

# STATEMENT ON THE CONSIDERATION OF THE MAIN ADVERSE EFFECTS ON SUSTAINABILITY FACTORS IN INVESTMENT ADVICE

Partner Bank AG also takes into account the main adverse effects on sustainability factors in its investment advice.

Based on the legal requirements, the interview protocol to be used by the contractually bound intermediaries of Partner Bank AG explicitly includes the question of the sustainability preferences of the customer.

A basic distinction is made between sustainability-neutral and sustainability-preferring customers. In principle, the customer has a choice according to the interview protocol:

a percentage preference of a security or securities product within the meaning of the Taxonomy Regulation and/or a percentage preference of a security or securities product within the meaning of the Disclosure Regulation (ESG) a free selection of one of the obligatory PAIs (Principal Adverse Impact)

Due to the limited data available, Partner Bank AG is currently unable to offer securities or securities products that could be individually selected according to a PAI.

The limitation of the data also allows for the use of the Taxonomy Regulation only as a diversion to at least 70% sustainability in the sense of the Disclosure Regulation (green), where the topics „environmental“, „social“ and „governance“ are relevant.

Partner Bank AG uses an ESG rating system to rate its own financial products (standardised asset management) as well as for the securities available through Partner Bank AG's focus book.

For this purpose, Partner Bank AG uses a selection of available data from Bloomberg on the following topics „Environmental“, „Social“ and „Governance“ of the respective companies, weights these and thus arrives at an ESG rating for the respective company. The tool used by Bloomberg Professional combines the original financial services of Bloomberg; these are the inventory and real-time provision of data from a wide range of financial areas, primarily for institutional clients and investment banks.

For funds, the Morningstar ESG rating (Morningstar Inc. is a NASDAQ-listed financial information and analysis companies) is used.

This ensures that climate indications and other environmental indications as well as social indications (including respect for human rights and anti-corruption) are taken into account to a sufficient extent. This also includes governance issues, which are taken into account in the ESG rating system.

The topic of emissions is in principle covered by a greenhouse gas indicator depending on turnover, the topic of energy efficiency is primarily covered by an energy benchmark; the other topics of „water, waste and material emissions“ are covered by the indicator of naming a climate protection agenda, which indicates whether the company has expressed the intention to help support climate protection by reducing environmentally harmful emissions, efforts to improve energy efficiency and efforts in product development to reduce negative environmental impacts.

With regard to social and employment issues, there is insufficient data available to qualify the prevention or number of accidents at work and the associated absenteeism; the same applies to issues such as complaints procedures under employment law or cases of discrimination. Instead, Partner Bank AG focuses on „equal opportunities“;

this criterion recognises whether the company has shown an active commitment to ensuring non-discrimination against any demographic groups; this can take the form of an equal opportunities policy, for example, as described by the respective company.

Closely related to this criterion is also the governance criterion of the quota of women in management level of the company, which is used by Partner Bank AG for the ESG rating.

Excessive remuneration of members of the management body is compensated by the remuneration system used by Partner Bank AG.

With regard to the observance of human rights, Partner Bank AG in particular applies the criterion of the „Child labour“ is used. This indicates whether the company has implemented any initiatives to prevent child labour in all areas of their business.

To check the issuer's willingness to take sustainability issues seriously, Bloomberg's ESG Disclosure Score is also included; this assesses how much data on sustainability the issuer provides.

Due to the existing system, suitable securities and securities products can be offered to both sustainability-neutral and sustainability-preferring customers.

Due to Partner Bank AG's previously pronounced stance on the topic of sustainability, more than 1/3 of all of the bank's own standardised asset management products qualify as „green“ within the meaning of the Disclosure Ordinance.