

## **Statement on principal adverse impacts of investment advice on sustainability factors**

This is the consolidated statement for Quintet Private Bank S.A. (LEI: KHCL65TP05J1HUW2D560) including its branches.

### **Introduction**

The Sustainable Finance Disclosure Regulation (SFDR) has introduced the concept of principal adverse impacts (hereafter: PAIs), which are negative impacts of investment decisions on sustainability factors. With sustainability factors the regulation refers to “environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters”.

For Quintet’s Advisory propositions, Quintet is considered to be a Financial Advisor based on the SFDR. As such, in this statement we provide information as to how Quintet considers the principal adverse impacts on sustainability factors in its investment advice on financial products.

### **Details on the process to consider principal adverse impacts in investment advice**

Quintet considers and mitigates adverse impacts of its investment advice on financial products<sup>1</sup>, where possible and feasible.

Funds go through a fund due diligence process covering various areas before being selected in the advice universe. Every fund in the universe is given a rating based on their SFDR disclosures and Quintet’s fund sustainability assessment. At a minimum, funds are required to have a process in place to avoid exposure to a pre-determined set of controversial weapons. Furthermore, the fund managers need to have an active ownership policy to engage and vote, where possible and feasible. In addition, Quintet’s fund sustainability assessment takes into account whether or not funds consider principal adverse impact on sustainability indicators and rates funds more favourable if they do.

When providing advice on financial products, Quintet takes the impact of those products on the entire portfolio of the client into account. We communicate in our advice to the client the level of principal adverse impacts consideration in the portfolio and the impact that the financial products would have on that level.

More information on the above process can be found in Quintet Responsible Investment policy and Fund Sustainability Assessment Summary on our website [Regulatory Affairs | Quintet Luxembourg](#).

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<sup>1</sup> This statement applies to funds and ETFs. Adverse impacts are not considered for structured products.