

There is no commitment to reduce the scope of the investments by a minimum rate.

● ***What is the policy to assess good governance practices of the investee companies?***

In the selection of individual securities, companies that violate the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights are excluded from the investment via the exclusion criterion "confirmed non-compliance with established norms" (labour rights controversies, human rights controversies, controversial environmental behaviour).

In addition, an assessment is made as part of the sub-fund selection process. The invested sub-funds that promote social and/or ecological characteristics as defined in Art. 8 or have a sustainable investment objective as defined in Art. 9 of the EU Sustainable Finance Disclosure Regulation take the criterion of good corporate governance into account in the investment process.

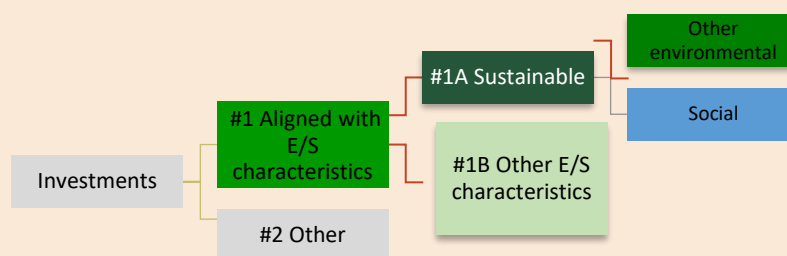
**Good governance**  
practices include  
sound management  
structures,  
employee relations,  
remuneration of  
staff and tax  
compliance.



## What is the asset allocation planned for this financial product?

As stated above, the asset allocation aims to achieve the environmental and social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy. The following minimum ratios shall be met:

- **60 % of investments are aligned with environmental and social characteristics (#1 Aligned with E/S characteristics),**
- **5 % of investments have a sustainable investment objective (#1A Sustainable).**
- **Up to 40 % of investments do not meet these characteristics (#2 Other).**



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The share of the investments with environmental / social characteristics (#1) results from the binding elements of the investment strategy through which sustainability criteria are observed. A share of other investments (#2) cannot be excluded, as under certain circumstances a share of the fund assets may be invested in securities, demand deposits, time deposits, FX, derivatives for which no sustainability criteria are defined or no sustainability assessment is available. Demand deposits and time deposits primarily serve to manage liquidity. A sustainability assessment is currently not possible for FX and derivatives. Furthermore, individual securities held in the financial product may fall outside the sustainable, quarterly investment universe. These securities are sold within a period of 4 months.

### ● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Not applicable.

### Asset allocation

describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sustainable investments of this financial product are 0 % aligned with the EU Taxonomy.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?



Yes:



In fossil gas

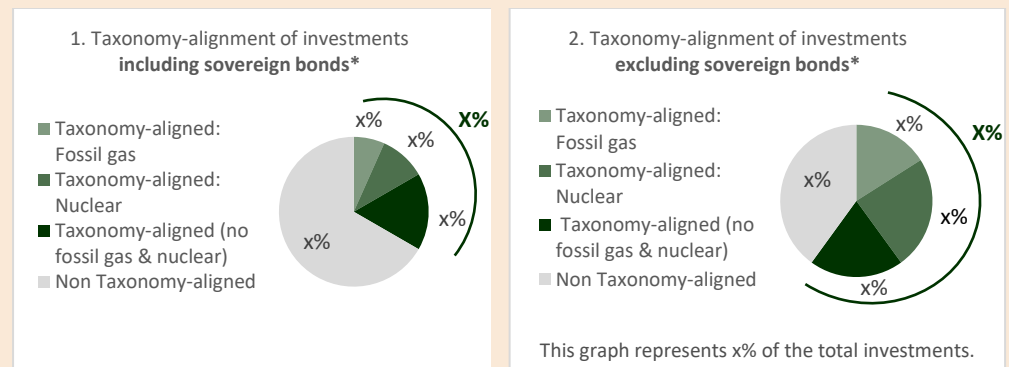


In nuclear energy



No

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

### What is the minimum share of investments in transitional and enabling activities?

The minimum share of investments in transitional activities is 0 %. The minimum share of enabling activities is 0 %.

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU



### What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Sustainable investments are assessed for contributions to the 17 United Nations Sustainable Development Goals (SDGs). As these include both environmental and social objectives, it is not possible to set specific minimum shares each for environmental and social investment. The combined minimum share of sustainable investments with environmental and social objectives of the financial product is 5 %.



### What is the minimum share of socially sustainable investments?

Since, as explained above, a separation is not possible in the assessment of sustainable investments, the total share of sustainable investments in relation to environmental and social objectives of the financial product is at least 5 %.



### What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Under certain circumstances, a share of the fund assets may be invested in securities, demand deposits, time deposits, FX, derivatives for which no sustainability criteria are defined or no sustainability assessment is available. Demand deposits and time deposits primarily serve to manage liquidity. A sustainability assessment is currently not possible for FX and derivatives. Furthermore, individual securities held in the financial product may fall outside the sustainable investment universe. These securities are sold within a period of 4 months.



**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

### Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

- *How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?*

Not applicable.

- *How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*

Not applicable.



- ***How does the designated index differ from a relevant broad market index?***

Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

Not applicable.



**Where can I find more product specific information online?**

**More product-specific information can be found on the website: [www.kepler.at](http://www.kepler.at)**