



**Österreichisches
Umweltzeichen**

Ecolabel Guideline UZ 49

Sustainable Financial Products

Version 5.1

of 1st January 2020

adapted on June 22th, 2022

Eco-labelled products are available on the internet at
www.umweltzeichen.at

General information on the application is available [HERE](#)

Specific information on the Ecolabel UZ 49 application is available [HERE](#)

For more information, please contact any of the Ecolabel addresses

Federal Ministry for Climate Action, Environment,
Energy, Mobility, Innovation and Technology
(BMK)
Department V/7 – Integrated product policy,
environmental management and technology
Josef Behofsics, MBA
Stubenbastei 5, A-1010 Vienna
Phone: +43 1 71100 611324
e-m@il: Josef.Behofsics@bmk.gv.at
www.umweltzeichen.at

VKI Verein für Konsumenteninformation
(Austrian Consumer Association)
Ecolabel Team
Raphael Fink
Linke Wienzeile 18, A-1060 Vienna
Phone: +43 (0)1 588 77-204
e-m@il: raphael.fink@vki.at
www.konsument.at

TABLE OF CONTENTS

Introduction.....	5
General information	7
1 Definition of the product group.....	8
2 Criteria.....	10
2.1 Application of the criteria	10
2.2 Exclusion criteria (with validity for all investment products).....	10
2.2.1 Exclusion criteria for enterprises	10
2.2.2 Exclusion criteria for government bonds/public issuers.....	11
2.2.3 Exclusion criteria for real estate	12
2.3 Criteria for investment products with portfolio character (“funds”) ...	13
2.3.1 Selection criteria.....	13
2.3.2 Implementation of the selection criteria	15
2.3.3 Requirement level	15
2.3.4 Bonus points	17
2.3.4.1 Exercise of voting rights/voting	17
2.3.4.2 Engagement	17
2.3.4.3 Reduction path of the carbon footprints or carbon risks	17
2.3.4.4 Institutional credibility	18
2.3.4.5 For real estate funds: Revitalisation/Renovation	18
2.3.4.6 Bonus percentage points (table).....	18
2.3.5 Requirement.....	19
2.3.6 Survey, evaluation and selection processes	19
2.3.6.1 For enterprises or states.....	20
2.3.6.2 For real estate	20
2.3.6.3 For non-securities funds	20
2.3.7 Transparency	20
2.3.8 Investment Fund Business, Asset Management	21
2.4 Criteria for investment products without necessary portfolio character	22
2.4.1 Green Bonds.....	22
2.4.1.1 Requirements for the issuers.....	22
2.4.1.2 Exclusions at project level	22

2.4.1.3	Positive criteria at project level	22
2.4.1.4	Second Party Opinion (SPO).....	23
2.4.1.5	Reporting.....	24
2.4.1.6	Pre- or Post-Issuance	24
2.4.2	Sustainable savings and current account products	25
2.4.2.1	Requirements on the credit institution	25
2.4.2.2	Requirements for the savings product	25
2.4.2.3	Accounting systems and control	26
2.4.2.4	Transparency requirements.....	26
2.5	Compliance (applicable to all investment products).....	27
2.6	Information and declaration (applicable to all investment products)..	27

[ANNEX 1](#)

[ANNEX 2](#)

[ANNEX 3](#)

Introduction

For a growing number of investors the ecological and social behaviour of enterprises and states plays an important role in view of their investment decisions. Therefore, more and more investment funds orient their investment policy according to ecological and social criteria. They are offered under most different designations such as, for example, sustainability funds, eco-funds, or ethical funds. Moreover, other sustainable investment products such as Green Bonds or sustainable current account and savings products (e.g. environmental savings account) whose primary purpose is the financing of sustainable projects) are increasingly registered on the market.

The Austrian Ecolabel for Sustainable Financial Products has been existing since 2004 and is the oldest label of that kind in Europe. In the meantime the trend towards sustainable investments has become a focus all over Europe (e.g. EU taxonomy). Investments in sustainable financial products bring manifold environmental benefits. They can favourably influence the financing situation and the image of ecologically focused enterprises. The investigations regarding sustainability that are undertaken for enterprises eligible for sustainable financial products ensure that the environmental and social performance of the companies concerned becomes transparent. Engagement processes on the part of, for example, institutional investors can also result in a transformation of enterprises. Green Bonds or green current account or savings products can achieve, by means of the projects, which they are financing, an additional ecological or social impact. All sustainable financial products have in common that financial flows are channelled towards sustainability.

Within the framework of the Austrian Ecolabel for Sustainable Financial Products those financial products are certifiable which are, due to their investment strategies and management processes, more sustainable than comparable products on the market.

Three priorities in different fields constitute the key criteria of the Ecolabel Guideline UZ 49 for Sustainable Financial Products.

The **selection criteria** of a sustainable financial product must be suited to identify enterprises, issuers or projects that deliver a positive performance for the society and the environment.

Moreover, no investments must be made in enterprises, which are, for example, related to the production of and the trade with nuclear energy and armaments. The promotion of fossil fuels as well as energy generation from coal and crude oil is not in compliance with the criteria of the Ecolabel UZ 49 either. Activities in the field of genetic engineering must lead to the exclusion of an investment - as well as systemic violations of human rights or labour law. States and state-affiliated issuers must not violate international political, social or environmental standards. Real estate must be selected according to criteria in the fields of environmental and climate as well as health and social affairs. Infrastructural funds must invest in projects with significant sustainability contribution.

Quality requirements for the research and rating processes ensure that the sustainability rating takes place according to certain standards, and that the defined selection criteria as regards titles or projects are also implemented in a traceable way in the research and rating processes.

Transparency requirements guarantee that the investors can get a clear picture of the sustainable investment strategy, the portfolio and issues, titles or projects included therein. Therefore, information about the sustainability and ecological/social concept of the certified financial products in the funds sector has to be provided in accordance with the European Transparency Guidelines for Sustainability Funds of EUROSIF (European Sustainable and Responsible Investment Forum) as well as a description of the TOP 5 issues. Also non-securities funds in the infrastructural sector, sustainable current account and savings products must meet the respective requirements for reporting; e.g. a description of the financed projects as well as the ecological impact to be achieved by that.

The self-regulating mechanisms of the Austrian investment fund industry constitutes the basis of the assessment of the economic quality of the fund company. The compliance with the applicable laws must be confirmed and constitutes the prerequisite for being awarded the Austrian Ecolabel.

General information

The Austrian Ecolabel (UZ) is awarded to products and services that represent the more environmentally compatible options within a range of comparable products offered. The competent institution is the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology - BMK. On behalf of the Federal Ministry the Austrian Consumer Association (VKI) is responsible for the development and the administration of the Ecolabel Guidelines, which constitute the basis of the award of the label.

The Ecolabel for “Sustainable Financial Products” is, according to product group definition (point 1) on the one hand awarded to investment products with portfolio character (investment funds, non-securities in the infrastructural sector), and on the other hand to Green Bonds and sustainable current account and savings products, which must not have portfolio character. Financial products, which are awarded with the Ecolabel, must fully meet the respective relevant criteria of Ecolabel Guideline “UZ 49”. The Ecolabel can be applied for by providers (investment companies, banks, financial service providers, as well as by enterprises issuing Green Bonds and public issuers) from Austria and from abroad at the Federal Ministry for Sustainability and Tourism or at the Austrian Consumer Association.

The product’s compliance with the requirements of the Guideline has to be confirmed by a qualified control body. For the audit all those documents have to be used and to be made available to the control body, which are required for a verification of compliance.

- Investment policy
- Selection and exclusion criteria
- Documents on the survey, evaluation and selection processes, such as
 - ⇒ Lists of criteria
 - ⇒ Questionnaires
 - ⇒ Corporate profiles/sample analyses
- Descriptions of procedures
- Quality manuals
- Terms and conditions
- Product information sheet
- Statements of account, half-year reports or quarterly reports
- Portfolio composition
- Green Bond Framework
- Project plans and survey

The applicant can choose the qualified control body from a list of control agencies, which is maintained and made available by the Austrian Consumer Association.

1 Definition of the product group

The product group eligible for the award includes on the one hand **investment products with portfolio character** (subsequently called “investment products”) which orient their investment policy according to social and/or ecological criteria (e.g. by means of ESG ratings). These investment products can comprise in particular issues of enterprises or public issuers as well as investments in real estate. The Guideline therefore covers also fund of funds¹, life insurances² based on investment funds, as well as investment products that are based on sustainable and/or social/ecological indices.

Note: The use of derivatives is permitted

- on the one hand for the purpose of hedging portfolio risks

without restriction,

- on the other hand for efficient portfolio management³
- and in particular for the purpose of compliance with legal and regulatory requirements

to the extent of a maximum of 5% of the total risk⁴.

The development of derivatives for the exclusive or predominant purpose of generating revenues is not permitted.

Investment products for which an application for the Ecolabel is filed have to be assigned to one of the categories described below:

- Sustainable investment products - ethics and ecology (NF)
investing in issues which, compared to other issues of the same business line, provide a better environmental or social performance (best in class). Positive and negative criteria can supplement this selection. Excluding certain sectors or activities is a means of emphasising the compliance with views and values of certain investor groups.
- Sustainable investment products for certain topics
- Climate, water, renewable energy & environmental technology health or other social issues (TF),
invest in issues, characterised by above-average environmental or social compatibility, which are selected by applying positive and negative criteria and/or the best-in-class principle, as well as in companies producing or selling products to

1 Fund of funds can only be awarded with the Ecolabel UZ 49, if the funds contained therein have either been awarded with the Ecolabel UZ 49 or are at least eligible for the Ecolabel UZ 49.

2 Unit-linked life insurances can only be awarded with the Ecolabel UZ 49 if the payment to those insured at that time can be guaranteed to be exclusively from funds assets invested in compliance with the requirements of the Ecolabel. The separation from the cover pool has to be explicitly presented in the expert opinion and has to be confirmed by the applying insurance in a binding way.

3 This includes, in particular, duration management and liquidity control caused by capital flows.

4 The quota must be calculated on the basis of a recognised calculation method (e.g. commitment approach).

remedy or prevent environmental damage. They are usually selected according to business lines complying with these principles.

- Non-securities funds

As a specific sub-set of the above-mentioned thematic funds now also funds can be awarded which are investing in non-listed assets, in particular in the field of infrastructure, with significant positive social and/or ecological effect.

- Sustainable investment products - real estate
invest in real estate characterised by above-average environmental and social compatibility, which are selected by applying positive and negative criteria and/or certain minimum standards.

On the other hand **also investment and savings products without necessary portfolio character** (e.g. Green Bonds, green mortgage bonds or current account and savings products such as green savings accounts and green current accounts) (subsequently also called “investment products”) can be awarded with the Ecolabel UZ 49 if they meet the respective specific criteria.

- Green Bonds
meet, regarding the project selection, the criteria of certain standards (e.g. EU Green Bond Standard, Green Bond Principles, and Climate Bond Standard) as well as additional requirements placed in the issuer and in reporting. In addition, more broadly based Sustainability Bonds fall within the scope of this category. The institution, which carries out the Second Party Option, can also check the compliance with the Ecolabel criteria (check from one source). For this purpose, a respective a priori accreditation at the auditor’s pools of the Austrian Consumer Association is required.
- Sustainable current account and savings products
Within the framework of sustainable current and saving account products the savings deposits are either offset by credit projects and/or project financing which can be clearly assigned or the whole credit institution has a verifiable sustainable, social/ecological orientation (“ethical bank” “eco-bank”). In any case, the products must meet specific criteria as regards investments, transparency and reporting. A questionnaire regarding the credit institution itself, which is to be published, focusses in this context on institutional credibility.

The assessment of a product which is to be awarded with the Austrian Ecolabel takes place within the framework of an expert opinion by means of an audit protocol made available by the Austrian Consumer Association to the audit bodies, depending on the category of the sustainable financial product as well as on the respective asset category(ies).

2 Criteria

2.1 Application of the criteria

Subsequently you will find those criteria, which have to be complied with by a financial product in order to be awarded the Austrian Ecolabel.

In this respect, individual criteria have general validity across all product categories; namely the exclusion criteria (2.2) as well as the criteria on compliance (2.5) and declaration (2.6). All other criteria are specifically applied depending on the category of the respective financial product.

The implementation of the exclusion criteria and the requirements concerning compliance and declaration are not subject to a scoring and constitute a mandatory prerequisite for being awarded the Austrian Ecolabel.

Moreover, investment products with portfolio character (funds) are assessed on the basis of a score system. In order to reach a certification a certain threshold of scores must be exceeded (at least 70% of the maximum number of points to be reached).

Investment products without portfolio character (e.g. Green Bonds, sustainable savings products) are certified by means of a pass-or-fail system. The required criteria must thus all be met in order to reach a certification of the respective product.

2.2 Exclusion criteria (with validity for all investment products)

Within the framework of the Ecolabel exclusion criteria are formulated which have validity across all different investment products.

Thus, they must neither be violated

- by specific titles/assets within the portfolio of a fund, nor
- by green bond issuers or by eco- or ethical banks
- or projects financed by Green Bonds or sustainable savings products⁵.

The exclusion and assessment criteria must be explained explicitly (e.g. in the EUROSIF Transparency Guidelines) and in such a way that the below-mentioned delimitations (e.g. production and trade) are clearly comprehensible.

2.2.1 Exclusion criteria for enterprises

Investment policy and selection criteria as well as the survey, evaluation and selection processes of sustainable investment products fund must be designed in a

⁵ In order to ensure that the exclusion criteria can be operationally implemented for the purposes of a limit of detection they refer to a share of at least 95 % of the turnover of the enterprise (as regards fracking & oil sands other parameters such as existing reserves can be used as reference values, with energy generation the installed capacity). The exclusion criteria apply also to consolidated equity holdings (> 50 % shareholding). For projects, which are financed by means of Green Bonds or sustainable current or savings account products the exclusion criteria have to be applied to the whole investment volume.

way excluding companies and/or projects with the following business segments from an investment.

- ⇒ Nuclear energy: Construction and operation of nuclear power stations and supply of nuclear components required for nuclear energy generation, uranium production and energy generation.
- ⇒ Armaments Production of conventional and/or controversial arms as well as the trade with them.
- ⇒ Fossil fuels Production⁶ of coal, natural gas and crude oil, refining of coal and crude oil, energy generation from coal and crude oil
- ⇒ Genetic engineering Growing and marketing of genetically modified organisms and products (green genetic engineering) as well as gene therapy in germ line cells, cloning techniques with humans and embryo research in humans.

Moreover, enterprises with one or several of the following business practices must be excluded from an investment:

- ⇒ Systematic, severe and permanent violations of human rights and labour law⁷ (in particular in connection with high-risk sectors, activities and areas)
- ⇒ No commitment of the entrepreneurial policy to the minimum standards of the International Labour Organisation (ILO) with respect to child labour, forced labour, freedom of association, and discrimination or evidently systematic violations of them

2.2.2 Exclusion criteria for government bonds/public issuers⁸

Investment policy, selection criteria, and survey, evaluation and selection processes of the sustainable investment products must be designed in a way excluding issuers, to which at least one of the following points applies, from an investment.

Political and social standards

- States violating fundamental rights concerning democracy and human rights⁹
- States where the death penalty is applied¹⁰
- States with particularly high military budgets¹¹

Environmental standards

- States without objectives and measures aiming at the reduction of greenhouse gases and at species protection¹²

⁶ from conventional and non-conventional production

⁷ In ESG rating: “serious” and “very serious violations” or similar results

⁸ A public issuer is defined in this context as a regional authority to which the exclusion criteria mentioned under point 2.2.2 are applied (e.g. US States)

⁹ Severe, permanent and systematic violations

¹⁰ Application of the death penalty within the past ten years

¹¹ More than 4 % of the GDP

¹² No ratification of the Paris Climate Agreement and the UN Convention on Biodiversity

- States with expansive policy concerning the further development of nuclear energy¹³.

2.2.3 Exclusion criteria for real estate

Investment policy and selection criteria as well as the survey, evaluation and selection processes of the real estate funds must be designed in a way excluding (completed) real estate, which does not comply with the basic criteria of the klimaaktiv building standards¹⁴ from an investment¹⁵. This applies unexceptionally to new buildings¹⁶ and already renovated buildings.

Buildings, which do not make a significant sustainability contribution, at least in compliance with the basic klimaaktiv criteria, must thus be excluded from an investment.

- Quality of infrastructure
- Economic transparency
- High energy efficiency
- Utilisation of renewable energy sources¹⁷
- Use of ecological building materials
- Thermal comfort

For buildings which are not yet renovated at the time (“existing buildings”) it must be laid down in writing, in which fields the real estate doesn’t comply with the basic klimaaktiv criteria and which plausible measures are taken in order to ensure that, after a renovation has taken place, all basic klimaaktiv criteria will be fully complied with. For this purpose a renovation roadmap¹⁸ structured according to time horizon, which is made available by klimaaktiv and the compliance of which is controlled within the framework of the annual Ecolabel update shall be enclosed within the framework of the Ecolabel update.

13 Nuclear power stations under construction and/or planned

14 [klimaaktiv Basiskriterien](#) (basic klimaaktiv criteria), as amended. For conclusions of contracts (for example with developers) and examination of the sustainability performance reference can be made to the concrete version, as amended (e.g. 2017, 2020).

15 It is recommended to furnish evidence by means of the klimaaktiv Declaration under the declaration platform [baubook](#) (residential building) or [baudock](#) (service building).

16 By new buildings or renovated buildings we mean buildings whose construction licence and/or comprehensive renovation does not date back longer than 5 years. They must comply with the klimaaktiv requirements for new buildings or renovations. Depending on the calculation of the energy certificate (OIB 2011, OIB 2015, OIB 2019) the respective catalogue of criteria is being applied.

17 Exceptional provisions existing within the framework of klimaaktiv (according to criteria catalogue 2017, trail of evidence OIB 2015) on gas for multifamily houses and multi-storey residential buildings: A klimaaktiv Declaration for multifamily houses (more than three housing units) is only possible if the use of highly efficient alternative energy systems (check of alternatives) according to OIB Guideline 6, 2015, was examined and submitted (uploaded).

18 [klimaaktiv Guideline renovation roadmap](#)

2.3 Criteria for investment products with portfolio character (“funds”)

2.3.1 Selection criteria

Investment policy and selection criteria, survey, evaluation and selection processes of sustainable investment products must be suitable in breath and width.

- to identify issues which perform above-average in one or several of the below-mentioned fields of topics
and/or
- to identify issues holdings which are suited to contribute to the solution of present or future problems in one or several of the below-mentioned fields of topics
and/or
- to exclude issues whose business lines, activities or practices contribute to present or future problems in one or several of the below-mentioned fields.

For this purpose investment policy, selection criteria as well as survey, evaluation and selection processes for the sustainable investment products are to be assessed by the control body.

For enterprises the following fields of topics are to be assessed supported by the examples from Table 1 in Annex 1¹⁹.

Fields of topics Enterprises	
Corporate governance, company policy and management	
Environment and climate (processes and products)	Biodiversity, species protection, animal welfare, landscape conservation and environmental protection
	Climate change mitigation, adaptation to climate change
	Air and water pollution, waste (introduction of hazardous substances)
	Material efficiency; resource consumption, dealing with finite resources, recycling, circular economy
Stakeholder groups	Employees
	Suppliers
	Customers
	Investors
	Society/Public

¹⁹ The examples given in the tables are intended as a help for the control body. The list of examples is not exhaustive and can be supplemented at any time. The central feature of an environmentally benign research methodology constitutes a model, which takes into consideration all fields mentioned below a great number of aspects in a way that goes into depth and is broadly based at the same time.

Reference for the assessment of thematic funds: For thematic funds, only those subjects need to be assessed that are mentioned as a focus of the investment strategy of the sustainable investment product. In this case the points have to be multiplied by the weighting factors indicated in table 7a Annex 1 according to product category.

Table 1: Assessment of selection criteria enterprises

Note: Moreover, non-securities funds, as far as the selection of their assets is concerned, have to be oriented according to the product categories mentioned under the points 2.4.1.2 and 2.4.1.3.

For government bonds and state-affiliated issuers the following fields of topics have to be assessed²⁰ reflecting the Sustainable Development Goals (SDG):

Fields of topics government bonds/state-affiliated issuers	
Environment and climate	Climate protection and adaptation to climate change, renewable energy
	Air and water pollution, waste, hazardous substances
	Biodiversity and protection of ecosystems
	Management of natural resources (resource efficiency and avoidance of problematic materials), circular flow economy
Health and social affairs	Poverty, social marginalisation, gender equality
	Labour and society
	Health and nutrition, access to clean water and sanitary facilities
	Education
The economy and governance	Economic development and innovation, sustainable production
	Governance and rule of law, peace and justice
	International cooperation and contracts

Table 2: Fields of assessment selection criteria states/ state-affiliated issuers

For real estate the following fields of topics are to be assessed supported by the examples from table 6 in Annex 1²¹.

Fields of topics real estate	
Environment and climate	Energy efficiency and primary energy demand, greenhouse potential
	Resource use and material efficiency (e.g. eco-balance construction materials)
	Biodiversity, soil (e.g. greening measures, demand for land)

²⁰ As an example the fields of topics can be illustrated by those indicators on which the Sustainable Development Goals (SDG) are based in the [Global Indicator Framework for the SDG and the 2030 Agenda](#) (UN indicator table [here](#), for the EU [here](#))

²¹ The examples given in the tables are intended as a help for the control body. The list of examples is not exhaustive and can be supplemented at any time.

Health and social affairs	Pollutants and burden (e.g. emissions)
	Tenants (e.g. diversity, communal housing projects)
	Use and infrastructure (e.g. accessibility)

Table 3: Fields of assessment of selection criteria real estate funds

By means of the indicators of Table 7 in Annex 1 the investment policy and the selection criteria as well as the survey, evaluation and selection processes for each applicable field have to be evaluated by the control body according to the following key on the basis of relevant documents and evidence:

Not sufficiently fulfilled	No Ecolabel possible
Sufficiently fulfilled	1 point
Average state of fulfilment	2 points
Above-average state of fulfilment	3 points

The fields of topics considered in the evaluation according to the product category must be at least “sufficiently fulfilled”.

2.3.2 Implementation of the selection criteria

In the survey, evaluation and selection processes approaches have to be applied, which are appropriate to implement also the selection criteria concerning the emissions. For this purpose a number of indicators can be found in table 8 of Annex 1, of which at least four, and in the case of exclusive investments in bonds of public issuers at least two have to be applied. According to table 8 and/or 9 in Annex 1 the respective number of points is allocated by the control body.

2.3.3 Requirement level

Irrespective of the quality of the criteria, the methodology of the Sustainability- /ESG analysis and the implementation of the selection criteria the way of dealing with the results has to be interpreted.

The results, which are mostly available in the form of ratings or scores, constitute the basis for the investability status, which can be defined in a more or less demanding way.

For sustainable investment products with Best in Class or Absolute Selection

Most sustainable investment products use Best in Class approaches or absolute investability limits (e.g. Best x %; all issues with rating >y). Partly different approaches are combined.

Here the degree of selection within the total universe has the highest significance and the following benchmarks apply to the assessment:

less than 25 % are investable	5 points
25 % to 33 % are investable	3 points
33 % to 50 % are investable	1 point
less than 50 % are investable	No Ecolabel possible

These quotas refer to the total universe before exclusion criteria²².

The above-mentioned selection degrees should be identified on the bases of universes (e.g. STOXX600) which are as broadly defined as possible, and not on product-related universes, which are potentially defined in a very narrow way (e.g. EUROSTOXX50) and/or in the ideal case for the whole coverage of a research enterprise, in order to avoid a potential (positive or negative) bias.

In addition to the pure quota - in marginal cases - the effect of the selection on the structure of the branch of industry can be taken into consideration in the assessment (e.g. over-/underweighting of a problematic and/or a positive branch of industry).

For sustainable investment products with target values at the level of the total portfolio

Some sustainable investment products do not draw a clear-cut line of investability, but may basically invest in all issues (not affected by exclusion criteria). The ratings and/or scores from the positive sustainability analysis are aggregated to a portfolio index and the sustainability objectives are defined at this level (e.g. in the case of a score range from 0 to 100 the portfolio should reach at least 75). For such approaches a conversion of the portfolio minimum rating for the purposes of the above-mentioned quota table takes place.

For thematic products

For thematic products the definition of the investment theme already results in a (first) restriction. Depending on the homogeneity and the specification of the investment theme (e.g. renewable energy versus energy) an orientation according to the above-mentioned degrees of selection takes place.

For real estate funds and non-securities funds in the infrastructural sector

For these two types of products the above-mentioned quantitative approaches are not applicable. Therefore, these products must invest in clearly above-average assets, which make a significant sustainability contribution (e.g. klimaaktiv-certified

²² If this is reasonably not available, the quotas for the total universe according to exclusion criteria have to be corrected accordingly depending the selection degree already realised by the application of these quotas.

real estate, investments in renewable energies....). Depending on the requirement (e.g. compliance with basic klimaaktiv criteria versus klimaaktiv Gold) an orientation according to the above-mentioned selection degrees takes place.

Moreover, for non-securities funds a permanent monitoring of the individual assets regarding the relevant sustainability criteria has to take place with the respective consequences in the case of non-compliance (e.g. improvement measures).

2.3.4 Bonus points

Within the framework of the Ecolabel additional bonus points can be acquired if the respective proof is furnished (see table 4). In this way strategies are to be rewarded which create additional and/or supplementary sustainability benefits and meet the respective requirements formulated as follows.

2.3.4.1 Exercise of voting rights/voting

The fund management exercises its voting and shareholders rights in a structured and active way and pursues a clear voting behaviour at general assemblies. The voting rights activities must be documented e.g. in the annual report, at least in an aggregated way, in order to ensure that the bonus points, subsequently mentioned in table 4, can be awarded.

2.3.4.2 Engagement

The fund management pursues a clear and structured engagement approach. The respective activities must be documented accordingly. In order to ensure that the bonus points mentioned in table 4 can be awarded, an annual report has to be worked out and to be made publicly available, which explains, at least in an aggregated way, in which fields (topics) and in which way engagement has taken place.

2.3.4.3 Reduction path of the carbon footprints or carbon risks

Investment products rely increasingly on the measurement of the carbon footprint/risks in order to identify their climate effect. In the course of the measurement of the carbon footprint/risks of the portfolio in connection with a published reduction plan reaching at least four years into the future (from the time of Ecolabel certification onwards) which contains targets the compliance of which can be checked annually, the bonus points mentioned in table 4 can be acquired - however, only in combination with engagement (see 2.3, 4.2). The compliance with the reduction plan is checked in the course of the annual Ecolabel update.

2.3.4.4 Institutional credibility

If a fund management company deals exclusively (or with a clear focus) with sustainable financial products and pursues, as a whole, a company policy which is, at least in the core business, oriented according to sustainability (commitment to sustainability in communication and entrepreneurial action) with respective measures including adequate reporting, the bonus points mentioned in table 4 can be allocated. For the allocation a holistic way of sustainable action of the financial institution in all relevant fields must be proved (core business and besides).

2.3.4.5 For real estate funds: Revitalisation/Renovation

In order to reach the climate and energy targets the renovation rate must be increased. New buildings with the respective standard can make a contribution to it, but may, however, result in additional land sealing or urban sprawl. In view of the vacancies, which can be found at many places, the revitalisation and/or the infill of existing areas and buildings (e.g. industrial wasteland) and/or a strategy oriented according to a rapid renovation going beyond the minimum requirements resulting from the basic klimaaktiv criteria, is rewarded. In the case of a significant structural contribution to land revitalisation and/or renovation as well as the respective evidence being furnished, the bonus mentioned in table 4 is granted. The bonus can only be granted if also social aspects and trade-offs are taken into consideration (e.g. gentrification).

2.3.4.6 Bonus percentage points (table)

The bonus points mentioned here are bonus percentage points and are added to the result after the actual scoring in case of respective compliance.

Measure	Short description	Bonus percentage points
Voting /exercise of voting rights	Exercise of voting rights, voting at general assemblies, publication of the result	3 %
Engagement	Structural contact to enterprises, demonstration of need for action and approaches to solutions, publication of the result	3 %
Award only in combination with engagement: Reduction path of the carbon footprints/risks	Measurement of the carbon footprints /risks + at least 4 years reduction goal and annual targets, publication of the result	In combination with engagement 5 %

Institutional credibility	Sustainable action of the financial institution, corporate responsibility	3 %
Combination of two measures		5 %
Combination of three measures		7 %
Combination of four measures		9 %
For real estate funds: Revitalisation/renovation	Significant structural revitalisation of existing areas, ambitious renovation	5%

Table 4: Survey percentage bonus points

2.3.5 Requirement

The points awarded for the fields selection criteria (point 2.3.1), implementation of selection criteria (point 2.3.2), requirement level (point 2.3.3) and bonus (point 2.3.4) must amount to at least to 70 % of the maximum number of points that can be obtained for the respective product category.

2.3.6 Survey, evaluation and selection processes

By means of the organisation of the survey, evaluation and selection processes one has to prove that the subject-matter decision on the composition of the “sustainable investment universe” is made independent of the economic / financial decision concerning the selection of issues.

Qualification, quality and integrity of the (internal or external) organisation, which carries out the survey and evaluation processes, is to be evaluated by the control body on the basis of the documentation and quality description of these processes. Depending on applicability, the following points have been taken into account.

- Independence, impartiality and integrity
- Administrative requirements
- Confidentiality
- Organisation and management, quality system
- Staff
- Research standards and indicators
- Research and evaluation; methodologies and processes
- Stakeholder involvement
- Record-keeping; reports and other publications
- Sub-contracting

- Complaints and appeals
- Co-operations

2.3.6.1 For enterprises or states

Within the framework of the Ecolabel expert opinion proof has to be furnished that the (internal or external) organisation, which carries out the survey and evaluation processes for enterprises and/or states, has the respective competences - e.g. by means of the application of certain quality standards (e.g. ISO 9001, TQM,...)

2.3.6.2 For real estate

If the (internal or external) organisation carrying out the survey and evaluation process for real estate is accredited according to one of the following standards this is considered a proof of compliance.

- Generally certified and court -certified expert/reviewer/civil engineer for real estate
- Certifying agency for
 - Klimaaktiv building standard, Austrian Sustainable Building Council (Österreichische Gesellschaft für Nachhaltiges Bauen ÖGNB) Total Quality Building Assessment (TQB)
 - EU Green Building, Austrian Sustainable Building Council (Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft (ÖGNI)/German Sustainable Building Council (Deutsche Gesellschaft für Nachhaltiges Bauen DGNB)
 - Leadership in Energy and Environmental Design (LEED)
 - Building Research Establishment Environmental Assessment Methodology (BREEAM)

2.3.6.3 For non-securities funds

At least an in-depth due-diligence audit has to take place. It comprises a documented control process, a set of appropriate criteria, in order to be able to assess the sustainability contribution of the (potential) assets as well as a defined requirement for the fitness of the (potential) assets for the fund from the point of view of sustainability. For this purpose, the respective evidence of the (internal/external) expert knowledge has to be furnished.

2.3.7 Transparency

Information on

- basic details about the sustainable investment product
- selection criteria²³
- survey, evaluation and selection processes²⁴

²³ "Investment Criteria for Sustainability Funds" in EUROSIF Transparency Code

- regular activities

are to be prepared and presented in a transparent way. The control body assesses on the basis of the European Transparency Guidelines for sustainability funds of EUROSIF (European Sustainable and Responsible Investment Forum)²⁵ the completeness and transparency of the presentation.

The complete portfolio composition of the Ecolabel investment products is available for the respective previous month on the website (mutual funds) or, upon request (institutional investment products).

For the TOP 5 issues²⁶ it has to be explained why they have been identified as particularly sustainable.

Non-securities funds in the infrastructural sector must publish a report (not older than one year) on the eco-social impact or make it available upon request (institutional investment products).

2.3.8 Investment Fund Business, Asset Management

Management companies (Verwaltungsgesellschaften VWG) comply with the self-regulating quality standards of the “Vereinigung österreichischer Investmentgesellschaften”, VÖIG (Association of Austrian Investment Companies) by way of voluntary self-commitment.²⁷

Investment funds not managed in Austria are subject to comparable self-regulating quality standards. If such a standard is not in place, compliance with the relevant and applicable requirements of the self-regulating mechanisms of the quality standards of the Austrian investment fund industry is required and has to be confirmed.

²⁴ “Research Process” and “Evaluation and implementation” in EUROSIF Transparency Code

²⁵ The transparency criteria, which are required according to this Guideline, can be found in Annex 2, the complete German version of the transparency criteria is available as a download [here](#).

²⁶ The five largest positions on an effective date.

²⁷ In this context, we would like to point out that the Austrian investment fund industry has agreed that only those investment funds may be classified as “sustainable investment funds” which comply with the criteria of the Austrian Ecolabel UZ 49.

2.4 Criteria for investment products without necessary portfolio character

2.4.1 Green Bonds

2.4.1.1 Requirements for the issuers

Green bonds aiming at a certification with the Austrian Ecolabel can be issued by states, state-affiliated issuers and other public issuers as well as by enterprises and financial service providers.

Enterprises or state-affiliated issuers violating the exclusion criteria mentioned under point 2.2 (for enterprises²⁸, respectively states or other state affiliated issuers) are not eligible for an Ecolabel certification for their Green Bonds.

Issuers are obliged to present sustainability services concerning their core business in the Second Party Opinion (SPO) and to put them in relation to the Sustainable Development Goals (SDG).

2.4.1.2 Exclusions at project level

Projects, which are financed via Green Bonds, must not contradict the exclusion criteria (point 2.2) of the Ecolabel Guideline²⁹.

Moreover, all projects which are directly related to the operation of fossil energy-driven technologies (e.g. oil production facilities, gas power stations) or with efficiency increases in the field of fossil energies (e.g. more efficient electricity generation from coal, crude oil and gas, less energy consuming combustion engines, transport of fossil fuels, ...) as well as projects concerning carbon capture and storage (CCS) non-sustainable timber removal (e.g. slash-and-burn) or large-scale dams, are excluded.

2.4.1.3 Positive criteria at project level

The Ecolabel doesn't formulate any technical criteria explicitly for projects. The Ecolabel applicant has to prove in the Second Party Opinion, and by means of external sources and standards (EU Green Bond Standard, Green or Social Bonds Principles, Climate Bond Initiative or others) that the projects contained in the Green Bond are of sufficient quality with respect to their ecological and/or social impacts.

The appropriate project categories comprise, but are not restricted to, projects pursuing the following environmental goals³⁰:

²⁸ In order to ensure that the exclusion criteria can be operationally implemented for the purposes of a limit of detection they refer to a share of at least 95 % of the turnover of the enterprise (as regards fracking & oil sands other parameters such as existing reserves can be used as reference values, with energy generation the installed capacity). The exclusion criteria apply also to consolidated equity holdings (> 50 % shareholding).

²⁹ In projects funded by Green Bonds, the exclusion criteria have to apply to the entire investment volume.

³⁰ Proposal for a [Regulation of the European Parliament and of the Council](#) on the establishment of a framework to facilitate sustainable investment COM(2018)353

1. Climate protection
2. Adaptation to climate change
3. Sustainable use and protection of water and marine resources
4. Transition to a circular flow economy, waste prevention and recycling
5. Prevention and reduction of environmental pollution
6. Protection of healthy ecosystems

Moreover, the selection of projects can be oriented according to the categories of the Green Bond Principles, the Social Bond Principles or the Sustainable Bond Guideline, if they comply with the requirements mentioned at point 2.4.1.2.

Projects must make a contribution to sustainable development (Sustainable Development Goals/SDGs). This contribution must be proved accordingly within the framework of the Second Party Opinion (in qualitative and/or quantitative terms)

2.4.1.4 Second Party Opinion (SPO)

The Green Bond must be subjected to an expert opinion within the framework of an SPO. The agency, which carries out the SPO, must have verified expert knowledge in the field of ecological sustainability and the respective research know-how (requirement analogous to point 2.3.6.) In order to render it possible that the SPO and the Ecolabel audit is carried out from one source an accreditation at the Austrian Consumer Association (VKI - Verein für Konsumenteninformation) is required. For this purpose, credentials and evidence have to be provided in order to ensure that there is the expert knowledge and the competence for drafting appropriate SPOs. The requirements in terms of integrity and independence of the agency, which drafts the SPO formulated in the Green Bond Principles,³¹ must at least be met³².

The Ecolabel auditor (Ecolabel accredited) checks:

- The use of the proceeds from the issues
- The process of project assessment and selection
- The management of the proceeds
- Reporting
- The issuers as well as the issues for compliance with the existing Ecolabel criteria

The Second Party Opinion must include in this context at least the following aspects:

Presentation:

- The issuers including the mentioning of any involvement in controversies/ controversial activities that might exist as well as the presentation of the sustainability performance of the issuer in his/her core business
- The economic, ecological and/or social goals as well as the financial means of the Green Bonds
- The use of the proceeds and the description of the projects carried out and/or planned

³¹ [Green Bond Principles](#)

³² If the SPO and the Ecolabel audit are not carried out by one source, it has to be proved in the expert opinion that the requirements regarding the organisation working out the SPO have been met.

- The selection processes for projects
- The management of the proceeds
- The management of the non-distributed proceeds from the Green Bond
- The monitoring
- of the contribution of the projects to the SDG as well as of the ecological impact (appropriate quantitative/qualitative indicators)
- on the agency carrying out the SPO (credentials/evidence) as well as on the audit methodology

As a piece of evidence, and in order to be awarded the Ecolabel for a Green Bond, the SPO as well as a respective audit protocol must be forwarded to the Austrian Consumer Association.

The SPO must be made publicly accessible (online folder) and, in any case, be made available at www.umweltzeichen.at as a download.

2.4.1.5 Reporting

An annual reporting and publication with at least the following information takes place e.g. within the framework of the annual Ecolabel update.

- Financial key figures and framework conditions
- management of the proceeds
- Description of the projects and/or use of the proceeds
- Presentation of the sustainability benefit of the projects (status impact, targets expected vs. targets reached, measures, project contribution to the SDGs...) for the following dimensions ³³:
 - Ecological
 - Economic
 - Social
- Additionality of the projects

Moreover, it must be presented in a clear and transparent way, how high the share of new and/or refinanced projects is, and which measures are taken on the part of the issuers in order to finance new ecological projects.

The annual reporting must be made publicly accessible (online folder,).

2.4.1.6 Pre- or Post-Issuance

The criteria apply, no matter whether a Green Bond aims at a certification with the Ecolabel UZ 49 before the issuance (pre-issuance) or after the issuance (post-issuance).

In case of a post-issuance certification, and hence in case that an SPO has already taken place and been published, an additional expert opinion has to be submitted on the part of the Ecolabel control body which certifies compliance with the Ecolabel requirements.

³³ Presentation of the above-mentioned dimensions by means of qualitative and/or quantitative indicators (e.g. production of renewable energy, saved CO₂ emissions). The methodology of impact measurement must be described.

2.4.2 Sustainable savings and current account products

2.4.2.1 Requirements on the credit institution

The credit institution which offers a sustainable savings or current account product to be certified (hereinafter referred to as “savings product”) has to submit to the appraiser a completed list of questions (see Annex 3) in order to demonstrate its institutional credibility. This questionnaire must be publicly accessible (e.g. homepage).

The following aspects have to be explained with respect to the whole credit institution:

- Sustainability reporting in the core business (financing activities) and beyond it (e.g. awareness raising, operational ecology)
- Availability of generally applicable and publicly announced investment guidelines, e.g. environmental and/or social criteria in connection with the granting of loans, investment of own investment, existence of certifications, etc.
- Eco-incentives (e.g. interest-free loans for environmentally friendly financing)
- Information about the use and management of the savings deposits
- Presence of eco-social competencies (technical education of staff members, consulting by an Advisory Board, regular training, participation in scientific studies,...)

2.4.2.2 Requirements for the savings product

In the context of the expert opinion, it has to be explained how deposits on current accounts or savings are invested and/or loans are granted. The Ecolabel exclusion criteria of relevance to projects (see point 2.2 and point 2.4.1.2) must not be infringed³⁴.

- Project-based savings products have to demonstrate in the expert opinion that the projects funded by means of the sustainable savings fall under the project categories formulated under point 2.4.1.3.
- Savings products of proven eco- or ethical banks³⁵ have to demonstrate that the principles for (credit) financing meet the requirements of the Ecolabel (as a minimum, complete fulfilment of the exclusion criteria, no financing of business segments mentioned in the exclusion criteria).

³⁴ In projects funded through sustainable current account/savings products, the exclusion criteria apply to the entire investment volume.

³⁵ A bank can be considered an eco- or ethical bank if it designs its entire banking business not only along economic criteria but also in line with environmental and/or social compatibility. These inhouse criteria have to be publicly accessible and must apply to the bank’s entire product portfolio (awarding of loans, savings/current account products, investments, etc.)

2.4.2.3 Accounting systems and control

In order not to jeopardise the credibility of the Ecolabel, unacknowledged eco- or ethical banks have to furnish proof for their savings products that the sustainable savings are separate from the remaining accounting systems of the credit institution.

Temporary exceptions from this rule (e.g. until the funding of new projects) are in compliance with the requirements of the Ecolabel - but in such a case the average duration and the operative approach have to be outlined in the expert opinion.

In any case it has to be explained how the fulfilment of the investment criteria is verified for the certified savings products (internal/external control).

2.4.2.4 Transparency requirements

The following information has to be made publicly accessible (e.g. homepage, advertising material,...):

- the type of sustainable savings product (incl. an appropriate description of the product)
- according to which sustainability criteria the current account/savings deposits are invested and/or the projects are selected (e.g. in the framework of an appropriately designed investment strategy)
- how the current account/savings deposits are presently invested/used (information to be updated at least annually, aggregated description) and/or which projects are presently financed through the sustainable current account /savings deposits (brief description of at least 5 selected projects).

2.5 Compliance (applicable to all investment products)

Investment products entail risks, in the extreme case even the risk of total loss. Past performance does not permit conclusions to be drawn about future developments. Not every investment is suitable for every investor. The administration, documentation and marketing of investment products are subject to relevant legal provisions.

Compliance with these provisions is a mandatory requirement for obtaining the Ecolabel - and in the case of severe controversies with the enterprise applying for it the Austrian Ecolabel can decide not to grant certification.

Due to new EU regulations in the field of sustainable finance³⁶ (taxonomy, benchmarks, disclosure) investment products declared and marketed as sustainable and/or green will, in future, have to comply with the requirements set out in these regulations. These requirements (e.g. transitional period, reporting, taxonomy compliance, etc.) will thus at least concern eco-labelled financial products in the field of funds and must therefore be met as from the time of their relevant entry into force. The corresponding evidence has to be provided once - upon application (for new licensees) or in the course of the annual update check (for existing licensees).

2.6 Information and declaration (applicable to all investment products)

The Ecolabel must be used in a way ensuring that misleading confusion and subject-matter associations with other, non-eco-labelled investment products of the label user are avoided.

Depending on the product category, the following has to be stated in clear relation to the graphical depiction of the Ecolabel:

“Ecolabel for ‘Product category’:

The Federal Ministry for Sustainability and Tourism has awarded the Austrian Ecolabel to “*NAME OF THE INVESTMENT PRODUCT*” as, in the selection of *stocks/bonds/investment fund shares/real estate or projects financed through current account/savings deposits*³⁷, environmental and social criteria are taken into account in addition to economic criteria. The Ecolabel guarantees that these criteria and their implementation are appropriate to select suitable stocks/bonds/investment fund shares and real estate or projects and forms of investment funds. This has been verified by an independent body. The award of the Ecolabel does not constitute an economic assessment and does not permit conclusions regarding the future performance of the investment product.”

³⁶ https://ec.europa.eu/info/publications/180524-proposal-sustainable-finance_de#investment

³⁷ depending on the asset class/category

ANNEX 1

Table 5: Exemplary assessment guideline (for the control body)

	Assessment of the following fields	Controversial business segments and activities	
Corporate governance, company policy and management	<ul style="list-style-type: none"> • Mission and objectives • Quality of financial reporting • Quality of environmental reporting • Quality of social reporting • Quality of sustainability reporting • Audits • Presence of certified or validated environmental management systems (EMAS, ISO 14001), respective awards 	<ul style="list-style-type: none"> • Presence of quality certificates (ISO 9000, EFQM, TQM) or of a quality management system • Composition and organisational structure of the supervisory board • Organisation of the annual general meeting • Quality of the financial information and reporting on corporate governance • Commitment and donations of the company • Voting rights • Transparency of the shareholder structure 	<ul style="list-style-type: none"> • Corruption • Insider trading • Balance sheet fraud
Biodiversity, species protection and animal welfare, landscape conservation and environmental protection	<ul style="list-style-type: none"> • Animal experiments • Species-appropriate animal husbandry • Antibiotics, hormones in animal husbandry • Use of mineral fertilisers and pesticides in agricultural production 	<ul style="list-style-type: none"> • Maintenance of the species and age diversity in forest management/timber utilisation/agriculture • Sustainable fishery • Maintenance, restoration, development of the ecological balance and its capacity • Maintenance of the suitability to offer relaxation, preservation of cultural and natural monuments • Maintenance of traditional uses 	<ul style="list-style-type: none"> • Animal experiments • Trade in cosmetics or pharmaceutical products involving animal testing • Pesticides • Organic pollutants • Mass-produced chloroorganic products • Deforestation • Commercial and tourism investments (re-zoning, ski lifts, power stations, road construction, river regulations)

Table 5: Exemplary assessment guideline (for the control body)

	Assessment of the following fields	Controversial business segments and activities
Climate protection & Adaptation to climate change	<p><i>Energy</i> Research, development, generation, utilisation in the fields of</p> <ul style="list-style-type: none"> • renewable sources of energy solar cells/ solar energy, photovoltaics, fuel cells, hydraulic power, wind turbines/ wind energy/ wind park, utilisation of the heat from earth and oceans/ geothermal energy/ geothermics (terrestrial heat), biomass, recovery of raw materials, biodiesel <ul style="list-style-type: none"> • Energy efficiency • Multiple use • Energy saving • Raising efficiency <p>in the fields of</p> <ul style="list-style-type: none"> • Heat supply • Electricity • Storage systems • Drive and transportation systems • Technologies • Products <p><i>Chemistry</i></p> <ul style="list-style-type: none"> • Replacing climate-affecting substances (HCFCs, CFCs etc.) • Measures to reduce climate-affecting substances CO₂, methane etc. 	<ul style="list-style-type: none"> • Crude oil • Energy • Automotive industry • Airplane industry • Promotion and utilisation of fossil sources of energy • Production/Use of ozone-depleting substances (HCFCs, CFCs etc.)
Air and water pollution, waste (introduction of hazardous substances)	<ul style="list-style-type: none"> • Water emissions • Defecation, waste water purification, maintaining waste water clean, building facilities to maintain the cleanliness of water, water treatment • Atmospheric emissions • Waste • Hazardous waste • Recycling • Waste avoidance • Benchmarks on average of the sector, best available technology • Development (improvement)) Research, development, products, technologies for reduction/avoidance 	<ul style="list-style-type: none"> • Companies which in the course of production, transportation, marketing and disposal of goods and services severely stress air, soil, water and living beings with pollutants, noises or heat

Table 5: Exemplary assessment guideline (for the control body)

	Assessment of the following fields	Controversial business segments and activities
Material efficiency; resource consumption, dealing with finite resources, recycling, circular economy	<ul style="list-style-type: none"> • Measures to extend the service life of products, e.g. by a design easily repairable • Offering services instead of products • Offering repair and servicing work • Environmentally compatible, renewable construction materials • Developing and operating resource-efficient water technology, • Improving the possibility of renaturation and recyclability • Replacing non-regenerative raw materials by regenerative raw materials • Resource-saving product design 	<ul style="list-style-type: none"> • Mining • Raw materials • Promotion and utilisation of fossil resources
Employees	<ul style="list-style-type: none"> • Safety and health protection at the workplace • Ratios, measures etc. (ILO 155) • Accident and health insurance • Possibilities of co-determination (e.g. employee suggestion scheme) • Promoting human relations by means of dialogue • Above-average further training opportunities (e.g. more than 50 % of the employees take part in further training measures every year) • Social benefits that exceed legal requirements e.g. pension insurances • Above-average promotion of women • Promotion of ethnic or social minorities • Payment of appropriate wages ("living wages") (ILO 131) • Social plans in case of restructuring, closure or relocation of sites • Working hours, hours/free days (ILO 1, 14, 106) 	<ul style="list-style-type: none"> • Right to form associations and right to collective bargaining (ILO 87 98) • No forced labour (ILO 29, 105) • No child labour (ILO 138, 182) • No discrimination at the workplace (ILO 100, 111) • Systematic gross infringements of laws concerning employees

Table 5: Exemplary assessment guideline (for the control body)

	Assessment of the following fields	Controversial business segments and activities
Suppliers	<p>Suppliers/Sub-contractors/ Contractors</p> <ul style="list-style-type: none"> • Fair prices to producers • Monitoring of the suppliers as regards defined social/ecological criteria • Long-term relationships with suppliers 	<ul style="list-style-type: none"> • Unfair pricing policy, price fixing • Establishment/Trade relations in/to regions having a questionable human rights record • Violations of the law, convictions for infringements of human rights • Unfair practices
Customers	<p>Consumers</p> <ul style="list-style-type: none"> • Services • Survey/ evaluate customer satisfaction • CRM (Customer Relationship Management) • Above-average product liability • Damages • Voluntary labelling of products acc. to standards / guidelines etc. • Information policy vis-à-vis customers, information of the public • Establishment of intra-company quality management systems and ombudsman services for customer complaints <p>Participation in extra-judicial arbitration</p>	<ul style="list-style-type: none"> • Non-compliance with laws (consumer protection) • Unfair practices

Table 5: Exemplary assessment guideline (for the control body)

	Assessment of the following fields	Controversial business segments and activities
Investors	<ul style="list-style-type: none"> • Provision of information about social and environmental criteria • Transparency of information • Business conduct 	
Society/Public	<p>Society in general</p> <ul style="list-style-type: none"> • Significant donations/sponsoring for charity/culture • Disclosure of grants and contributions (politics/stakeholders) • Disclosure of lobbying activities • Relations to authorities <p>Locally concerned stakeholder groups/company sites</p> <ul style="list-style-type: none"> • Evaluation of the human rights situation in the countries where company sites are located • Evaluation (methods/routines) of the social & ecological impacts of the company's activities on the regions where the company sites are located <p>Safety of the production site</p> <ul style="list-style-type: none"> • Co-operation with local NGOs • Interaction with the population • Reinvestment of profits on the spot • Appointing managers from the relevant regions • Avoiding the substitution of local products 	<ul style="list-style-type: none"> • Non-compliance with laws (corruption, tax fraud)

Table 6: Assessment indicators real estate

	Assessment of the following fields	Controversial business segments and activities
Energy efficiency and primary energy demand	<ul style="list-style-type: none"> • Energy certificate • Thermal heat demand • Primary energy demand • Greenhouse potential • Cooling demand • Quality of the thermal building shell • Ventilation system with heat recovery • Air tightness measurement • Use of renewable sources of energy for thermal heat/cooling • Photovoltaic plant • Solar-thermal plants • Shading systems • Energy-efficient lighting technology • Electricity generation on the basis of renewable sources of energy • Surface cooling 	
Resources	<ul style="list-style-type: none"> • (Eco-balance of the building (e.g. OI3 Index) • Exclusion of climate-affective substances (freedom from HFCs) • PVC-free construction materials • Construction materials with acknowledged Ecolabel for particularly good ecological properties • Dismantling, recycling and disposal properties of the construction materials and building components • Water saving sanitary fittings • Dismantling concept 	

Table 6: Assessment indicators real estate

Biodiversity, soil	<ul style="list-style-type: none"> • Preservation of nature and landscape protection areas • Preservation of structures serving animals and plants as habitats • Recovery of structures serving animals and plants as habitats • New planting of hedges or coppices, vertical greening and other planting measures • Preservation of permanent watering sites for animals • Restriction of soil tillage (no soil tillage purely for design) • Animal protection measures (e.g. bird impact protection at glass walls, protective fences) 	
Pollutants and burden	<ul style="list-style-type: none"> • Measurement of indoor air quality (VOC) • Ventilation systems with heat recovery • Use of low-emission products and construction materials (e.g. wall paints, wood-based material) • Measures for the reduction of noise pollution • Identification and remediation of contaminated sites (asbestos, lead, etc.) 	
Tenants	<ul style="list-style-type: none"> • Community rooms • Possibility of interaction of generations • Promotion of sharing activities, repair and other services • Possibilities of co-determination • Mobile and flexible design of housing units • Organised caretaker or service • Social rental policies (including the consideration of marginalised groups) 	<ul style="list-style-type: none"> • Tenants working in business sectors excluded under point 2.1

Table 6: Assessment indicators real estate

Use and infrastructure	<ul style="list-style-type: none"> • Barrier-free access to housing units • Infrastructure facilities at a distance of 1000 m (e.g. short-distance supplier, kindergarten, schools, medical supply, service providers) • Connection to public transport at a distance of 1000 m • Network of bicycle paths • Bicycle parking facilities (roofed, lockable) • Parking facilities for baby carriages • Measuring facilities for the separate collection of consumption data for rental units (electricity, heat) • Waste separation (nearby, easily accessible) • Supply with daylight • Life cycle costs 	
------------------------	---	--

Table 7: Degree of fulfilment - Selection criteria

Points	Degree of fulfilment	Assessment
0	Not sufficiently fulfilled	<ul style="list-style-type: none"> Neither the selection criteria of the fund nor the survey method (list of criteria, questionnaires, company profiles) take account of this topic. The topic is mentioned in the selection criteria of the fund, but is not reflected in the survey method. The influence the aspects of the topic have on the rating is not traceable.
1	Sufficiently fulfilled	<ul style="list-style-type: none"> The survey method takes account of a few essential aspects of the topic. The influence of the aspects on the rating is traceable. Belonging to high-risk sectors and controversial activities lead to a lower rating. The compliance with minimum standards based on international conventions is assessed.
2	Average state of fulfilment	<ul style="list-style-type: none"> The survey method takes account of many essential aspects of the topic. The influence of the aspects on the rating is traceable. Qualitative and quantitative indicators are applied. The industry background of the enterprise is taken into account by adapting the weighting to the essential factors and applying industry-specific criteria. Non-compliance with minimum standards which are based on international conventions leads to a lower rating.
3	Above-average state of fulfilment	<ul style="list-style-type: none"> The survey method takes account of as many essential aspects as are necessary to cover the topic as thoroughly and comprehensively as possible. The influence of the aspects on the rating is traceable. For the vast majority of criteria, qualitative and quantitative indicators are used. The criteria are suited to investigate and assess activities that are well above minimum standards. Belonging to high-risk sectors and controversial activities lead to exclusion from the investment universe. Non-compliance with minimum standards that are based on international conventions leads to exclusion from the investment universe.

Table 7a: Weighting for thematic funds

Themes		Category of the sustainable investment products	
		SF	TF
Corporate governance, company policy and management		1	1
Environment and climate (processes and products)	Biodiversity, species protection, animal welfare, landscape conservation and environmental protection	1	(4)*
	Climate change mitigation, adaptation to climate change	1	(4)*
	Air and water pollution, waste (introduction of hazardous substances)	1	(4)*
	Material efficiency; resource consumption, dealing with finite resources, recycling, circular economy	1	(4)*
Stakeholder groups	Employees	1	1
	Suppliers	1	1
	Customers	1	1
	Investors	1	1
	Society/Public	1	1
For thematic funds, only those subjects need to be assessed that are mentioned as a focus of the investment strategy of the sustainable investment product. In this case the points can be multiplied by the weighting factors given here. If the other fields (e.g. corporate governance) and stakeholder groups, too, are taken into account in the evaluation, weighting is not possible.			

Table 8: Degree of fulfilment; surveying, evaluation and selection process

Indicator	Example for the evaluation	Issuers	
		Enterprises	States/ state-affiliated
The sector is evaluated with consequences for the valuation of the companies.	<ul style="list-style-type: none"> Different weighting of the individual sectors Automobile branch: Stronger weighting of the product Textile industry: Stronger weighting of the production processes 	2	-
Divestment	<ul style="list-style-type: none"> Structural withdrawal from climate-affecting industries and enterprises 	2	
It is traceable which documents are used for the evaluation of the criteria.	<ul style="list-style-type: none"> Appropriate quality control is implemented. Profiles document the origin of the relevant information. 	2	2
In individual cases local stakeholders are interviewed, e.g. for company sites in regions prone to risk and/or in risk sectors.	<ul style="list-style-type: none"> Facts and figures provided in company reports are checked for their plausibility by contacting local trade unions/ employee representatives. 	2	-
Share of up-to-date company valuations/ valuation of public issuers is high.	<ul style="list-style-type: none"> Less than 50% of the valuations are older than 1 year. 	2	2
Companies are visited for the evaluation.	<ul style="list-style-type: none"> There is a network which permits conducting investigations also on the spot. 	2	-
The relevant documents of the company are analysed.	<ul style="list-style-type: none"> The process description determines which media/ databases/ other source are analysed. Company profiles document the origin of the relevant information. 	2	-

Table 8: Degree of fulfilment; surveying, evaluation and selection process

Indicator	Example for the evaluation	Issuers	
		Enterprises	States/ state-affiliated
Relevant sources of information – independent of the enterprise and/or the issuer - , in particular from NGOs, are analysed; systematic media investigation is conducted.	<ul style="list-style-type: none"> • The process description determines which media/ databases/ NGO publications/other source are analysed. • Country profiles show which sources were analysed. 	2	2
Criteria are also appropriate to evaluate shares/bonds of finance companies.	<ul style="list-style-type: none"> • Criteria evaluate the environmental relevance of the projects of an environmental bond of a finance company. 	2	2
Relevant criteria are used for suppliers (supply chain).	<ul style="list-style-type: none"> • Monitoring systems for the suppliers are included in the evaluation. • Signed agreements between enterprise and supplier are included in the evaluation. 	2	-
An evaluation of the quality of sustainability reporting is carried out	<ul style="list-style-type: none"> • Only those enterprises are accepted which submit sustainability reports certified by auditors according to GRI G4. 	2	-
The orientation of the fund is continuously discussed by an Advisory Board.	<ul style="list-style-type: none"> • Advisory Board made up of different groups of stakeholders • The body discusses recommendations and exclusions concerning the fund. 	2	2

Table 9: Degree of fulfilment; investigation, evaluation and selection process for real estate

Indicator	Evaluation/examples for the evaluation	Real estate
Sustainability ratings of the following quality labels for real estate are taken into account in the valuation.	<ul style="list-style-type: none"> In addition to satisfying the basic klimaaktiv standards, a declaration/certification of the building according to ÖGNB/TQB (750 - 900 points) takes place; klimaaktiv category 'Silver' (750 - 900 Punkte), EU Green Building, ÖGNI/DGNB, LEED, BREEAM, NaWoh_Nachhaltiger Wohnungsbau (sustainable housing), imug Sustainability Monitor for real estate, GRESB – Global Real Estate Sustainability Benchmark. 	2
Sustainability ratings of the following building quality labels for real estate are taken into account in the valuation.	<ul style="list-style-type: none"> klimaaktiv building standard 'Gold' and/or ÖGNB/TQB (900 points and more) 	6
An inspection of the real estate and its surroundings is made within the framework of the valuation.	<ul style="list-style-type: none"> Information on plans, certificates etc. are checked for plausibility by inspection. 	1
The documents of relevance to the valuation of the real estate are analysed.	<ul style="list-style-type: none"> The process description states which documents are analysed. 	1
Documents on the valuation of the real estate are up to date.	<ul style="list-style-type: none"> Current analysis of existing properties Renovation documents etc. 	1
It is traceable which documents are used to value the real estate.	<ul style="list-style-type: none"> Appropriate quality control is implemented. 	1
The orientation of the fund is continuously discussed by an Advisory Board.	<ul style="list-style-type: none"> Advisory Board made up of different groups of stakeholders Advisory Board discusses the inclusion of real estates. 	1

ANNEX 2

Selected Policy Categories of the EUROSIF Transparency Guidelines

1. Basic details	
The Fund Management Company	
1a	<p>Provide the name of the fund management company managing the fund(s) to which this code applies.</p> <p>Provide general information about the fund management company managing the fund(s) to which this code apply (e.g. name, address, website ...)</p>
1(b)	<p>Describe the general approach of the fund management company with regards to how it takes environmental, social and governance (ESG) criteria into consideration.</p> <ul style="list-style-type: none"> • Is the fund management company approach towards ESG criteria aligned or inspired by its corporate social responsibility (CSR) approach? Yes/No. If yes, insert a link to the company's CSR policy. If not, explain why not. • Has the fund management company signed the Principles for Responsible Investment (PRI)? <p>If yes, please insert the link to your PRI report and/or the response to the evaluation questionnaire. If not, explain why not.</p> <p>Is the fund manager a signatory or a member of other national or international initiatives supporting sustainability in the financial sector? If yes, please mention them.</p> <ul style="list-style-type: none"> • Has the fund management company established an ESG engagement policy? If yes, describe the policy by outlining its objectives and its methodology and/or, if it is public, insert a link to the engagement policy. If not, explain why not. • Has the fund management company established a voting policy? If yes, describe the policy by outlining its objectives and its methodology and/or, if it is public, insert a link to the policy. If not, please explain why not. • Describe how the fund management company or the group contributes to the promotion and the development of sustainable investments.
1c	<p>Describe or list your sustainable investment products and the specific resources allocated to your sustainability activities.</p> <ul style="list-style-type: none"> • Briefly describe your sustainable investment products (number, assets under management, Strategies, ...) • Describe / Detail the resources allocated by the fund management company (organisation ESG research internal/external, dedicated portfolio management team, ...) and indicate where this information is available.
1d	<p>Describe the content, frequency and resources allocated/used by the fund management company to inform investors about the ESG criteria taken into account.</p>
The Sustainability Funds	
1e	<p>Provide the name(s) of the fund(s) to which this Code applies and its/their main characteristics.</p> <p>Describe the main characteristics of the fund(s): geographical focus, fund type, sustainability strategy used (please use the classification provided by Eurosif/EFAMA).</p>
1f	<p>What is/are this/these fund(s) trying to achieve through taking into account ESG criteria?</p> <p>Please describe the objectives, for instance financing of a specific sector, reducing risks, support better CSR practices, develop new value creation opportunities.</p> <ul style="list-style-type: none"> • If part of the fund(s) assets is invested in unlisted organisations with high social or regional benefit or impact investing relevance, please specify.
2. Approach to ESG Evaluation of Companies	
2a	<p>What fundamental principles underlie the ESG research methodology?</p> <p>Describe the principles, standards or norms on which the ESG analysis is based for each of the three environmental, social and governance dimensions. Include brief comments about how stakeholders are consulted, if appropriate.</p>

2b	What internal and external resources are used to carry out the ESG research? Please describe the general sources of information used to carry out the ESG research: internal analysis, external analysis, sustainability rating agencies, other external sources of information.
2c	Which ESG analysis criteria are used? Indicate what the (main) criteria for each of the three environmental, social and governance (ESG) dimensions are. Specify if these criteria differ according to sectors, geographical zones, the type of company, etc. If appropriate, provide an example.
2d	What is your ESG analysis and evaluation methodology (how the investment universe is built, how the rating system,)? Describe the ESG evaluation or rating system and how it is built by explaining how the various ESG criteria are articulated. If appropriate, provide an example.
2e	How frequently is the ESG evaluation reviewed? Briefly explain the evaluation methodology update process and who is involved. If appropriate, explain if the methodology has changed in the past twelve months and the nature of the key changes.

3. The Fund Management Process	
3a	How do you take into account ESG criteria when determining/defining the universe of eligible investments? If appropriate, describe the criteria and the resulting level of selectivity.
3b.	How do you take ESG criteria into account in portfolio construction? Please describe how you link ESG criteria with the financial analysis or with portfolio management. More precisely, describe how the results of the analysis of each of the dimensions (E, S and G) are integrated into the investment/divestment process? Provide information on the divestments occurred in the past year on the basis of ESG criteria. If appropriate, explain how potential ESG weightings are defined and describe your treatment of companies that are not subjected to an ESG analysis.
3c	Does (do) the fund(s) have a specific ESG engagement policy? Please explain what you understand by engagement. Describe how you select the companies/themes for your engagement activities and the impact on the portfolio management of the fund(s). Who undertakes engagement on behalf of the fund(s) (internal and/or external service provider)?
3d	Does (do) the fund(s) have a specific voting policy integrating ESG criteria? Yes/No
3e	Does (do) the fund(s) engage in securities lending activities? If yes, (i) is a policy to recall the securities in place in order to exercise the voting rights? (ii) does the counterparty selection process integrate ESG criteria?
3f	Does (do) the fund(s) make use of derivative instruments? If yes, describe (i) their nature (ii) the objectives (iii) the potential limits in terms of exposure (iv) if applicable, their impact on the sustainability quality of the fund.
3g	Is a share of the fund(s) invested in unlisted entities pursuing strong social goals? If yes, please provide a brief description of the objective(s) of this investment, in no more than one or two sentences.

4. Controls and ESG Reporting	
4a	What internal and external procedures are in place to ensure the compliance of the portfolio with the ESG criteria defined in section 3 of this Code? State who is carrying out the controls, their frequency and within which timeframe adaptations have to be made should a breach be detected?
4b	Please list all public media and documents used to inform the investors about the sustainability approach to the fund, and include web addresses (links).

	<p>Prospectus Annual and semi-annual report Addendums KIID (Key Investor Information Document) - product information sheet Fund Fact Sheet Dedicated sustainable investment Web page(s) at company / fund level (if applicable) Policy/Approaches concerning engagement and/or voting (if applicable) Link to Web page of the sustainability research provider (if applicable) Links to the research findings that are available to investors (if appropriate) The detailed portfolio composition (no more than six months old) CSR policy of the company (if applicable) Other (please list)</p>
--	--

Definitions of key terms used in the Guidelines

Table 11: Explanation of terms

Term	Definition
Divestment (dissolution of investments)	Sale of corporate assets from the fund (disinvestment).
Exclusion (Exclusion of securities)	An approach which excludes sectors or companies from a fund if they are involved in activities that correspond to certain investment criteria* (e.g. no sale or production of tobacco or no animal testing).
Commitment	A policy which proactively seeks to influence the corporate policy towards better social, ecological and ethical practices. This includes engagement at sectoral level as well as the dialogue on social, ecological and ethical risks.
Fund	A legal entity whose exclusive task is the acquisition of investments. This also includes sub-funds.
Fund manager	The entity responsible for the management of the fund.
Investment criterion	The principle or the basis for judgement used to determine what the fund may or must not invest in from an environmental, social or ethical point of view.
Voting policy	Policy of a fund to use its voting rights as investor to influence company policies.
Titles	The corporate assets that are part of the fund.
Signatory	See fund and fund manager.
Securities portfolio	A collection of investments managed by the fund manager.
Policy (of the fund)	Description of the philosophy and the overall focus of the fund, but not of the investment criteria employed.

ANNEX 3

Questionnaire on the institutional credibility of credit institutions³⁸	
1	What is the name of the credit institution that sells the green current account/savings product and to which this questionnaire relates:
2	<p>Please make a general description of the philosophy of the credit institution with a view to the consideration of sustainability criteria.</p> <ul style="list-style-type: none"> • Does the credit institution have a sustainability report and/or a CSR strategy? If so, please insert the corresponding links here. • Does the sustainability strategy also take into account the core business (financing/own investments etc.)? Which eco-social strategies are available at the level of the entire credit institution in this respect? • Is the credit institution signatory or member of a national or international initiative promoting sustainability in the financial sector? Are there any certifications (at product and/or institutional level)? If yes, please mention them. • Please describe in which way the credit institution and the group of companies contribute to the promotion and further development of sustainable investments.
3	<p>Describe the range of your sustainable financial products as well as the resources that are available to you in connection with your sustainability activities.</p> <ul style="list-style-type: none"> • Please provide a brief description of your sustainable financial products (number, types of products, strategies, ...). If available, insert a link to them. • Please describe/specify the resources & competences that the credit institution provides for the implementation of the sustainability activities (organisation, internal or external research for the selection of products,...) and indicate whether and where relevant information is available. • Does the institute have an Advisory Board which provides advice with respect to sustainability aspects and strategic decisions? If available, please describe the composition and activities of the Advisory Board. • Which other measures are taken to build up know-how (e.g. further education of staff members, financing of studies etc.)?
4	<p>What do the content, frequency and ways of transmission of information, by which the credit institution informs customers about its sustainability criteria look like?</p> <ul style="list-style-type: none"> • In which way are customers informed about sustainability criteria & measures? Please insert a link or list the different measures (e.g. newsletter).
5	<p>Which ecological and social criteria are applied in connection with the general awarding of credits and investments of the institution's own investments? Which sustainability measures does the credit institutions take in its core business?</p> <ul style="list-style-type: none"> • Please describe whether and which criteria are applied by the credit institution (altogether - not only for the certified product) in the field of sustainability. • List relevant exclusion and selection criteria (negative & positive criteria) in connection with the investment. • Please briefly describe out of which philosophy your investment strategies and criteria developed (e.g. church background, promotion of the common good,...). • Are you taking any further measures? • Where can this information be found? Please insert a corresponding link.
6	<p>Which sustainability measures does the credit institution take aside from the core business?</p> <ul style="list-style-type: none"> • Please mention eco-social measures implemented aside the core business of your credit institution (financing). For example in the field of operational ecology (energy, sustainable procurement, ...), governance and social affairs (staff members, customers) or awareness raising.

³⁸ The questionnaire has to be filled in completely and attached to the expert opinion. In addition, the content of the questionnaire has to be published at the relevant body.

7	<p>Which specific investment strategies exist for the products applied for?</p> <ul style="list-style-type: none"> • Please describe the principles or standards on which your product is based. • Describe how the funds are used and according to which criteria financing projects are selected. Please insert a link to the description of corresponding products here.
8	<p>Which measures concerning the traceability of the funds used are implemented?</p> <ul style="list-style-type: none"> • Do customers obtain understandable information on what happens to their money? • Are customers in a position to influence individual aspects of the use of funds? In this context, please describe also the level on which this happens: Does the customer for example have the possibility to select projects funded through his/her savings deposits or to influence the interest rate? • Please describe the measures taken to inform customers in a transparent way about the use of their money (e.g. newsletter informing about new projects).
9	<p>Are there any additional incentives for ecological and/or ethical investments?</p> <ul style="list-style-type: none"> • Please describe whether your credit institution offers advice to customers as regards the ecological investment (e.g. reference to financial products that have been awarded the Ecolabel,...). • Does the credit institution provide incentives for ecological financing (e.g. interest-free credits or the like)? • Are there any other measures?
10	<p>Which internal and external procedures are used to ensure that the funds are appropriately used and managed?</p> <ul style="list-style-type: none"> • Who carries out the controls in which frequency? • Are corresponding reports accessible to the public? If so, please link them. • How do you deal with savings that are presently not used for ecological financing?