

Information regarding the consideration of the principal adverse impacts on sustainability factors pursuant to Article 4 of the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosure in the financial services sector (Disclosure Regulation)

Pursuant to Article 4 para. 5 a of the Disclosure Regulation, CORESTATE Bank GmbH (hereinafter "**CORESTATE Bank**") is obliged to disclose whether, in view of its size, the nature and scope of its activities and the financial products that may be the subject of investment advice, it takes into account the principal adverse effects on the sustainability factors of environmental, social and employee concerns, respect for human rights and the fight against corruption and bribery. If these sustainability factors are not considered, CORESTATE Bank shall disclose why this is so and whether and from when it is intended to take such adverse effects into account.

- Investment decisions can have adverse impacts on the "sustainability factors" of environment (e.g., climate, water, biodiversity) and social - & labour concerns, and can also be detrimental to the fight against corruption and bribery.
- CORESTATE Bank has a considerable interest in fulfilling its responsibility as an investment firm and in helping to avoid negative impacts on sustainability factors as a result of investments based on CORESTATE Bank's investment recommendations. Since CORESTATE Bank's clientele is regularly limited to professional clients (both in the sense of the WpHG and in the literal sense of the word) and these do not require any evaluative assessment on the part of CORESTATE Bank when selecting financial instruments, CORESTATE Bank does not in principle provide investment advice within the meaning of § 2 para. 8 sentence 1 no. 10 WpHG. Investment advice is only provided in exceptional cases and at the specific request of the client, e.g., if a client is considering an interest rate or currency hedging transaction as a hedging instrument in connection with a brokered loan or if the client is considering an investment into a fund. Strategies employed for taking into account the principal adverse effects on sustainability factors in the exceptional event of investment advice are dependent on the respective products and the data and information provided by the product providers.
- According to Article 2 No. 12 of the Disclosure Regulation, derivatives are not defined as financial products within the meaning of the Disclosure Regulation. Thus, the investment advice provided by CORESTATE Bank in exceptional cases is not within the scope of the Disclosure Regulation.
- In the exceptional event that investment advice is provided for other financial instruments such as investment funds or bonds, CORESTATE Bank depends on the extent to which the respective product providers consider the principal adverse effects on sustainability factors in their investment decisions. CORESTATE Bank therefore works closely with its product partners to learn about these strategies, e.g., by special queries to this effect. It is, however, possible that the necessary data and information are not (yet) available for all financial instruments or from all product providers in sufficient scope and / or of the required quality.
- Against this background, and as a result of what CORESTATE Bank considers to be an insufficiently clear legal framework in detail, CORESTATE Bank declares that until further clarification it will disregard the principal adverse effects on sustainability factors in the context of investment advice (insofar as these occur at all) (Article 4 para. 5 b Disclosure Regulation).
- The approach described does not change CORESTATE Bank's willingness to contribute to a more sustainable, resource-efficient economy with the aim of reducing the risks and impacts of climate change and other environmental or social ills.