Flossbach von Storch

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

## Financial market participant

Flossbach von Storch SE, LEI 529900XKEM4A5GW93429

## Summary

Flossbach von Storch SE considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the statement on principal adverse impacts on sustainability factors of Flossbach von Storch SE covering the reference period from 1 January 2025 to 31 December 2025.

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

As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting the negative impacts of their activities. To enable negative impacts to be identified at an early stage, how the portfolio companies – with the exception of target investments in private equity funds managed by Flossbach von Storch and indirect investments like derivatives and external target funds – manage their respective environmental and social footprint is examined and assessed. For this purpose, the PAIs, an additional climate-related indicator and two further social indicators of the Disclosure Regulation are taken into account in the in-house investment process. The indicators are prioritised according to relevance, severity of negative impacts and data availability. Assessment and monitoring is not based on rigid ranges or thresholds that organisations must meet or achieve. Rather, the focus is on positive developments in the approach to the individual indicators and, where possible and necessary, work is carried out on them as part of the engagement policy (engagement, voting). An investment idea is only included in the investment universe if there are no serious sustainability conflicts that significantly jeopardise the future potential of a company or issuer.

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

With the exception of the exclusions, Flossbach von Storch predominantly draws on primary data from companies for the calculations, without adding its own estimates to this data in the absence of a database. Since not all the data for calculating the PAIs is reported by the portfolio companies, the report does not provide 100% data coverage. To improve the quality and coverage of PAI data, Flossbach von Storch is in direct contact with portfolio companies that are material in relation to the indicators. To calculate the PAIs relevant for countries and supranational organizations, Flossbach von Storch uses data from public sources.

**Publisher:**
Flossbach von Storch SE
Ottoplatz 1, 50679 Cologne, Germany
Phone +49. 221. 33 88-0, info@fvsag.com, www.flossbachvonstorch.de

**Publication**
30/06/2026

[1] The categories Scope 1, 2 and 3 describe the differentiation for the classification of greenhouse gas emissions (carbon emissions):
• Scope 1: Direct carbon emissions; these are direct emissions generated by sources controlled by the company issuing the underlying assets.
• Scope 2: Indirect $CO_2$ emissions; these are indirect emissions caused by the consumption of purchased electricity, steam or other primary forms of energy purchased.
• Scope 3: All other carbon emissions; these are all other emissions generated in the reporting company's value chain, including upstream and downstream emissions.