

### **Statement on principal adverse impacts of investment advice on sustainability factors**

Pursuant to Article 4 para. 5 a of the Commission delegated Regulation (EU) 2022/1288 of the European Parliament and of the Council (**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.

CORESTATE Bank considers the principal adverse impacts on sustainability factors as shown below:

- 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 in the sense of the Disclosure Regulation. Thus, product providers will not regularly provide information on the principal adverse effects on sustainability factors. The same applies to the bonds distributed by CORESTATE Bank.
- In the exceptional event that investment advice is provided for other financial instruments, particularly alternative investment funds, CORESTATE Bank depends on the extent to which the respective product providers consider the principal adverse effects on sustainability factors in their investment decisions and provide this information. CORESTATE Bank therefore works closely with its product partners to find out about these strategies, e. g. by querying. It is, however, possible that the required 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.
- In the exceptional case of providing investment advice, CORESTATE Bank gathers the client's preferences with regard to the most important adverse effects on sustainability factors as a partial aspect of the client's sustainability preferences. The collection of the customers' sustainability preferences is carried out following the recording of the other criteria relevant to the suitability assessment, such as knowledge and experience, the financial situation, the time horizon and the individual circumstances, as well as the other investment objectives.
- CORESTATE Bank does not perform its own product ranking or selection based on the qualitative and quantitative information published by the product partners on the principal adverse impacts on sustainability factors. In this respect, CORESTATE Bank does not use thresholds or other criteria based on the published qualitative and quantitative information on the principle adverse impacts on sustainability factors to assess the suitability of a product for its customers.



- As part of the suitability check, CORESTATE Bank matches the principle adverse effects on sustainability factors published by the product partners with the preferences provided by the clients. The principle adverse effects on sustainability factors are only taken into account in the suitability check once suitability has been checked according to the criteria of knowledge and experience, financial situation and other investment objectives.