EXTERNAL REVIEW SERVICE MAPPING TEMPLATE - please refer to the User Guide for guidance when filling in this template

Date of completion	23 01 2023	**Contact details**	Gerald Siegmund https://www.fsg.agency gs@fsg.agency Mob.: +43660 2381964 Please also see under question 8.

EXTERNAL REVIEWER

Name of reviewer / service provider

FSG Sustainable GmbH

Short description of review / service provider

FSG Sustainable GmbH combines three concessions as follows:
- Certification body by the Ministry of the Environment in conjunction with the Association for Consumer Information (VKI) and long-time certifier and exhibitor of Second Party Opinions
- Capital Market Coach for bonds at the Vienna Stock Exchange
- Investment firm supervised by the Financial Market Authority in Austria

List of independent external review services provided (please complete one Review Service Template for each service provided - please see section below)

Second Party Opinion
Certification of financial products according to UZ 49
Annual review

List of collaborative consultant services / advisory (optional and for information only - not to be made part of the Review Service Template below)

Green / Social / Sustainability Bond Framework structuring advice
Capital Market Coach for bonds
Advice in relation to reporting

If consultant type of services are offered, are these provided separate from independent external review services? YES

Comments: Importance is attached to the independence of the service provided and the avoidance of conflicts of interest.

EXTERNAL REVIEW SERVICE TEMPLATE - please complete one template for each type of service provided

Section A - CONTENT - Description of service

1. **NAME OF SERVICE** - Name of service as defined by the reviewer

Certification of financial products according to UZ 49

2. **OBJECTIVE** - What are you aiming to accomplish with this service? (main objective / goal / outcome)

The Ecolabel offers guidance to consumers who want to invest money according to ecological and social-ethical criteria.
There are now many products on the market with a wide variety of sustainability promises. Products with the Austrian Eco-label have been tested by independent experts and their positive effects confirmed. This is important because the financial market is a central lever for a more sustainable economy.
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.

3. **REVIEW TYPE** - Please indicate the review type(s) which best describe this service

External Review Types as defined in GBP/SBP:

1. Second Party Opinion	
2. Verification	
3. Certification	X
4. Scoring/rating	

Comments

4. **SERVICE / SCOPE** - Please provide a general description of your service / scope

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.
Investment products with a portfolio character (funds) that base their investment policy on sustainable and ethical/social/ecological criteria are awarded the UZ 49 seal of approval for financial products.
In addition, Green / social / sustainability Bonds of states or companies as well as sustainable savings and giro products can be awarded.

5. **GREEN / SOCIAL / SUSTAINABILITY BOND SERVICES** - Do you offer Green and/or Social and/or Sustainability bond services?

Environmental	YES
Social	YES
Sustainability	YES

Comments

6. **GBP / SBP** - Are each of the four principles in the GBP/SBP taken into account in the review?

Use of Proceeds	YES
Process for Project Evaluation and Selectio	YES
Management of Proceeds	YES
Reporting	YES

7. **METHODOLOGY** - General description of methodology

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-affilated 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. Also green / social / sustainability bonds 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.

8. **DISCLOSURE** - Where can further information on the service be found?

General information about the service is available on the webpage of FSG Sustainable GmbH and the Austrian Ecolabel.

Relevant web pages

https://www.fsg.agency/Unsere-Leistungen/Zertifizierung/
https://www.umweltzeichen.at/de/f%C3%BCr-interessierte/der-weg-zum-umweltzeichen/antragsinfos-zur-richtlinie-uz49-
https://www.umweltzeichen.at/file/Guideline/UZ%2049/Long/UZ49%20Sustainable%20Financial%20Products%202020_EN.p

9. BUILDING BLOCKS - Please indicate which buidling blocks are relevant to your service (by ticking boxes under a) CONTENT) and which ones are the most important for your service (by ranking three boxes 1-3 under b) IMPORTANCE).

	a) Assessment of alignment with GBP / SBP	b) Environmental / Social evaluation and qualitative impact evaluation	c) Quantitative impact assessment	d) Environmental / Social governance assessment	e) Issuer-level ESG assessment	f) In-depth assessment of procedures	g) Assessment of allocations / reporting / asset facts and similar	h) Comparison against recognised external criteria	i) Other, please specify
a) CONTENT - Please indicate which building blocks are part of the service offered	X	X	X	X		X	X	X	
b) IMPORTANCE - Highlight the three most important building blocks of your service by ranking them 1-3 (with 1 being the most important)	2					3		1	

Comments

External criteria mean strict compliance with the requirements of the Ecolabel UZ 49. Furthermore, the ICMA Green / Social / Sustainability Bond Principles are particularly used as a criterion.

10. TIMING

Pre issuance	Yes
Post issuance	Yes
Recurring	Yes
Monitored	
Static / Single point in time	
Frequency	every 4 years

Comments

Is there an expiration of validity of the reviev YES

Comments After every 4 years or if the financial products or the requirements of the Directive have changed.

11. COVERAGE

Issuer	Yes
Programme / Framework	Yes
Bond / Financial instrument	Yes
Assets	
Estimates	Yes
Actual allocation	Yes
Procedures	Yes

Comments

12. REFERENCE POINTS - Do you refer to internal/external standards, process protocols, benchmarks, criteria, predefined taxonomies and similar? YES

If yes, please specify the ones you frequently use

- Guideline of the Austrian Ecolabel for Sustainable Financial Products (“UZ 49”)
- Green Bond Principles
- Social Bond Principles
- Sustainable Bond Guideline
- EU Green Bond Standard
- SDGs
- EU- Taxonomy
- “Klimaaktiv” building standard

13. PERFORMANCE LEVEL REQUIREMENTS - Are environmental / social performance levels or thresholds assessed? Does the service include an analysis of benchmarks used?

The performance levels depend on the respective objective of the issue. The annual review may also specify certain levels to be achieved. These levels are usually based on legal or regulatory requirements or general recommendations.
The service includes the assessment of the issuers' compliance with the benchmarks, but not an analysis of the regulatory benchmark per se.

14. CONTROVERSIES - Are controversies highlighted?

Exclusion criteria of the Austrian Ecolabel for Sustainable Financial Products (“Guideline UZ 49”):
I.In the case of investments, attention is paid to various factors, for example, companies with the following business areas/practices or from the following industries are excluded from an investment.
Business areas:
- Nuclear power
- armaments
- genetic engineering
- Mining of coal, petroleum and natural gas
- Refining of coal and petroleum
- Power generation from coal and petroleum

Business practices:
- Systematic, serious and persistent violations of human or labour rights or labour rights violations
- No commitment of company policy to the minimum standards of the International Labour Organization (ILO) or demonstrable systematic violation thereof

II.Exclusion criteria for government bonds/government-related issuers: Government bonds/government-related issuers that violate key political, social and environmental standards in the following areas will be excluded from investment:
Political and social standards
- States that violate fundamental rights with regard to democracy and human rights
- Countries in which the death penalty is applied
- Countries with particularly high military budgets

Environmental standards
- States without targets and measures for the reduction of greenhouse gases and the protection of species
- States with expansive policies concerning the development of nuclear energy.

III.Exclusion criteria for real estate
All (completed) new buildings and already refurbished buildings should meet the basic criteria of the “klimaaktiv” building standard.

15. PUBLICATION - Do you require that the review is made public? YES Comments

16. EXTERNAL REVIEW FORM -

a) Is the GBP/SBP External Review Form included as part of the review? YES

b) Is it posted on the GBP/SBP Resource Centre? Comments

Section B - CREDENTIALS - Description of credentials for performing the service

17. CREDENTIALS - Please describe your credentials, including sector coverage and technical skills to the extent relevant

Each member of a Board of Directors of the Investment firm FSG Sustainable GmbH – Mrs Ergard and Mr Siegmund - has been certified by the Financial Market Authority in Austria as "fit and proper", i.e. possessing the required qualifications, competencies, skills and experience, etc.

Furthermore, FSG Sustainable GmbH is listed as Bond Capital Market Coach of the Vienna Stock Exchange (WBAG). According to point 1 of the contract, the following requirements have to be fulfilled:
The Partner acknowledges and agrees that the conclusion of a contract is only possible for WBAG if certain requirements are met. The requirements are in-depth industry knowledge and experience in the areas of capital markets, stock exchange and company analysis, references on successfully executed mandates in the context of exchange-traded bond transactions on EU-regulated markets in the last few years as well as proof that at least two persons are active in the partner's company who each have the aforementioned industry knowledge and experience and have already been active in the areas of capital markets and stock exchange for more than 5 years. WBAG may waive the provision of this proof in individual cases. In no case shall there be a claim to the conclusion of a contract.

Both Directors are a Certification body by the Ministry of the Environment in conjunction with the Association for Consumer Information (VKI) for Austrian Ecolabel for Sustainable Financial Products ("UZ 49") and long-time certifiers and exhibitors of Second Party Opinions.

Both Directors have an industry knowledge (banking and financial branch) and a long year experience in the areas of capital markets, stock exchange and company analysis

proven expertise in environmental sustainability and corresponding research know-how

Mr Siegmund is a court-certified expert for banking and stock exchange matters and was a member of the ESMA Standing Committee in Paris from 2017 - 2019.

18. EXPERIENCE - Please describe your experience in the field

Please see Provision 17 above.

a) Launch date - year when first review was completed

18/12/2020 Comments

b) Number of reviews - number of reviews performed to date

3 Comments

19. CAPABILITIES -

a) Geographic scope - regions covered for the above described service

Worldwide

b) Language capabilities - relevant for the above described service

German, English, Russian, Ukrainian

20. INDEPENDENCE - How is independence / segregation between service offerings assured (general description of separation of duties, how integrity is assured)?

Due to the underlying legal requirements for an investment firm's organisational structure, FSG has a corporate organisation that ensures effective and prudent management of the company and provides for, among other things, segregation of duties in the organisation (independent areas of responsibility, such as risk management, complaints management, compliance function, money laundering and terrorist financing prevention officer, internal audit) and the prevention of conflicts of interest.
Furthermore, there is the possibility of whistleblowing, protection of confidential information and data protection, ensuring the qualifications of employees as well as their further training, remuneration policy, participation policy, tax honesty etc.
An independent compliance function operates within FSG under the direct responsibility of the Executive Board and is responsible for identifying, preventing and managing conflicts of interest.
Pursuant to Article 16(3) and Article 23 of Directive 2014/65/EU (hereinafter MiFID II), Delegated Regulation (EU) 2017/565 (hereinafter DelVO) and in accordance with the requirements of the Securities Supervision Act 2018 (hereinafter WAG 2018), FSG, as an investment firm, has established written guidelines for dealing with conflicts of interest.
Separately, FSG has created an organisational policy Compliance Manual and established a responsible compliance function that requires all employees who may have conflicts of interest in the course of their work to disclose all of their transactions in financial instruments (Personal Transactions).

21. NATURE OF SERVICE - Is the service provided a regulated activity or otherwise treated in the same fashion as adjacent services provided by the reviewer? YES

Comments