Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Equity ESG Portfolio

Legal entity identifier:
529900BXKPMXQTRE1V05

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability criteria are taken into account in the selection of financial instruments for discretionary portfolio management in products called Equity ESG Portfolio. By using ESG characteristics and other criteria the potential investment universe is smaller than for strategies not taking sustainability criteria into account.

In assessing whether an investment instrument meets sustainability criteria in accordance with the investment strategy, the Bank is guided by regularly updated positive lists compiled by MSCI ESG Research (UK) Limited and MSCI ESG Research LLC (hereinafter referred to as 'MSCI'), which contain information on issuers, financial instruments or underlyings to which financial instruments may relate.

The minimum requirement for the inclusion of an issuer, a financial instrument (excluding investment funds) or an underlying asset onto such a positive list is that it has achieved a rating of 'A' or better by MSCI (on a scale from 'AAA' to 'CCC', where 'AAA' is the best and 'CCC' the worst possible rating awarded by MSCI in relation to sustainability).

In addition, the Bank applies exclusion criteria using data made available to the Bank by MSCI. At present, supplementary exclusion criteria are included for issuers (other than states and investment funds), and are applied only to the issuers themselves and in cases where an investment instrument from this issuer serves as an underlying asset for another investment instrument.

This means that, in the selection process of 'other issuers' (excluding states), even issuers with an ESG rating of 'A' or better will currently not be deemed eligible by MSCI for inclusion in a positive list and, consequently, for investments by the Bank, if the analysis conducted by MSCI finds that any of the following applies to the 'other issuer':

- Issuers are to be excluded if the overall assessment finds that the issuer's business practices or manufactured products breach national or international norms, laws and/or universally accepted global standards in any material way. MSCI refers to such cases as ESG controversies.
- In addition, issuers must be excluded if they operate in areas of business that the Bank deems critical or if they generate significant revenues in such areas.

An Equity ESG Portfolio preferentially invests in investment instruments that meet the MSCI rating and exclusion criteria as explained above and in addition take into consideration principle adverse impacts (PAIs) of the following families 'Greenhouse gas emissions' and 'Social and employee matters'. PAIs are 'negative, material or likely to be material effects on sustainability factors that are caused, compounded by or directly linked to investment decisions and advice performed by the legal entity'.

At least 51% of the portfolio (excl. liquidity in the form of account balances and short term deposits) is aimed to be invested in investment instruments that take into account PAIs based on the criteria defined below.

Currently, PAIs are considered in the investment decision making process as described below:

- In regards of PAI family 'Greenhouse Gas Emissions', PAIs are currently only taken into account through the exclusion of companies that generate more than 5% of their revenue through the productionof thermal coal and/or unconventional oil/gas. In regards of PAI family 'Social and employee matters', PAIs are currently only taken into account through the exclusion of companies that violate against the UN Global Compact Principles or that are active in the production of and trade in controversial weapons,such as weapon systems, nuclear, anti-personnel landmines, incendiary weapons and cluster munitions.
  In the investment decision making process for other issuers, PAIs are considered only to the issuers themselves and in cases where an investment instrument from this issuer sedrves as an underlying asset for another investment instrument. This is done via data provided by MSCI.
- In the investment decision making process for investment funds, PAIs are considered only to those funds that are not predominantly invested in sovereign bonds or other investment instruments issued by states This is done via an exclusion approach based on the information obtained by the investment / fund company or MSCI.

Thereby, investment funds that do not take into consideration at least one indicator of the PAI families

  - Greenhouse gas emissions as well as
  - Social and employee matters

are excluded.

Within the period of 01.01.2023 – 31.12.2023, where the client has been invested in this product, the targeted consideration of MSCI's positive lists and within the same period the above-described targeted consideration of the principal adverse effects on sustainability factors 'Greenhouse Gas Emissions' and 'Social and Employee Matters' for issuers other than sovereigns and investment funds that do not predominantly invest in sovereigns was achieved in the selection of financial instruments. When an investment instrument no longer meets the sustainability criteria, the Bank shall seek to sell this investment instrument as a matter of priority, while safeguarding the interests of the customer.

How did the sustainability indicators perform?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The dedicated reporting in relation to each discretionary portfolio management agreement discloses the extent to which the relevant portfolio was, at specific reference dates in the period from 01.01.2023 to 31.12.2023, invested in instruments that were included on the positive lists compiled by MSCI in accordance with the requirement of an MSCI ESG rating of 'A' or higher and the Bank's exclusion criteria. Liquidity in the form of account balances, including short-term deposits, was excluded from this calculation.

In the applicable reporting period for each discretionary portfolio management agreement, financial instruments for the investment strategy Equity ESG Portfolio was selected in accordance with sustainability criteria and in consideration of the principal adverse impacts on sustainability factors in the categories 'greenhouse gas emissions' and 'social and employee matters', as described above. More detailed information can be found in the dedicated reporting in relation to each discretionary portfolio management agreement.

The average proportion of portfolio assets being invested in instruments that take account of principal adverse impacts on sustainability factors in the categories 'greenhouse gas emissions' and 'social and employee matters' is specific to each individual portfolio. Investors who have entered into an agreement for discretionary portfolio management applying sustainability criteria in the selection of financial instruments are provided with a personalised report entitled 'Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852' for their portfolio for 2023. This report contains more detailed information on the average proportion of the portfolio invested in instruments that take account of principal adverse impacts on sustainability factors in the categories 'greenhouse gas emissions' and 'social and employee matters'.

… and compared to previous periods ?

The historic information about ESG compliance and PAI alignment of a discretionary portfolio management mandate are specific to each individual portfolio. Investors who have entered into an agreement for Deutsche Bank (Suisse) SA discretionary portfolio management with the application of sustainability criteria in the selection of financial instruments are provided with a personalised report entitled 'Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852' for their portfolio for 2023, which specifies the portfolio's historic information.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The discretionary portfolio management approach does not pursue sustainable investments, nor does it take into account the EU criteria for environmentally sustainable economic activities in relation to the sustainability preferences given to us in the suitability questionnaire. Consequently, no data has been collected on whether (all or some of the) assets held in the portfolio qualify as sustainable investments or as investments that (fully or partially) align with the EU taxonomy. However, the discretionary portfolio management approach does consider the Exclusion-based criteria from the suitability questionnaire.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

At least 51% of the portfolio (excl. liquidity in the form of account balances and short term deposits) is aimed to be invested in investment instruments that take into account PAIs based on the criteria defined below.

Principal adverse impacts on sustainability factors were considered in the selection of investment funds (other than those investing primarily in government bonds or other investment instruments issued by governments) and the selection of investment instruments issued by issuers other than governments, as follows.

- For emitters other than sovereigns, in the area of the group 'Greenhouse gas emissions', adverse impacts on sustainability factors were considered exclusively by excluding companies that generate more than 5% of their revenue from the production of thermal coal and/or unconventional oil/gas. In the 'Social and Employment' group, adverse impacts on sustainability factors were considered exclusively by excluding companies that violate the conventions of the United Nations Global Compact Principles or that are active in the production of and trade in controversial weapons such as weapons systems, nuclear weapons anti-personnel landmines, incendiary weapons and cluster munitions. Consideration is only given in relation to the issuer itself or, to the extent that an investment instrument issued by such an issuer is the underlying of another investment instrument. This is done by applying the exclusion criteria provided by MSCI, which the Bank has agreed with MSCI.

- For investment funds that do not predominantly invest in sovereigns, important adverse effects on sustainability factors were taken into account via an exclusion approach based on information provided by the capital management companies or investment/fund companies or MSCI. This excludes investment funds that do not have at least one individual factor of the groups

- 'Greenhouse gas emissions' and

- 'Social issues and employment'

are taken into account.

In a portfolio managed under this type of discretionary portfolio management agreement, the average proportion of portfolio assets being invested in instruments that take account of principal adverse impacts on sustainability factors in the categories 'greenhouse gas emissions' and 'social and employee matters' is specific to the individual portfolio. Investors who have entered into an agreement for Deutsche Bank (Suisse) SA discretionary portfolio management with the application of sustainability criteria in the selection of financial instruments are provided with a personalised report entitled 'Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852' for their portfolio for 2023, which contains more detailed information on this subject.

The methods generally used by Deutsche Bank (Suisse) SA to take into account the principal adverse impacts of investment decisions on sustainability factors are disclosed online in the 'Statement on principal adverse impacts of investment decisions on sustainability factors', which can be accessed from the 'Sustainability disclosures' section at https://deutschewealth.com/en/articles/sustainability-related-disclosures/sustainability-related-disclosures-db-suisse.html

What were the top investments of this financial product?

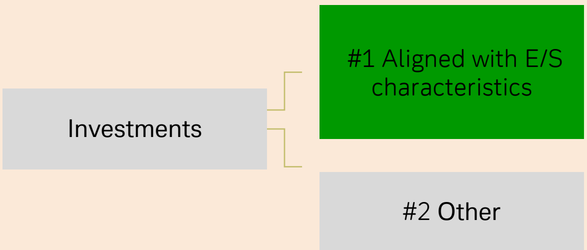
The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

The top investments of a discretionary portfolio management mandate are specific to each individual portfolio. Investors who have entered into an agreement for Deutsche Bank (Suisse) SA discretionary portfolio management applying sustainability criteria in the selection of financial instruments are provided with a personalised report entitled 'Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852' for their portfolio for 2023, which specifies the portfolio's key investments.

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.
#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The asset allocation is specific to each individual portfolio. Investors who have entered into an agreement for Deutsche Bank (Suisse) SA discretionary portfolio management with the application of sustainability criteria in the selection of financial instruments are provided with a personalised report entitled 'Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852' for their portfolio for 2023, which specifies the relative weightings of #1 and #2 in percent.

In which economic sectors were the investments made?

Relative weighting of portfolio investments by economic sector

The allocation of assets to different economic sectors under a discretionary portfolio management mandate is determined individually for each portfolio. Investors who have entered into an agreement for Deutsche Bank (Suisse) SA discretionary portfolio management with the application of sustainability criteria in the selection of financial instruments are provided with a personalised report entitled 'Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852' for their portfolio for 2023, which contains more detailed information on the weighting of assets.

Relative weighting of portfolio investments by economic subsector

The allocation of assets to different economic subsectors under a discretionary portfolio management mandate is determined individually for each portfolio. Investors who have entered into an agreement for Deutsche Bank (Suisse) SA discretionary portfolio management with the application of sustainability criteria in the selection of financial instruments are provided with a personalised report entitled 'Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852' for their portfolio for 2023, which contains more detailed information on the weighting of assets.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The discretionary portfolio management approach does not pursue sustainable investments that specifically conform with environmental objectives of the EU taxonomy. This financial product therefore does not contribute to the objectives of 'climate change mitigation', 'climate change adaptation', 'sustainable use and protection of water and marine resources', 'transition to a circular economy', 'prevention and control of pollution' and 'protection and restoration of biodiversity and ecosystems' as defined in the EU Taxonomy.

As the discretionary portfolio management approach currently does not pursue a minimum percentage of sustainable investments that qualify as environmentally sustainable in accordance with the EU Taxonomy Regulation, no data is currently being collected on whether some investments in the portfolio do fully or partially align with the EU taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

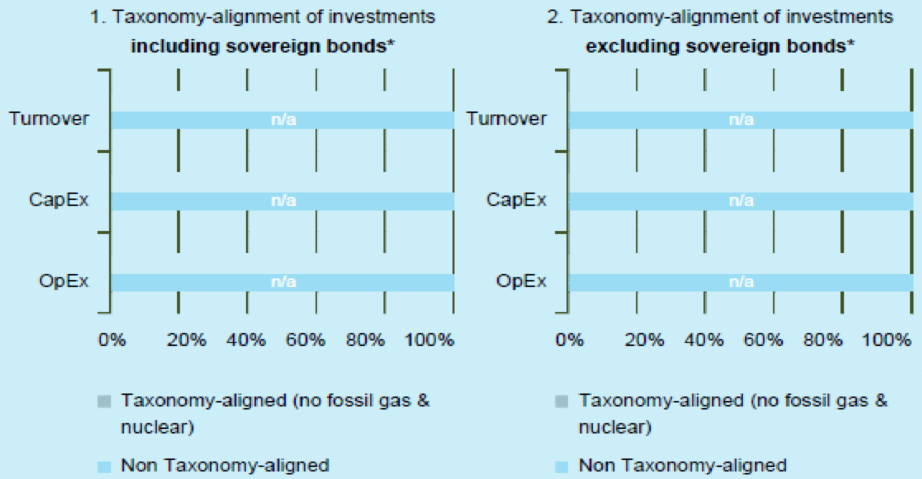
☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

Taxonomy-aligned activities are expressed as a share of :
- **turnover** reflecting the share of revenue from green activities of investee companies
- **Capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy
- **Operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



The graph represents 100.00% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective .

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance .

As the discretionary portfolio management approach currently does not pursue a minimum percentage of sustainable investments that qualify as environmentally sustainable in accordance with the EU Taxonomy Regulation and no data is currently being collected on whether some investments in the portfolio do fully or partially align with the EU taxonomy, the percentage of assets conforming with the EU taxomony is stated as n/a in the below graph.

What was the share of investments made in transitional and enablig activities?

No data is being collected on whether some investments in the portfolio do fully or partially qualify as transitional or enabling activities because the discretionary portfolio management approach does not

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm an EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

pursue a minumum percentage of sustainable investments that quality as environmentally sustainable in accordance with the EU Taxonomy Regulation.

- *How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?*

No data is being collected on the percentage of investments that were aligned with the EU Taxonomy on an historical basis because the discretionary portfolio management approach does not pursue a minumum percentage of sustainable investments that quality as environmentally sustainable in accordance with the EU Taxonomy Regulation.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Account balances as well as short-term deposits are permitted as non ESG compliant investments. They are used as a liquidity buffer in the active portfolio management process.The share of account balances (including short-term deposits) can vary greatly depending on the market situation and should average around 5%.

Derivatives, which do not have an ESG index or securities considering the minimum criteria as an underlying, are allowed for hedging purposes only.

Sustainability criteria are not applied to account balances (incl. short-term deposits). No measures are taken to ensure environmental or social objectives.

The share of account balances (incl. short-term deposits) is held for the purpose of short-term liquidity management.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. The Bank does not strive for participation in sustainable investments within the meaning of Article 2 (17) of the EU Disclosure Regulation EU (2019/2088).

The 'Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852' prepared for each individual discretionary portfolio management agreement for 2023 describes the extent to which the relevant portfolio actually took account of the MSCI positive lists from 01.01.2023 to 31.12.2023 and the aforementioned principal adverse impacts on the sustainability factors 'greenhouse gas emissions' and 'social and employee matters' in the selection of financial instruments from issuers in the period from 01.01.2023 to 31.12.2023. In the event that an investment instrument ceases to comply with these sustainability criteria, the Bank will make best efforts to dispose of this investment instrument from the portfolio while at the same time upholding the interests of the client.

This means that no minimum environmental or social safeguards apply to investments in the category 'Other'.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

When selecting investment instruments, the Bank is guided by regularly updated positive lists compiled by MSCI, taking into account that MSCI has assigned an ESG rating of at least 'A', and the exclusion criteria specified by the Bank. The Bank has provided a more detailed description of the criteria MSCI uses to create positive lists as mentioned in the annex to the strategy appendix.

MSCI provides the bank with regularly updated positive lists, which the Bank uses to analyze and evaluate the portfolio on an ongoing basis.

In addition, important adverse impacts on sustainability factors of the groups ‘greenhouse gas emissions’ and ‘social and employment’ are taken into account for issuers other than sovereigns and for investment funds that do not predominantly invest in sovereigns.

For issuers other than sovereigns, this is done through the use of data provided by MSCI and considered through exclusion criteria in the positive list.

For investment funds that do not invest predominantly in sovereigns, this is done using an exclusion approach based on information provided by the capital management companies or investment/fund companies or MSCI.

At present, the data required by the Bank, e.g. for the consideration of principal adverse impacts on sustainability factors, is not always available from the investment management companies, MSCI or the individual issuers. If data is made available by the investment management companies or asset/fund management companies, it is used subject to a plausibility check against MSCI data. If no data is made available by the investment management companies or asset/fund management companies, MSCI data is used as a basis for the assessment.

In the event that an investment instrument ceases to comply with the sustainability criteria, the Bank will make best efforts to prioritise the disposal of this investment instrument from the portfolio while at the same time upholding the interests of the client.