

Statement on principal adverse impacts of investment decisions on sustainability factors

First version as of June 30, 2026

Financial market participant: Schoellerbank AG (LEI 529900ESWL1AEC189F69)

Summary

Schoellerbank AG (LEI 529900ESWL1AEC189F69) currently partially considers the principal adverse impacts on sustainability factors of its investment decisions. This statement is the consolidated statement on principal adverse impacts on sustainability factors of Schoellerbank AG. This statement on principal adverse impacts on sustainability factors covers the reference period from January 1, 2025, to December 31, 2025. The sustainability factor disclosures are based on the average of the indicators for the calendar year 2025, calculated for four reference dates: March 31, June 30, September 30, and December 31.

Description of the principal adverse impacts on sustainability factors

For the calculation of sustainability factors (Principal Adverse Impacts, PAI), all investments in Schoellerbank AG's asset management products for which plausible PAI data were available as of the reporting date were considered. Investments include securities – i.e., stocks, bonds, and fund units – but not deposits with banks. Fund units were calculated based on individual security holdings wherever possible. Fund holdings that could not be calculated, as well as other investments for which no data was available, accounted for an average of 2.5% of total investments in 2025 (3.3% in 2024) and were not included in the calculation.

When calculating the individual PAI, the relevant positions for the respective indicator are used. For PAI 1 to 14 from Table 1, as well as PAI 4 from Table 2 and PAI 9 from Table 3, equity and bond issues by companies, including banks and international organizations, were relevant. For PAI 15 and 16 from Table 1, government bonds were included as relevant investments. PAI 17 and 18 from Table 1 were not considered due to the lack of real estate investments.

For all calculations, only those investments were included for which data was available as of the reporting date. The proportion of available PAI values is stated as the coverage ratio (CR) under the respective PAI value.

Data availability was still inadequate in some areas, thus precluding a meaningful assessment. For the factors energy consumption from non-renewable energy sources (PAI 5, upper column), energy consumption intensity by climate-intensive sectors (PAI 6), emissions to water (PAI 8), and gender pay gap (PAI 12), data were only available for a portion of the investments in the asset management products, which is reflected in a low coverage ratio (CR). For hazardous and radioactive waste (PAI 9), complete data were not available during the reporting period, which is why this value is not shown. Data availability was still inadequate in some areas. For the factors energy consumption from non-renewable energy sources (PAI 5), energy consumption intensity by climate-intensive sector (PAI 6), emissions to water (PAI 8), and gender pay gap (PAI 12), data were only available for a small portion of the companies in the asset management products. No data was available for hazardous and radioactive waste (PAI 9) during the reporting period. Therefore, the aforementioned data fields are not meaningful for the assessment.

Schoellerbank AG's minimum standards (exclusion criteria include very serious violations of the UN Global Compact; extraction of hydrocarbons using controversial techniques or in areas with high environmental impact; controversial, nuclear or morally unacceptable weapons; mining of thermal coal or generation of energy from thermal coal; countries that do not meet the requirements of the Financial Action Task Force (FATF) or that have not signed the 2015 Paris Agreement; some with turnover limits for companies or share limits for funds) apply to all asset management mandates.

Sustainable asset management mandates (pursuant to Article 8 of the EU Disclosure Regulation / SFDR; hereinafter "Article 8 Asset Management Products") consider the most significant negative impacts on investment decisions on sustainability factors. Asset management products without a sustainable investment approach do not explicitly consider the most significant negative impacts on sustainability factors in order to avoid overly restricting the investment universe.

Description of policies to identify and prioritise principal adverse impacts on sustainability factors

Sustainable asset management mandates (pursuant to Article 8 of the EU Disclosure Regulation / SFDR; hereinafter "Article 8 Asset Management Products") consider the most significant negative impacts on investment decisions on sustainability factors. Asset management products without a sustainable investment approach do not explicitly consider the most significant negative impacts on sustainability factors in order to avoid overly restricting the investment universe.

In addition, there are company-wide defined minimum protection requirements that apply to all asset management products, such as the ban on controversial weapons and the avoidance of investments in thermal coal.

Engagement policies

Schoellerbank AG does not exercise voting rights on behalf of its clients as part of its asset management activities.

As part of ISS ESG's Collaborative Engagement, Schoellerbank AG, together with other investors, is committed to raising awareness among selected companies about key sustainability issues and engaging in constructive dialogue with them about potential improvement measures.

References to international standards

Schoellerbank AG incorporated the objectives and requirements of international standards into its exclusion criteria. These include the UN Global Compact, the Paris Climate Agreement, several international conventions on controversial and banned weapons, and the Financial Action Task Force's guidelines on combating money laundering and terrorist financing. The UniCredit Group takes into account the European Union's European Sustainability Reporting Standards.

Historical comparison

Since the start of reporting in 2022, the disclosure process has become increasingly professionalized, driven by methodological refinements in 2023 and a more stable data basis since 2024. The conclusion for 2025 shows a positive trend in governance factors and social standards; however, the environmental sector continues to face challenges due to increased emission intensities and persistent data gaps in specialized categories (PAI 6, 8, 9). Overall, the report reflects growing transparency, though environmental metrics remain under slight pressure due to market-driven fluctuations.

The "Historical Comparison" section on page 17 evaluates in detail the changes in the individual PAI, which are presented in the following pages.

Description of the principal adverse impacts on sustainability factors

In asset management products without a sustainable investment approach, principal adverse impacts on sustainability factors are not explicitly considered in order to avoid overly restricting the investment universe. In sustainable asset management mandates, the principal adverse impacts of investment decisions on sustainability factors are considered. Therefore, for asset management with a sustainable investment approach, the objective of improving these key figures has been established. To this end, the following measures have been implemented: Most indicators are already taken into account within the investment process prior to purchase. In addition, existing positions are monitored on a quarterly basis. These statements apply to all subsequent indicators in this table.

Table 1: Indicators applicable to investments in investee companies

Climate and other environment-related indicators

Adverse sustainability indicator	Metrics	Impact				Explanation	Actions taken, and actions planned and targets set for the next reference period
		2025	2024	2023	2022		
Greenhouse gas emissions	1. THG emissions	Scope 1 GHG emissions (include all direct emissions from sources controlled by companies themselves)	35,762 CR*: 70%	46,163 CR*: 66%	51,645 CR*: 69%	24,696 CR*: 53%	Measured in CO ₂ equivalents (tons) In accordance with company-wide minimum protection standards, all Schoellerbank AG wealth management products exclude companies that generate more than 25% of their revenue from the coal industry. Since 2024, this exclusion also applies to companies generating more than 25% of their revenue from unconventional oil and gas extraction methods (e.g., fracking, oil sands, arctic oil). For Article 8 wealth management products**, investments in coal are excluded starting at a revenue threshold of 5% (applying to both funds and individual securities). For individual securities, investments in oil and gas are additionally excluded at a revenue threshold of 5%.
		Scope 2 GHG emissions (are indirect emissions from the purchase of electricity, heat, steam or cooling from external sources)	11,201 CR*: 70%	13,923 CR*: 66%	15,624 CR*: 69%	10,540 CR*: 53%	
		Scope 3 GHG emissions (are indirect emissions that occur along the entire value chain of the product and are not included in either Scope 1 or Scope 2)	828,961 CR*: 70%	954,617 CR*: 66%	955,120 CR*: 69%	425,408 CR*: 53%	
		Total GHG emissions (sum of scope 1, 2, and 3 emissions)	875,922 CR*: 70%	1,014,702 CR*: 66%	1,022,389 CR*: 69%	460,643 CR*: 53%	
	2. Carbon footprint	Carbon footprint	359.7 CR*: 70%	380.9 CR*: 66%	373.9 CR*: 69%	306.2 CR*: 53%	

* Coverage ratio (CR) is the proportion of companies or countries that provide data on the specified PAI in relation to total assets.

** The total volume of all Article 8 wealth management products accounts for 6.6% of all wealth management at Schoellerbank AG (as of December 31, 2025).

Adverse sustainability indicator		Metrics	Impact				Explanation	Actions taken, and actions planned and targets set for the next reference period
			2025	2024	2023	2022		
Greenhouse gas emissions	3. GHG intensity of investee companies	GHG intensity of investee companies	978.4 CR*: 70%	785.8 CR*: 67%	759.6 CR*: 70%	902.7 CR*: 66%	Weighted average of Scope 1, 2 and 3 emissions in tons per EUR 1 million enterprise value	Companies with more than 25% revenue in the coal industry or in controversial extraction methods are generally excluded. Stricter limits apply to Article 8 products**: investments in coal are prohibited from a revenue share of 5%. For individual securities, the 5% exclusion applies to the entire oil and gas sector.
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector (Extraction, processing and marketing of fossil fuels and energy production with fossil fuels)	6.86% CR*: 70%	6.78% CR*: 68%	5.40% CR*: 70%	5.55% CR*: 65%	Expressed as a percentage of the portfolio value of all companies included in the calculation	PAI 3 and 4 are taken into account as part of the sustainable investment process for Article 8 wealth management products**.
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	22.53% CR*: 48%	19.19% CR*: 38%	23.19% CR*: 42%	72.22% CR*: 30%	Expressed as the weighted average of all companies included in the calculation	These indicators are not yet taken into account in the assessment process because we do not yet consider the data to be meaningful due to the lack of consistent availability in the area of energy consumption from non-renewable sources.
Share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources		1.58% CR*: 68%	2.32% CR*: 66%	2.46% CR*: 69%	0.03% CR*: 64%	Expressed as the weighted average of all companies included in the calculation		

* Coverage ratio (CR) is the proportion of companies or countries that provide data on the specified PAI in relation to total assets.

** The total volume of all Article 8 wealth management products accounts for 6.6% of all wealth management at Schoellerbank AG (as of December 31, 2025).

Adverse sustainability indicator	Metrics	Impact				Explanation	Actions taken, and actions planned and targets set for the next reference period	
		2025	2024	2023	2022			
Greenhouse gas emissions	6. Energy consumption intensity per high impact climate sector							
	NACE code A	Agriculture, forestry and fishing	0.00 CR*: 10%	0.00 CR*: 5%	0.00 CR*: 9%	N/A	Energy consumption in GWh per EUR 1 million of revenue of investee companies, per high impact climate sector	These indicators are not yet taken into account in the investment process because we do not yet consider the data to be meaningful due to the lack of availability in some sectors.
	NACE code B	Mining and Quarrying	0.03 CR*: 13%	0.03 CR*: 8%	0.03 CR*: 12%	0.94		
	NACE code C	Manufacturing	0.05 CR*: 29%	0.04 CR*: 23%	0.20 CR*: 28%	0.27		
	NACE code D	Electricity, gas, steam and air conditioning supply	0.03 CR*: 12%	0.03 CR*: 7%	0.04 CR*: 10%	0.76		
	NACE code E	Water supply; sewerage; waste management and remediation activities	0.00 CR*: 10%	0.00 CR*: 5%	0.00 CR*: 9%	0.08		
	NACE code F	Construction	0.00 CR*: 10%	0.00 CR*: 5%	0.03 CR*: 9%	N/A		
	NACE code G	Wholesale and retail trade; repair of motor vehicles and motorcycles	0.00 CR*: 11%	0.00 CR*: 7%	0.00 CR*: 10%	0.05		
	NACE code H	Transporting and storage	0.00 CR*: 10%	0.00 CR*: 6%	0.00 CR*: 10%	0.44		
NACE code L	Real estate activities	0.00 CR*: 10%	0.00 CR*: 5%	0.00 CR*: 9%	N/A			
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0.01% CR*: 70%	0.00% CR*: 67%	0.00% CR*: 70%	0.00% CR*: 65%	Expressed as a percentage of the portfolio value of all companies included in the calculation	The indicator is taken into account as part of the sustainable investment process for Article 8 asset management products**.

* Coverage ratio (CR) is the proportion of companies or countries that provide data on the specified PAI in relation to total assets.

** The total volume of all Article 8 wealth management products accounts for 6.6% of all wealth management at Schoellerbank AG (as of December 31, 2025).

Adverse sustainability indicator		Metrics	Impact				Explanation	Actions taken, and actions planned and targets set for the next reference period
			2025	2024	2023	2022		
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies	0.00 CR*: 2%	0.00 CR*: 1%	0.00 CR*: 1%	0.07 CR*: 2%	Expressed as a weighted average in tons of water per EUR 1 million invested	This indicator is not yet taken into account in the assessment process because the database is still insufficient.
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies	There are no plausible data available for calculating the share of 'hazardous waste' within the meaning of Article 3(2) of Directive 2008/98/EC of the European Parliament and of the Council and 'radioactive waste' within the meaning of Article 3(7) of Council Directive 2011/70/Euratom for 2022 and 2023.					

* Coverage ratio (CR) is the proportion of companies or countries that provide data on the specified PAI in relation to total assets.

** The total volume of all Article 8 wealth management products accounts for 6.6% of all wealth management at Schoellerbank AG (as of December 31, 2025).

Table 1: Indicators applicable to investments in investee companies (continued)

Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters

Adverse sustainability indicator		Metrics	Impact				Explanation	Actions taken, and actions planned and targets set for the next reference period
			2025	2024	2023	2022		
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.01% CR*: 70%	2.60% CR*: 67%	1.50% CR*: 70%	1.73% CR*: 65%	Expressed as a percentage of the portfolio value of all companies included in the calculation <u>Note:</u> Due to a methodological change by ISS ESG in 2025, the number of companies violating UNGC principles has decreased significantly.	Within the framework of the minimum protection criteria, Schoellerbank AG Vermögensverwaltung avoids investing in companies where very serious violations of the principles of the UNGC principles have occurred.
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	4.62% CR*: 67%	7.22% CR*: 63%	12.48% CR*: 64%	8.25% CR*: 58%	Expressed as a percentage of the portfolio value of all companies included in the calculation	As part of the sustainable investment process for Article 8 asset management products**, serious violations*** of the UNGC principles are considered additional grounds for exclusion for a company.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	1.82% CR*: 20%	0.64% CR*: 13%	0.26% CR*: 6%	3.77% CR*: 5%	Difference between the average hourly wages of male and female employees in percent	This indicator is not yet taken into account in the assessment process because the database is still insufficient.

* Coverage ratio (CR) is the proportion of companies or countries that provide data on the specified PAI in relation to total assets.

** The total volume of all Article 8 wealth management products accounts for 6.6% of all wealth management at Schoellerbank AG (as of December 31, 2025).

*** The assessment of the level of violation is based on data from an independent ESG research and rating company.

Adverse sustainability indicator		Metrics	Impact				Explanation	Actions taken, and actions planned and targets set for the next reference period
			2025	2024	2023	2022		
Soziales und Beschäftigung	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	20.11% CR*: 58%	17.49% CR*: 48%	17.55% CR*: 50%	37.10% CR*: 28%	Expressed as a percentage of female members in relation to all members	Indicator is taken into account as part of the sustainable investment process for Article 8 products**.
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00% CR*: 71%	0.00% CR*: 68%	0.00% CR*: 71%	0.00% CR*: 66%	Expressed as a percentage of the portfolio value of all companies included in the calculation	Investments in companies involved in the production or distribution of controversial weapons are not permitted in Schoellerbank's asset management products in accordance with the minimum protection requirements.

* Coverage ratio (CR) is the proportion of companies or countries that provide data on the specified PAI in relation to total assets.

** The total volume of all Article 8 wealth management products accounts for 6.6% of all wealth management at Schoellerbank AG (as of December 31, 2025).

Table 1: Indicators applicable to investments in sovereigns and supranationals

Adverse sustainability indicator		Metrics	Impact				Explanation	Actions taken, and actions planned and targets set for the next reference period
			2025	2024	2023	2022		
Environmental	15. GHG intensity	GHG intensity of investee countries	55.6	59.7	80.0	238.4	GHGHG emissions intensity of the countries given as a weighted average of the total greenhouse gas emissions per EUR 1 million of gross domestic product	The indicator is taken into account as part of the sustainable investment process for Article 8 asset management products**. In addition, sustainable asset management mandates do not invest in countries that have not ratified the Paris Climate Protection Agreement.
			CR*: 24%	CR*: 26%	CR*: 25%	CR*: 29%		
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	9	7	4	4	Absolute number of countries violating social regulations	The indicator is taken into account as part of the sustainable investment process for Article 8 asset management products**.
			2.56%	2.83%	2.88%	19.96%	Expressed as a percentage of the portfolio value of all countries included in the calculation	
			CR*: 23%	CR*: 26%	CR*: 25%	CR*: 29%		

* Coverage ratio (CR) is the proportion of companies or countries that provide data on the specified PAI in relation to total assets.

** The total volume of all Article 8 wealth management products accounts for 6.6% of all wealth management at Schoellerbank AG (as of December 31, 2025).

Table 1: Indicators applicable to investments in real estate

Adverse sustainability indicator		Metrics	Impact				Explanation	Actions taken, and actions planned and targets set for the next reference period
			2025	2024	2023	2022		
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	No investments in real estate					
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	No investments in real estate					

Other indicators for principal adverse impacts on sustainability factors

Table 2: Additional climate and other environment-related indicators for investments in companies

Adverse sustainability indicator		Metrics	Impact				Explanation	Actions taken, and actions planned and targets set for the next reference period
			2025	2024	2023	2022		
Emissions	4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	28.16%	25.54%	30.04%	41.78%	Expressed as a percentage of the portfolio value of all companies included in the calculation	The indicator is taken into account as part of the sustainable investment process for Article 8 asset management products**.
			CR*: 71%	CR*: 68%	CR*: 71%	CR*: 65%		

Table 3: Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters for investments in companies

Adverse sustainability indicator		Metrics	Impact				Explanation	Actions taken, and actions planned and targets set for the next reference period
			2025	2024	2023	2022		
Human rights	9. Lack of a human rights policy	Share of investments in entities without a human rights policy	20.66%	25.64%	29.26%	11.81%	Expressed as a percentage of the portfolio value of all companies included in the calculation	The indicator is taken into account as part of the sustainable investment process for Article 8 asset management products**.
			CR*: 65%	CR*: 61%	CR*: 61%	CR*: 58%		

* Coverage ratio (CR) is the proportion of companies or countries that provide data on the specified PAI in relation to total assets.

** The total volume of all Article 8 wealth management products accounts for 6.6% of all wealth management at Schoellerbank AG (as of December 31, 2025).

Description of policies to identify and prioritise principal adverse impacts on sustainability factors

Sustainability factors (PAI) are aspects that must be considered to enable and promote sustainable business. These include social, ecological, and economic factors. These factors can be considered in the development of products, services, processes, and strategies. These factors can originate from environmental, social, economic, and technological areas, for example. They can also be applied to the various areas of sustainability, such as energy, water, waste, mobility, agriculture, nutrition, jobs, education, health, and social justice.

Advisory Board on Ethics and Sustainability

Schoellerbank AG has decided to establish its own "Advisory Board for Ethics and Sustainability." This is partly due to the legal requirements regarding sustainability, which are sometimes controversial and require the highest level of expertise. The advisory board was also established to continuously develop sustainability criteria.

The Advisory Board is comprised of external experts with specialist backgrounds in sustainability and environmental protection. The Advisory Board's task is to advise the bank's decision-makers, provide professional expertise and recommendations, and assist Schoellerbank AG with all issues related to sustainability.

As part of the sustainable investment strategy, the following ecological and/or social features are taken into account for Article 8 asset management products

In the ecological area, climate protection, the prevention and reduction of environmental pollution, and the protection and restoration of biodiversity and ecosystems are important principles in investment. Investments in economic activities that are particularly harmful to these ecological goals are avoided, such as the extraction and generation of energy from coal, as well as the extraction of oil and gas using problematic methods (e.g., fracking) or in particularly sensitive ecosystems (e.g., Arctic oil). Instead, support is given to companies that are working to improve their greenhouse gas footprint and do not endanger biodiversity in their sphere of influence. Furthermore, investments are made in bonds of countries that are committed to climate protection and the preservation of biodiversity. Additional ecological factors that are taken into account are the phase-out of nuclear power, the avoidance of genetically modified organisms in food production, the prohibition of animal testing when there is no legal requirement for it and interventions in human germline therapy, cloning procedures in the human field and consuming human embryonic stem cell research.

In the social sphere, the company aims to promote democracy, respect human rights, gender equality, and eliminate discrimination. This is to be achieved through a catalog of criteria based on the Universal Declaration of Human Rights and the principles of the UN Global Compact. This includes avoiding investments in companies that produce or trade weapons or military equipment, and in countries with particularly high military expenditures. Furthermore, investments in the following controversial business areas are to be avoided: spirits, tobacco, pornography, and gambling – both production and distribution are taken into account.

Compliance with the defined exclusion criteria is continuously monitored. For this purpose, the sustainable investment universes are defined and updated quarterly. Furthermore, the portfolio companies are continuously monitored and evaluated with regard to their sustainability aspects (social and environmental standards).

The strategy for addressing the most significant adverse impacts on sustainability factors was published for the first time on June 30, 2023, based on the resolution of the management bodies of Schoellerbank AG on the Disclosure Regulation (EU) 2019/2088 of November 27, 2019. The further development and specification of the strategy and its implementation can be found in the aforementioned disclosure and the list of amendments to the disclosure adjustments (<https://www.schoellerbank.at/en/contacts/sustainability-information>).

Schoellerbank AG has designated the Investment Management and Strategy department with the implementation and application of the 16 PAI and the two additional indicators. This decision was recorded in a meeting minutes dated June 1, 2022.

The following PAI indicators are taken into account for Article 8 asset management products

CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS:

- Companies and countries with a below-average greenhouse gas emission intensity - PAI 3 from Table 1 for companies or PAI 15 from Table 1 for countries set the total greenhouse gas emissions (tonnes of CO2 equivalent) in relation to sales (companies) or the number of inhabitants (countries). This indicator is compared with a reference value, which corresponds to the mean value of the investment universe. If the reference value is not reached, then this criterion is met.
- Companies that initiate initiatives to reduce CO2 emissions in accordance with the Paris Agreement - PAI 4 from Table 2 evaluates companies based on the targets set in terms of reducing greenhouse gas emissions in order to achieve climate targets.
- Non-Fossil Fuel Companies – PAI 4 from Table 1 relates to the extraction, processing and marketing of fossil fuels and the generation of energy using coal, oil or natural gas.
- Businesses whose operations do not adversely affect areas of vulnerable biodiversity – PAI 7 from Table 1 measures the proportion of businesses located or operating in or near areas of vulnerable biodiversity where the operations of those businesses adversely affect those areas affect.

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS:

- Companies with internal human rights compliance processes – PAI 9 from Table 3
- Companies that have at least one third of their supervisory board occupied by women – PAI 13 from Table 1
- Companies that have procedures and mechanisms in place to monitor compliance with the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises – PAI 11 from Table 1
- Countries where ISS ESG has assessed that there are no relevant violations of established social norms, as defined by international treaties and conventions, United Nations Principles or, where applicable, national legislation – PAI 16 from Table 1

Furthermore, there are defined minimum protection requirements for all securities investments of Schoellerbank AG with regard to companies, states and supranational issuers (compliance with the UN Global Compact, no controversial weapons, reduction of thermal coal, avoidance of controversial extraction methods for oil and gas (e.g. fracking, oil sands, Arctic oil) , combating money laundering and participation in the Paris Climate Agreement).

External rating partner ISS ESG

In order to assess the ecological and social characteristics of an investment, Schoellerbank AG relies on data from the company ISS ESG, which has internationally recognized specialist knowledge in all areas related to sustainable and responsible investment. ISS ESG provides Schoellerbank AG with extensive expertise and data on companies, states and supranational entities in the context of sustainability analyses, sustainability ratings, sustainability and climate-related data and consulting services. The spectrum of ISS ESG also includes topics such as climate change, the impact on achieving the UN Sustainable Development Goals, human rights, labor standards, corruption, controversial weapons and much more. Schoellerbank AG randomly checks the data provided by ISS ESG - including estimated values - for plausibility within the scope of the available options.

Explanation of how these methods take into account the likelihood of occurrence and the severity of these main adverse effects, including their potentially irreversible nature

The ESG data provided by the data provider ISS ESG also includes an assessment of the scope, severity and likelihood of occurrence and the potentially irreversible nature of ESG factors. These assessments are included in the decision-making process based on qualitative and quantitative characteristics. For up-to-date information on data sources, data collection measures when information related to an indicator is not readily available, and errors associated with data methods, please visit: <https://www.issgovernance.com/esg/methodology-information>

Error margins including explanation

With regard to the accuracy of the PAI data, it should be noted that Schoellerbank AG largely uses data from ISS ESG.

The disclosure of data by companies is sometimes restricted, so data estimates must be used. ISS ESG therefore regularly estimates data points, continuously improving the level of coverage and methodology. A margin of error is therefore to be expected due to the use of estimates for certain PAI. ISS ESG estimates are based on a broad database to reduce the margin of error. In addition, only data from companies in relevant industries is collected for individual PAI. Schoellerbank AG itself does not estimate sustainability indicators. The need for estimates will continue to decrease, among other things, as companies expand their sustainability-related reporting obligations.

Engagement policies

Schoellerbank AG provides portfolio management services for investors. As part of the investment process - i.e. how and according to which criteria shares are acquired, held and sold for the respective securities account - all shares and the companies behind them are monitored on an ongoing basis. The analysis of the companies in which Schoellerbank invests as part of its asset management relates to their strategy, their financial and non-financial results, their capital structure, their social and ecological impact, their valuation and their corporate governance.

Voting rights policy

The following reasons are decisive for the fact that Schoellerbank AG does not consider it sensible to represent the interests of investors at general meetings as part of its individual asset management and therefore generally refrains from exercising voting rights:

- In consideration of the cost-benefit ratio, Schoellerbank AG does not exercise the voting rights at the respective general meetings, since the proportion of voting rights of all shares in those portfolios that are managed by Schoellerbank AG as part of individual asset management - i.e. consolidated across all mandates - due to diversification principles do not reach a significant proportion of the voting rights of all shareholders of the respective companies and are therefore insignificant.
- Schoellerbank AG's contracts for individual asset management do not provide for any express authorization to exercise the voting rights attached to the shares in the portfolio. The processes required to enable the representation and exercise of voting rights at the general meeting, whereby each customer would have to issue a corresponding power of attorney individually, also contributed to Schoellerbank AG's decision to generally oppose the representation and exercise of voting rights and other rights associated with shares.
- As a shareholder, every customer can exercise voting rights and other rights associated with shares at their own discretion, since the shares held as part of individual asset management are held in customer custody accounts. If shares are acquired within the framework of individual asset management for the portfolio in the name of the client as a shareholder, UniCredit Bank Austria AG will generally not exercise the voting rights associated with these shares.

Collaborative Engagements

Schoellerbank AG is part of ISS ESG's Collaborative Engagement program and participates in joint public relations work through dialogue with companies on key sustainability issues. Through the coordinated presence of numerous investors with aligned interests, we expect a significantly increased impact on our engagement goals. This form of collaboration enables us to be focused, clear, and with a greater chance of success in our engagement activities.

The aim of Schoellerbank AG's engagement strategy and participation in ISS ESG's Collaborative Engagement is to address two scenarios:

- Issuers that demonstrate serious violations of the principles of the UN Global Compact are excluded from Schoellerbank AG's sustainable investment universe. Through active engagement, these companies are encouraged to correct their misconduct so that they can once again be considered investable in all Schoellerbank AG investment products in the long term.
- At the same time, the joint public relations work is intended to encourage issuers to continuously improve their ESG practices and take proactive measures. The goal is to safeguard the sustainability standards of the companies already included in the investment universe and to ensure their long-term investability.

References to international standards

UN Global Compact

UniCredit is an active member of the UN Global Compact, the world's largest initiative for responsible corporate governance. The 10 universal principles of the UN Global Compact relate to the areas of labor standards, human rights, environmental protection and anti-corruption. UniCredit is constantly developing measures for all of these areas, which also apply to the legal entities belonging to the group, such as Schoellerbank AG.

As far as possible, Schoellerbank AG avoids investing in issuers that show very serious violations of the principles of the UN Global Compact.

Controversial (banned) weapons

Controversial weapons are recorded in several international conventions (e.g. Nuclear Non-Proliferation Treaty, Biological Weapons Convention of 1972, Chemical Weapons Convention of 1993, Anti-Personnel Mines Convention of 1997, Cluster Bombs Convention of 2010).

Schoellerbank AG does not invest in companies that produce or trade in cluster munitions, nuclear, chemical or biological weapons, uranium ammunition and landmines.

Paris Agreement

In 2015, 195 countries committed to clear targets for climate protection. In its asset management, Schoellerbank AG only invests in countries that have signed the Paris climate protection plan. Furthermore, Schoellerbank AG does not invest in companies that generate more than one-quarter of their revenue from thermal coal production or through unconventional oil and gas extraction methods (e.g., fracking, oil sands).

Financial Action Task Force

The Financial Action Task Force (FATF) is the global money laundering and terrorist financing watchdog. The intergovernmental body sets international standards aimed at preventing these illegal activities and the harm they cause to society. Schoellerbank AG does not invest in countries that are identified as particularly vulnerable to money laundering and terrorist financing on the FATF gray and black lists.

Sustainability Reporting: Corporate Sustainability Reporting Directive (CSRD)

The UniCredit Group's 2025 Annual Report includes the Sustainability Statement, which was prepared in compliance with the EU Corporate Sustainability Reporting Directive (CSRD). As part of the report, a comprehensive double materiality assessment was conducted to identify the material ESG issues for UniCredit Group and its stakeholders. Furthermore, information on sustainability performance is provided in alignment with the European Sustainability Reporting Standards (ESRS).

Additional information can be found here: <https://www.unicreditgroup.eu/en/esg-and-sustainability/sustainability-reporting.html>

Historical comparison

The statement on Principal Adverse Impacts (PAI) of investment decisions on sustainability factors was first published for the 2022 calendar year, although the data situation at that time was still incomplete. In 2023, significant methodological adjustments were made following regulatory clarifications: the basis of calculation was standardized and has since been based on the total invested volume (excluding cash) rather than on individual asset classes. In parallel, data quality was significantly improved through a more precise look-through of fund positions and an increased coverage ratio. Data availability in 2025 remained largely stable compared to the previous year. Below, we provide an overview of the significant changes in PAI indicators for the 2025 reporting year.

PAI 1–3 (GHG emissions, Carbon footprint, GHG intensity of investee companies): GHG-related metrics have decreased slightly compared to the previous year, with the exception of GHG intensity, which has increased significantly.

PAI 4 (Exposure to companies active in the fossil fuel sector): Investments in companies within the oil and gas sector have increased marginally.

PAI 5 (Share of non-renewable energy consumption and production): Data availability has improved slightly. Consumption of non-renewable energy sources has increased slightly, while the production of non-renewable energy remains at a very low level.

PAI 6 (Energy consumption intensity per high impact climate sector): The data basis is still too thin for a meaningful interpretation.

PAI 7 (Activities negatively affecting biodiversity-sensitive areas): Very minor negative impacts were identified for the first time.

PAI 8 (Emissions to water): An assessment is not possible due to an insufficient data situation.

PAI 9 (Hazardous waste and radioactive waste ratio): Here, too, the insufficient data basis prevents a reliable statement.

PAI 10 (Violations of UN Global Compact principles and OECD Guidelines): The share of identified violations has fallen mainly because of a change in methodology by ISS ESG.

PAI 11 (Lack of processes and compliance mechanisms to monitor compliance with UNGC and OECD guidelines): The share of adverse investments has fallen further.

PAI 12 (Unadjusted gender pay gap): An assessment is not possible due to insufficient data.

PAI 13 (Board gender diversity): A slight improvement compared to the previous year was recorded.

PAI 14 (Exposure to controversial weapons): As in previous years, no such activities were identified.

PAI 15 (GHG intensity): Marginal improvement compared to the previous year.

PAI 16 (Investee countries subject to social violations): The number of affected countries has increased; however, the volume-based share has decreased.

PAI 4, Table 2 (Investments in companies without carbon emission reduction initiatives): The value has deteriorated slightly compared to the previous year.

PAI 9, Table 3 (Lack of a human rights policy): The value has improved once again.

Conclusion

The 2025 PAI analysis shows progress in social standards (PAI 10, 11, 13, as well as PAI 9 from Table 3) and improved data availability. In contrast, environmental metrics show slight deteriorations in GHG emissions intensity (PAI 3), investments in fossil fuels (PAI 4), and biodiversity (PAI 7)—however, the carbon footprint (PAI 2) has improved. In some categories (PAI 6, 8, 9, 12), assessment remains difficult due to incomplete data sets. In the sovereign sector (PAI 15, 16), a slightly positive trend compared to the previous year is consistently evident.

General Information

Errors and misprints excepted. This information is valid as of June 30, 2026. Changes due to subsequent developments are expressly reserved. This information was prepared by Schoellerbank AG, Renngasse 3, 1010 Vienna (media owner and producer).