



Summary Statement on principal adverse impacts of investment decisions on sustainability factors

Financial market participant

Flossbach von Storch AG, LEI 529900XKEM4A5GW93429

Summary

Flossbach von Storch AG considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of Flossbach von Storch AG.

This statement on principal adverse impacts on sustainability factors covers the reference period from 2 August 2022 to 31 December 2022.

The principal adverse impacts on sustainability factors (PAIs or PAI indicators) are understood to be the impacts of investment decisions that result in negative effects on environmental, social and employee matters, respect for human rights and anti-corruption and anti-bribery matters. These risks can give rise to sustainability risks, which, if they occur, can have material or potentially significant negative impacts on the value of an investment.

As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting the negative impacts of their activities. To enable negative impacts to be identified at an early stage, how the portfolio companies – with the exception of target investments of Flossbach von Storch private equity funds and indirect investments (derivatives, external target funds) – manage their respective environmental and social footprint is examined and assessed. For this purpose, besides PAI exclusions, an additional climate-related indicator and two further social indicators of the Disclosure Regulation are taken into account in the in-house investment process. The indicators are prioritised according to relevance, severity of negative impacts and data availability. Assessment and monitoring is not based on rigid ranges or thresholds that organisations must meet or achieve. Rather, the focus is on positive developments in the approach to the individual indicators and, where possible and necessary, work is carried out on them as

part of the engagement policy (engagement, voting). Focus is placed on the serious negative impacts of certain PAI indicators. These include greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. Compliance with the Principles of the UN Global Compact (UNGC) and the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, as well as the implementation of appropriate monitoring processes for these Principles and Guidelines, is also assessed.

With the exception of the exclusions, Flossbach von Storch predominantly draws on primary data from companies for the calculations, without adding its own estimates to this data in the absence of a database. Since not all the relevant data for calculating the PAIs is currently available from the portfolio companies, the report does not provide 100% data coverage. To improve the quality and coverage of PAI data, Flossbach von Storch is in direct contact with the relevant portfolio companies.

Flossbach von Storch started taking the principal adverse impacts on sustainability factors into account on 2 August 2022; this report therefore does not provide a historical comparison.

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