

Principles for considering sustainability risks

Sustainability risks are environmental, social or governance events or conditions that, if they occur, may have a real or potential material adverse impact on the value of an investment.

The funds managed by Tuleva are passively managed. The fund manager does not make investment decisions regularly and the funds invest according to a model portfolio. Therefore, Tuleva funds cannot make impact investments. Investment decisions are made within the context of changing the funds' conditions, which always involves assessing sustainability risks. However, Tuleva funds take sustainability risks into account in their investment selection process. Tuleva identifies and analyses sustainability risks as part of the risk management process. Tuleva ensures that the investment funds in which Tuleva invests have been evaluated and selected through a sustainability assessment process. Tuleva does not invest in funds that do not consider sustainability risks or do not meet minimum safeguards.

Tuleva World Stocks Pension Fund and Tuleva III Pillar Pension Fund allow the acquisition of units of only such investment funds that comply with the criteria of environmental, social and good governance practices and that exclude companies that are in conflict with these criteria. In this regard, these funds promote, among other characteristics, environmental and/or social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector ("SFDR").

Tuleva, due to its passive investment strategy, takes the following initial measures to ensure investment sustainability:

1. We are always aware of the climate footprint of our investments according to ESG metrics, we compare it to those of other market participants, and look for ways to reduce or offset our carbon footprint.
2. Tuleva World Stocks Pension Fund and Tuleva III Pillar Pension Fund allow the acquisition of only ESG screened investment funds.
3. When it comes to investment funds, we only invest in financial instruments that comply with the UN Principles for Responsible Investment. We use an investment manager for our funds that provides us with the required information and applies the necessary exclusion criteria (currently BlackRock Inc.).

Tuleva values transparency and is committed to publishing performance data related to its sustainability criteria in a clear and accessible manner. Tuleva believes that clear and comparable data is the first step in deciding how to use our investments to help reduce the effects of global climate change, or at least not to exacerbate them.