



Statement on consideration of the principal adverse impacts on sustainability factors when providing investment advice

30 November 2024 (supersedes the statement dated 30 December 2022)

When providing investment advice, Deutsche Bank Luxembourg S.A. ('the Bank') considers principal adverse impacts on sustainability factors, as described below. Principal adverse impacts on sustainability factors are referred to in Article 4 of Regulation (EU) 2019/2088 of November 27, 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosure Regulation – SFDR). These are specified in more detail in Article 11 of Delegated Regulation (EU) 2022/1288 of April 6, 2022.

The Bank in its capacity as an investment advisor, takes the following principal adverse impacts on sustainability factors into account for all financial products within the meaning of SFDR (managed portfolios, alternative investment funds (AIF), insurance-based investment products (IBIP), pension products, pension schemes, undertakings for collective investments in transferable securities (UCITS), pan-European personal pension products (PEPP)¹):

- **Exposure to fossil fuels**

Industries that derive revenues from the exploration, mining, extraction, distribution or refinement of solid, liquid or gaseous fuels (i.e. coal, oil, natural gas)

- **Carbon emissions**

The carbon dioxide equivalents released by a company, measured by volume and intensity

- **Compliance with United Nations Global Compact principles**

At a minimum, companies need to fulfil fundamental responsibilities in the areas of human rights, labor, the environment and anti-corruption

- **Exposure to controversial weapons**

Companies that have an industry tie to landmines, cluster of munitions, chemical weapons or biological weapons.

An industry tie includes ownership, manufacture or investment

EU-based managers or manufacturers of financial products (financial market participants as defined by SFDR) that, at the reporting date, meet the criterion of having on average more than 500 employees during the financial year are required to publish a statement on their strategy for considering and addressing the principal adverse impacts.

As part of our advisory due diligence process, we will review the principal adverse impact statements published by financial market participants and note if and where their actions and strategies to consider adverse impacts on sustainability factors are consistent with those of the Bank. If, in the opinion of the Bank, there are significant discrepancies from the Bank's requirements, this may result in the manufacturer's products not being considered in the Bank's investment advice. Where financial market participant publish indicators of adverse sustainability factors, we will incorporate these into our overall qualitative assessment. We have not defined any thresholds, rankings or weightings for the indicators in this regard.

The Bank has established organizational procedures for an investment selection process. The existing product portfolio is subject to regular review (e.g. comparison of the target market of the financial market participant with that of the Bank). The periodic review also includes sustainability-related disclosures pursuant to the disclosure regulation, such as pre-contractual information pursuant to Articles 8 and 9 of the disclosure regulation.

¹ Not all of these products are currently included in our advisory business.