

Declaration on the consideration of principal adverse impacts on sustainability factors in investment advice

As of: July 24, 2025 – Version 4

I. Our sustainability strategy

The goal of sustainability is the long-term preservation of natural, social and economic resources in the interest of current and future generations. Our aim is to improve our company's impact on the environment and on society.

We do not differentiate between individual business areas of our company with regard to sustainability. Rather, we want all our employees to develop a healthy sustainability culture by taking responsibility for the environment. This requires open communication as well as the targeted involvement of employees in sustainability management.

Protection of the environment, economic efficiency and social responsibility need to be brought together in a way that enables decisions made within the company to be viable in the long term from all three aspects.

As a bank, we too want to take responsibility and help shape the change to a sustainable economy by strengthening our contribution to achieving climate protection and the UN Sustainable Development Goals. We are therefore committed to the Sustainable Development Goals (SDGs) of the United Nations and the Paris Agreement.

We also want to fulfil our responsibility in the investment business and have therefore defined strategies for taking sustainability risks into account, on the one hand for our clients, but also in relation to the principal adverse impacts that our clients' investment decisions have on sustainability factors.

We disclose these strategies below in order to comply with the requirements of the Regulation on sustainability-related disclosures in the financial services sector (Regulation (EU) 2019/2088 - "Disclosure Regulation" for short).

The following statements refer exclusively to investment advice in financial products as defined in the Disclosure Regulation. This, in particular, includes investment funds.

II. Our strategy for the consideration of principal adverse impacts on sustainability risks

We have decided to consider the principal adverse impacts on sustainability factors in our investment advice. The following describes how we take principal adverse impacts on sustainability factors into consideration in our investment advice and how we use the information published by product providers within this context.

What are sustainability factors?

Sustainability factors describe environmental, social and employee concerns, respect for human rights and the fight against corruption and bribery. Investing in a financial product – such as an investment fund – can lead to negative sustainability impact. This can be the case, for example, if an investment fund invests in shares or bonds of a company and this company seriously violates environmental standards or human rights.

Sustainability factors are defined even more precisely using so-called indicators. This makes it easier to measure the adverse impacts or the improvements achieved. Indicators for "environment" include greenhouse gas emissions, biodiversity and emissions in water. For "social", one indicator is gender diversity in management and supervisory bodies, for example.

Product selection process

As part of a product selection process (in-house opinion), we decide which investment funds to include in the advisory universe, taking specific product characteristics into account. We aim to provide our customers with a broad range of financial products that take various aspects of sustainability into account.

Our product selection process includes taking potential Principal Adverse Impacts (PAI) on sustainability factors in the financial products we recommend into consideration as part of our investment advice. Specifically, this involves the avoidance of adverse impacts on sustainability factors. We obtain information from product providers on the sustainability factors of the financial product concerned as part of the so-called in-house opinion process. We, in particular, check whether the financial product takes PAI into account by referring to flags entered in the in-house opinion and transfer the product, with this flag, to the bank in-house opinion.

At present we do not make direct use of the data published by the financial market participants in accordance with the Disclosure Regulation (i.e. PAI indicators). Rather we use the information supplied by the product providers on PAIs based on an agreed industry standard and flags within the in-house opinion. This information enables basic assessment of whether PAIs are taken into account by the product provider and, if so, what these are specifically (see below for more detail on our survey of your sustainability preferences). However, it does not yet allow a quantitative assessment of the negative impact. This is why there is currently no ranking of the financial products and no selection based on quantitative indicators.

We are continuously monitoring developments regarding the availability of PAI data and corresponding data services on the market and will refine our processes from this if applicable.

Consideration in investment advice

As part of investment advice, we ask you whether and, if so, which sustainability preferences we should take into account for you in our recommendations. If you wish to avoid PAIs on sustainability, you also have the option to indicate specifically which of the following sustainability concerns you wish to exclude principal adverse impacts for:

- Greenhouse gas emissions,
- Biodiversity,
- Water,
- Waste,
- Social issues/employee concerns

We will then take these into consideration in our recommendations.

Should we be unable to recommend a financial product to you that, in addition to other information (such as your risk tolerance, investment horizon and financial circumstances), also corresponds to the sustainability preferences you have specified, you have the option to adjust your specifications.

Alternatively, we can then recommend a financial product that does not adhere to your original preference of avoiding PAIs on sustainability, but does make a positive contribution to sustainability (environmental or social) or a significant positive contribution to the environment, as per the adjustments you made to your sustainability preferences.

If you state that do not have any sustainability preferences, we may or may not recommend financial products that take sustainability aspects into account (such as the avoidance of PAIs on sustainability). In this case, only the other customer information is binding for our recommendations.

Regardless of your sustainability preferences, we prefer a minimum standard for all financial products recommended in our investment advice. According to this standard, these financial products cannot contain certain insufficiently sustainable securities, or may only contain them up to a specified limit. These minimum exclusions ensure that these financial products only (co-)finance insufficiently sustainable activities to a small extent. Securities that are thus excluded are no longer included in the current investment universe, an investment fund for example. The same applies if a security exceeds the defined threshold. The exclusions include, for example, shares or bonds of companies whose sales derive more than 30% from the production and/or distribution of coal. The list of minimum exclusions in accordance with the agreed industry standard can be found in the Appendix.

The way in which principal impacts on sustainability factors are taken into account, as described here, is reflected in our internal bank (consulting) processes. For these, compliance is monitored and reviewed by independent bodies within our company (Compliance and Internal Audit) and by our external auditors on a regular basis or as required.

Appendix

Minimum exclusions¹

Companies:

- Prohibited weapons² >0%³
- Tobacco production >5%
- Coal >30%²
- Serious violations of UN Global Compact (without any prospect of improvement):
 - Protection of international human rights
 - No complicity in the abuse of human rights
 - Upholding freedom of association and the right to collective bargaining
 - Elimination of forced labor
 - Abolition of child labor
 - Elimination of discrimination in hiring and employment
 - Precautionary approach for dealing with environmental issues
 - Promotion of greater environmental awareness
 - Development and diffusion of environmentally-friendly technologies
 - Combating all forms of corruption

Government issues:

- Serious violations of democratic and human rights⁴

¹ Relevant for both individual values and values in a portfolio/basket (shares/bonds).

² Turnover from production and/or distribution.

³ Weapons prohibited under the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction (Ottawa Treaty) or the Convention on Cluster Munitions (Oslo Treaty), or biological or chemical weapons as defined under the respective UN conventions (UN BWC and UN CWC).

⁴ Based on the rating "not free" in the Freedom House Index (<https://freedomhouse.org/countries/freedom-world/scores>) or equivalent ESG ratings (third-party or in-house).

Changelog:

Date	Sections affected	Details
July 24, 2025	Appendix on minimum exclusions	Referenced market standards amended
February 8, 2024	Identification of documents	Modification in line with formal requirements
December 11, 2023	Changelog	Modification in line with formal requirements
June 1, 2023	Initial publication	("Information on handling sustainability risks and principal adverse impacts on sustainability factors in financial portfolio management in accordance with the Disclosure Regulation", section III there).