Quintet Private Bank's disclosure pursuant to Article 6 of Regulation (EU) 2020/852 on sustainability-related disclosures in the financial services sector ('SFDR') on transparency of the integration of sustainability risks for financial products

How sustainability risks are integrated into investment decisions

- Sustainability risks are considered relevant for this financial product and are being identified and managed in the investment product's investment process and decision-making. By sustainability risks we refer to environmental, social or governance (ESG) events or conditions that, if they occur, could cause a negative material impact on the value of the investment
- The identification, measurement, and management of sustainability risks is integrated in all our investment processes, including for this financial product. We integrate ESG factors at the individual security level through an internally developed sector-specific materiality matrix.
- These insights are subsequently used in the investment assessment, investment decision making, and portfolio construction process. Furthermore, we use our voting rights at shareholder meetings and we engage with investee companies on sustainability risks that we believe may be material for the specific company, with the aim of mitigating or decreasing the associated sustainability risks. Please refer to the Quintet Sustainability Risks in Investments Policy for more information on our general approach and the tools we apply, please see on our Website Regulatory Affairs | Quintet Luxembourg

Assessment of the impact of sustainability risks on the returns of the product

- Our assessment is that the likely impacts of sustainability risks on the returns of this financial product are limited because of the following reasons:
  - The portfolio is well-diversified in the number of investments, sectors, and countries, which means that sustainability risks arising from company, sector or country-specific issues are mitigated.
  - Through our voting and engagement activities, where relevant, we work to reduce ESG risks.

Quintet Private Bank's disclosure pursuant to Article 8 of SFDR on the transparency of the promotion of environmental or social characteristics in pre-contractual disclosures is provided as an Annex to this document according to the template for pre contractual disclosure published in Annex 2 of Commission delegated Regulation 2022/1288 supplementing SFDR.

QUINTET
PRIVATE BANK

ANNEX

Template pre-contractual 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

Product name: Quintet Luxembourg – Discretionary Management Mandate

Legal entity identifier: KHCL65TP05J1HUW2D560

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?	
☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% 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 will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The following environmental and social characteristics are promoted by the financial product:

- Adherence of investee companies to internationally recognised standards related to human rights, labour rights, the environment, and anti-corruption.

- Limiting the significant negative impact related to the use of controversial weapons.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted.

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

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The financial product uses the following sustainability indicators to measure the attainment of each of the environmental or social characteristics promoted by the financial product:

- Adherence of investee companies to the United Nations Global Compact principles.
- Involvement of investee companies in controversial weapons (anti-personnel mines, biological weapons, cluster munitions, depleteted uranium, white phosphorus, and nuclear weapons when related to involvement by corporate issuers in relation to countries that are not a signatory to the Non-Proliferation Treaty (NPT)).

These sustainability indicators are measured as a percentage of investments .

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The objective of the sustainable investments that the financial product makes is contribution to the transition to a more sustainable economy by investing in issuers or in projects that have substantial economic activities that contribute to this transition, without doing significant harm in other areas. Such contribution can relate to different environmental and social objectives, including, but not limited to at least one of the following areas: climate change mitigation, healthy ecosystems, resource protection, providing access to basic needs, developing human capital.

A proprietary sustainable investment framework has been developed, which is used to assess which investments made by the financial product can be considered sustainable investments. Investments can only be considered sustainable investments when there is evidence of contribution to an identified environmental or social objective, the do no significant harm requirements are met, and – for investee companies – the good governance requiment is met.

Where sustainable investments are made via funds, these funds need to have a robust approach for determining what sustainable investments are. This is included in the fund sustainability due diligence process prior to the financial product investing in the fund. In addition, once an investment is made in a fund, the fund policies and performance are reviewed periodically, to ensure alignment with the financial product's requirements. For more information on the fund sustainability due diligence process, please refer to the Regulatory Affairs | Quintet Luxembourg

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

In order for single line investments to qualify as a sustainable investment, a number of requirements needs to be met, including various criteria related to significant harm. As a consequence, investments need to meet specific thresholds related to adverse impacts and operate in line with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Where sustainable investments are made via funds, these funds need to have policies in place related to their own research and investment process to ensure there is no significant harm, at least by considering adverse impacts and by such investments being aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

How have the indicators for adverse impacts on sustainability factors been taken into account?

For single line sustainable investments, the indicators for adverse impacts on sustainability factors have been taken into account to ensure sustainable investments do not cause significant harm to any environmental and social objectives. Specific thresholds have been set for corporate Principal Adverse Impacts (PAIs) (from Annex I of the SFDR Delegated Regulation (EU) 2022/1288) that are considered relevant to assess significant harm, and for which sufficient robust data or proxies are available. Investments need to stay below these thresholds in order to cause no significant harm.

Where sustainable investments are made via funds, these funds need to have a formal commitment to considering adverse impacts as part of their research and investment process related to sustainable investments, and have policies for this.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

For single line investments, to ensure alignment with the UN Guiding Principles and OECD Guidelines, research of a specialised external research provider is used. This research provides an opinion on whether a company is violating or at risk of violating one or more of the UN Global Compact principles and the related chapters in the OECD Guidelines and related UN Guiding Principles. When a company is assessed to be in violation, this is considered as significant harm. The single line sustainable investment proportion of the financial product does then not invest in it.

Where the financial product invests in other funds, such funds are expected to structurally consider and apply the abovementioned guidelines in the investment process, in any case for those investments that the fund considers to be sustainable investments.

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 EU 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.

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.

Does this financial product consider principal adverse impacts on sustainability factors?

☐ No,

x Yes, the financial product considers the principal adverse impacts on sustainability factors via a combination of methods. Through the financial product's exclusions a range of adverse impacts are avoided in advance by the financial product as the exclusion criteria relate to areas for which the adverse impacts are deemed too high to be suitable for investment by this financial product. Furthermore, for investments that the financial product does make, the financial product intends to further migitate or reduce adverse impacts via structured engagements with issuers (where possible and feasible, and (where possible and feasible). Please refer to the Active Ownership policy (Regulatory Affairs | Quintet Luxembourg) for more information about the voting and engagement approach for single lines. Furthermore, where possible and feasible, where the financial product invests in funds, these funds need to have a formal policy on how they address principal adverse impacts on sustainability factors. Information on how the financial product has considered the principal adverse impacts on sustainability factors is disclosed in the periodic report of the product.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow

Conservative Strategy

This strategy invests the Portfolio in the following asset classes:

- Equities: up to 20% (no minimum), in direct lines and/or investment funds. This asset class includes real-estateshares and/or real-estate funds;

- Bonds: up to 100% (no minimum), in direct lines (including convertible, perpetual and subordinated, with or without rating) and/or investment funds;
- Cash: up to 100% (no minimum), in money-market funds, deposits, current and/or savings account;
- Alternative Investments, including commodities and/or certain direct investments in infrastructure up to 10%(no minimum);
- Other investments, including mixed and flexible funds and/or structured products, up to 20% (no minimum).

The total of Equities, Alternative Investments and Other Investments may not exceed 35% of the assets in the Portfolio.

This strategy may invest the Portfolio in individual equities and bonds, investment funds (including ETF), structured products (capital guaranteed and not guaranteed), commodities (physical or not). It is not authorised to use derivatives.

Defensive Strategy

This strategy invests the Portfolio in the following asset classes:

- Equities: up to 35% (no minimum), in direct lines and/or investment funds. This asset class includes real-estateshares and/or real-estate funds;
- Bonds: up to 100% (no minimum), in direct lines (including convertible, perpetual and subordinated, with or without rating) and/or investment funds;
- Cash: up to 100% (no minimum), in money-market funds, deposits, current and/or savings account;
- Alternative Investments, including commodities and/or certain direct investments in infrastructure up to 20%(no minimum);
- Other investments, including mixed and flexible funds and/or structured products, up to 40% (no minimum).

The total of Equities, Alternative Investments and Other Investments may not exceed 45% of the assets in the Portfolio.

This strategy may invest the Portfolio in individual equities and bonds, investment funds (including ETF), structured products (capital guaranteed and not guaranteed), commodities (physical or not). It is not authorised to use derivatives.

Balanced Strategy

This strategy invests the Portfolio in the following asset classes:

- Equities: up to 70% (no minimum), in direct lines and/or investment funds. This asset class includes real-estateshares and/or real-estate funds;
- Bonds: up to 100% (no minimum), in direct lines (including convertible, perpetual and subordinated, with or without rating) and/or investment funds;
- Cash: up to 100% (no minimum), in money-market funds, deposits, current and/or savings account;
- Alternative Investments, including commodities, Hedge or Private Equity funds and/or certain direct investmentsin infrastructure up to 30% (no minimum);

- Other investments, including mixed and flexible funds and/or structured products and/or derivatives (options,futures, forwards) up to 60% (no minimum).

The total of Equities, Alternative Investments and Other Investments may not exceed 80% of the assets in the Portfolio.

This strategy may invest the Portfolio in individual equities and bonds, investment funds (including ETF), structured products (capital guaranteed and not guaranteed), commodities (physical or not). It is authorised to use derivative products (i) to hedge risks directly or indirectly present in the Portfolio (options, futures, forwards) and (ii) in all cases for covered options.

Dynamic Strategy

This strategy invests the Portfolio in the following asset classes:

- Equities: up to 100% (no minimum), in direct lines and/or investment funds. This asset class includes real-estateshares and/or real-estate funds;
- Bonds: up to 100% (no minimum), in direct lines (including convertible, perpetual and subordinated, with or without rating) and/or investment funds;
- Cash: up to 100% (no minimum), in money-market funds, deposits, current and/or savings account;
- Alternative Investments, including commodities, Hedge or Private Equity funds and/or certain direct investmentsin infrastructure up to 40% (no minimum);
- Other investments, including mixed and flexible funds and/or structured products and/or derivatives (options,futures, forwards) up to 100% (no minimum).

The total of Equities, Alternative Investments and Other Investments may reach 100% of the assets in the Portfolio.

This strategy may invest the Portfolio in individual equities and bonds, investment funds (including ETF), structured products (capital guaranteed and not guaranteed), commodities (physical or not). It is authorised to use derivative products (i) to hedge risks directly or indirectly present in the Portfolio (options, futures, forwards) and (ii) in all cases for covered options.

The financial product applies the following environmental and social considerations in the investment process:

1. For single lines:
    a. Excluding investments based on the exclusion criteria that apply to the financial product. Please refer to the Responsible Investment Policy (Regulatory Affairs | Quintet Luxembourg) for more information about the exclusion criteria;
    b. Excluding investments as part of the portfolio construction process requirements that apply to the financial product. Please refer to the Responsible Investment Policy (Regulatory Affairs | Quintet Luxembourg) for more information about the portfolio construction requirements;

c. Engaging on environmental and social issues with companies. Please refer to to the Active Ownership policy (Regulatory Affairs | Quintet Luxembourg) for more information;

2. For investments in funds:

Funds that the financial products invests in undergo an extensive due diligence process in various areas. This includes the robustness of the investment process, the individuals running the strategy, the risk-adjusted return characteristics, the asset manager, and the fund's sustainability practises. A five pillar approach is used to assess the sustainability practices and commitments of the funds. These five pillars are Intentionality, Portfolio Characteristics, Research, Active Ownership, and Transparancy. Please refer to the Sustainability fund due diligence process (Regulatory Affairs | Quintet Luxembourg for more information.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The financial product has the following binding elements:

1. For single lines:
    a. The exclusion criteria that apply to all single line invesments.
    b. All single line investments in companies should meet the UN Global Compact principles and when that is not case, companies have to be engaged with.
2. For funds:

    Funds need to have an active ownership policy where it relates to investments in companies where this is possible and feasible, i.e. voting and engagement for equities, and engagement for corporate bonds.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

Not applicable.

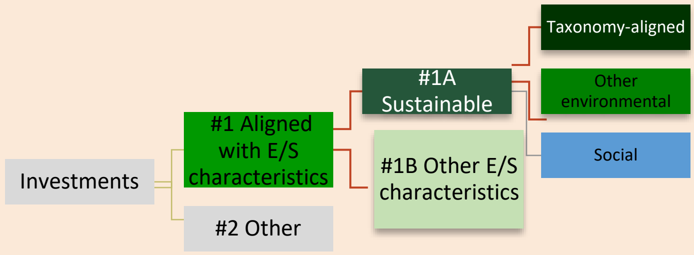
Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

Single line investments in companies need to meet good governance practices. More specifically, companies should not be involved in severe controversies related to accounting and taxation, corporate governance, business ethics, and labour relations. This is being assessed at the company level, for which the financial product uses specialised external data and research.

What is the asset allocation planned for this financial product ?

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.

#2Other 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 category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

At least 85% of the investments are aligned with the environmental and social characteristics of the financial product. The remaining proportion of the investments are for diversification and hedging purposes, and cash held as ancillary liquidity. The minimum proportion of sustainable investments of the financial product is 20%.

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.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product*?**

Not applicable.

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

The financial product intends to make sustainable investments, but does does not specifically strive to make EU Taxonomy aligned investments. As such, the minimum extent of sustainable investments with an environmental objective aligned with the EU Taxonomy is 0%.

In case the financial product would be invested in any environmentally sustainable economic activities that are aligned with the EU Taxonomy, this would be determined based on information disclosed by investee companies about their EU Taxonomy aligned economic activities, in relation to company revenues. Where information about the degree to which the investments are in EU Taxonomy aligned economic activities is not readily available from public disclosures by investee companies, the financial product can use estimations, based on data from specialised ESG research providers. In case the financial product is invested in EU Taxonomy aligned investments via funds, any EU Taxonomy alignment will be determined based on the formal EU Taxonomy alignment disclosures of these funds.

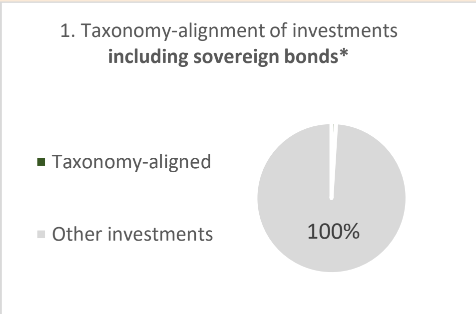
Compliance of the financial product with the requirements of the EU Taxonomy is not subject to assurance provided by an external auditor.

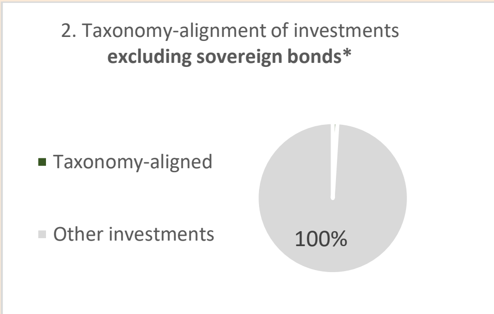
The financial product may also have sovereign exposures for which it is not possible to assess the extent to which those exposures contribute to environmentally sustainable economic activities. The financial product does not have any minimum or maximum allocation for sovereign exposures.

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.

The two graphs below show in green the minimum percentage of investments that are 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.





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

What is the minimum share of investments in transitional and enabling activities?

0%

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy

The financial product intends to make sustainable investments. This can include sustainable investments with an environmental objective that are not aligned with the EU Taxonomy, as the financial product does not specifically strive to make investments that are aligned with the EU Taxonomy. The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 12%.

QUINTET PRIVATE BANK

What is the minimum share of socially sustainable investments?

The financial product intends to make sustainable investments. This can include sustainable investments with a social objective. The minimum share of socially sustainable investments is 3%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The investments included under ''#2 Other'' are investments for diversification and hedging purposes and cash held as ancillary liquidity. There are no minimum environmental or social safeguards for these investments.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

Where can I find more product specific information online?

More product-specific information can be found on the website:

[Sustainability Related Disclosures | Quintet Luxembourg]