

# OTP Climate Change Equity Fund

## Introduction (A series)

Name:	OTP Climate Change Equity Fund
Kind, type:	open-ended, public, equity, ESG
Name of fund manager:	OTP Fund Management
Start of the fund:	01/09/2008
Benchmark:	70% MSCI ACWI IMI SDG 7 Affordable and Clean Energy Select + 25% MSCI EMU Climate Change ESG Select NETR EUR + 5% RMAX
ISIN	HU00000706239
Bloomberg	OTPCMT HB Equity

## Portfolio managers



Eszter Lokietek  
Senior portfolio  
manager



Máté Kovács-  
Kvotidián  
Portfolio manager

## Prizes



## Investment policy

The Fund seeks to provide opportunity to benefit from the performance of the climate change industry with investing in the global equity markets. The fund manager believes that global climate change is a man-made phenomenon. He also believes that societies need to implement structural changes in many areas (energy production, consumption habits, etc.) to prevent the worsening of the situation. Policy responses from governments and bottom-up responses from societies can create opportunities for innovative companies along the road. A carbon-neutral future also present challenges for incumbent companies. This Fund aims to identify the winners and the losers of these structural changes.

## Monthly statement

### Macro Environment:

March continued to be a month of continued noise in capital markets, with continued tick-tocks on tariffs, news of a Russian-Ukrainian peace deal with a strong impact on Europe moving prices and fears of a US recession intensifying. US policies have put Europe in a bind, which could lead to structural changes in the medium term, and a European unity could help the continent to find its feet. Announced fiscal stimulus, German debt relief, infrastructure and defence spending increases could boost the economy in the short term, and as a result European equities rallied in March, while US equities ended the month lower, led by tech companies.

### Changes in the fund:

The Fund ended the month lower, mainly due to its US exposure. Corrections in solar panel connected companies and a correction in tech companies dragged down power generation and infrastructure development companies such as Mastec, Enersys and uranium miners Cameco and Kazatomprom. In turn, European companies Nordex, a wind turbine manufacturer, and Veolia, a water and waste management company, also performed well. We continued to rebalance the Fund from US to European companies in March, adding GE Vernova, Sunnova, Eaton Corp and Esco Technologies and buying EVN, where the value of the Verbundon outlier in the fund had sunk to a local low, and closing part of the underweight in Vestas, a wind turbine manufacturer that underperformed this year.

## Net asset value & price

	Currency	Amount
Net Asset Value*	HUF	23 167 001 299
Price**	HUF	2,188114

\*Total net asset value of the different investment fund series.  
\*\*Net asset value per unit

## Risk level:



Recommended investment time frame: 5 years

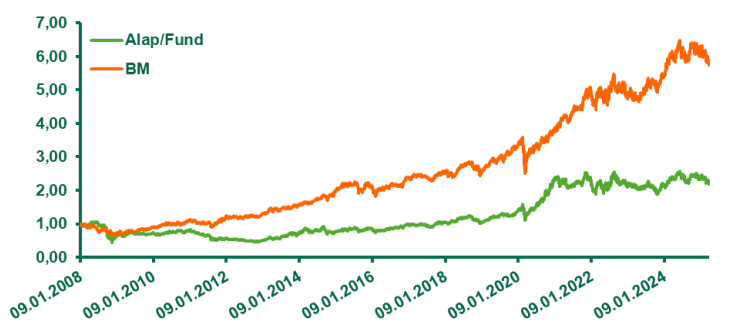
# OTP Climate Change Equity Fund

## Annualized past performances

Annual returns*	1Y	3Y	5Y	10Y	From launch
Fund	-9,32%	0,02%	11,27%	10,24%	4,65%
Benchmark	-6,42%	5,64%	14,63%	10,41%	10,68%
Relative return	-2,91%	-5,62%	-3,35%	-0,17%	-6,03%

\*Net returns based on net asset value. For periods longer than 1 year, net returns are annualized (compound interest, 1 year = 365 days).

## Performance chart



The chart shows the periode: from launch to last banking day of the month.

## Total net risk exposure\*

120,30%
---------

\*Risk indicator involving risk of derivative transactions. Figures above 100 indicate leverage, therefore the rate of the fund may vary beyond the market.

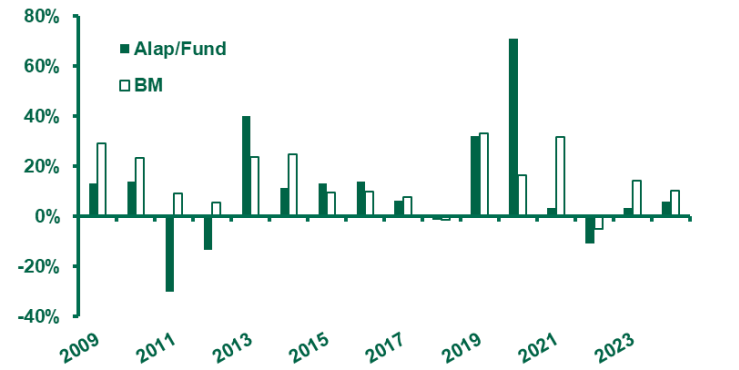
## Asset composition

Asset	Ratio
Deposits	5,4%
T-bills	0,0%
Government bonds	0,0%
Mortgage bonds	0,0%
Other bonds	0,0%
Equities	90,6%
Investment fund units	2,0%
Other	2,0%

## Risk indicators

Risk indicators	1Y	3Y	5Y	10Y	From launch
Deviation	17,33%	20,80%	21,20%	19,57%	23,72%
Tracking error	7,74%	11,19%	12,91%	11,54%	15,77%
Information ratio	-0,38	-0,50	-0,26	-0,01	-0,38
Beta	1,0036	0,9702	0,9558	0,9295	0,9550
Alpha	-2,86%	-5,72%	-2,95%	0,36%	-5,74%
Max. drawdown	-15,26%	-25,96%	-25,96%	-30,83%	-58,74%

## Calendar years performance



## Assets above 10%

None

## Currency composition

Currency	Ratio
Euro	46,95%
US Dollar	17,62%
Danish Krone	7,87%
Hong Kong Dollar	7,22%
New Zealand Dollar	5,38%
Hungarian Forint	4,54%
Canadian Dollar	3,79%
Swedish Krona	2,43%
Kazakhstani Tenge	1,74%
Other	2,45%

# OTP Climate Change Equity Fund

## Country composition

Country	Ratio
United States	30,31%
France	13,60%
Denmark	8,10%
Hungary	7,71%
Cash	7,31%
China International	5,84%
Germany	5,51%
Canada	3,78%
Austria	3,54%
Other	14,29%

## TOP 5 instruments

Schneider electric sa
Masterplast
Orsted
Air products & chemical
Nextracker

## ESG classification of fund assets\*

Developed market issuers	73,11%
AAA	18,99%
AA	20,62%
A	25,58%
BBB	6,80%
BB	1,12%
B	0,00%
CCC	0,00%
N/A	0,00%
Emerging market issuers	17,51%
AAA	0,00%
AA	1,03%
A	5,59%
BBB	1,50%
BB	0,00%
B	0,00%
CCC	0,00%
N/A	0,00%

\*AAA is the best, CCC the worst

## Industry composition

Industry	Ratio
Industrials	43,76%
Utilities	17,42%
Information Technology	13,76%
Materials	7,45%
Cash	7,31%
Consumer Discretionary	4,39%
Energy	3,84%
Other	2,07%

## Committed ESG limit

ESG limit type	Limit	Rate
Developed market issuers AAA-BBB + Emerging market issuers AAA-BB	min. 70%	79,73%

## ESG informations

ESG rate	79,73%
Overall ESG score	6,002002
Overall ESG rating	A
Average ESG Quartile	1,35305

# OTP Climate Change Equity Fund

## Distribution

Distributor	OTP Bank Nyrt.
Distributing partners	Concorde Értékpapír Zrt., Erste Befektetési Zrt., SPB Befektetési Zrt., Raiffeisen Bank Zrt., CIB Bank Zrt.

## Disclaimer

This document is a marketing issue. Past performances don't guarantee future performances. Calculations of past performances, returns, risk indicators, net asset value, price and composition of portfolio are based on the last banking day of the month. Sources of past performances: Bloomberg (benchmark) and OTP Alapkezelő (funds). No information, opinions or data in this document constitute either investment advice or contract proposal. For detailed information on the fund's investment policy and potential investment risks, please see the key information documents, official prospectus, and fund rules available at the fund's distribution place. Expenses related to the marketing of the investment fund (purchasing, holding, selling) are available in the fund rules and at the distribution sites. Website: [otpalap.hu](http://otpalap.hu)