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Sustainability Suitability Assessment

Sustainable Finance Disclosures Regulation ("SFDR")

The Sustainable Finance Disclosure Regulation ("SFDR") came into effect on the 10th of March 2021. The SFDR was introduced by the European Commission alongside (the "Taxonomy Regulation") and (the "Low Carbon and Positive Impacts Benchmarks Regulation") as part of a package of legislative measures arising from the European Commission's Action Plan on Sustainable Finance.

The SFDR sets out harmonised rules on transparency and aims to include environmental, social and governance (ESG) "sustainability" considerations and risks in the decision-making process of investors and asset managers in a consistent manner across the EU financial services sector.

The SFDR introduces additional disclosure obligations for manufacturers of financial products and financial advisers toward end-investors. The Regulations will require impacted firms to integrate sustainability into their investment processes and to consider the adverse impacts of their investments on sustainability factors.

A sustainable investment product is where a product is sold as promoting environmental or social characteristics. It is envisaged that greater transparency and sustainability-related information will enable investors to compare financial products and to make informed investment decisions about ESG products.

A 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.

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.

1. **Do you have sustainability preferences *(the customer or potential customer has sustainability preferences when he / she chooses that, at least to some extent, one or more of the listed types of IBIPs per Question 2 should be integrated into his or her investment)?* (Y/N)**

If No, the Broker may consider this customer as "sustainability neutral" and recommend products both with and without sustainability-related features.

2. If yes to **Question 1**, which of the following aspects best describe your sustainability preferences:

(a) IBIPs that pursue a minimum proportion of sustainable investments in economic activities that qualify as environmentally sustainable under Article 3 of the EU Taxonomy where the minimum proportion is determined by the customer or potential customer. The EU Taxonomy is a classification system that defines six overarching environmental objectives and sets out a detailed list of economic activities that can contribute to at least one of the objectives, without doing significant harm to any of the others.

(b) IBIPs that pursue a minimum proportion of sustainable investments (investments in economic activities that contribute to an environmental or social objective, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices) where the minimum proportion is determined by the customer or potential customer;

(c) IBIPs that consider Principal Adverse Impacts ('PAIs') on sustainability factors, where elements demonstrating that consideration are determined by the customer. PAIs are intended to capture the impact of investment decisions (and advice) that results in negative effects on sustainability factors. Sustainability factors are defined as 'environmental, social or employee matters, respect for human rights, anticorruption and anti-bribery matters';

(d) Other (please specify).

3. If for **Question 2**, aspects **(a)** or **(b)** were selected, what is your preferred proportion of both environmentally sustainable investments and of sustainable investments in the portfolio of the product? e.g., minimum 10%/20%/30%/ 40%/ 50%,/60%,/70%

4. If for **Question 2**, aspect **(c)** was selected, what Principal Adverse Impacts ('PAI') should be considered by the product, including quantitative or qualitative criteria demonstrating that consideration? Examples of PAIs include greenhouse gas emissions, emissions to water and board gender diversity. A full list of PAIs is listed in the Appendix.

5.

6. For Multi-Option Products ('MOPs'), do all underlying options consider Principal Adverse Impacts ('PAIs') on sustainability factors, or only a proportion or a selection of one or more underlying options?

Broker Signature

Client Signature