

**Metzler Asset Management:
Statement on the Failure to Consider
Adverse Sustainability Impacts**

May 2026 in Frankfurt/Main

Contents

	Page
1. Reasons	3
2. Summary of our Engagement Policy according to Article 3g of Directive 2007/36/EC	4
3. Compliance with a code of responsible corporate governance and an internationally recognized standard for due diligence and reporting	4
4. Degree of alignment with the objectives of the Paris Agreement	4

No consideration of adverse sustainability impacts

The purpose of this statement is to provide information on the extent to which Metzler Asset Management GmbH (LEI: 529900STKIFMK74LAR56) takes Principle Adverse Impacts ("PAI") into account in its investment decisions in accordance with Article 4 of Regulation (EU) 2019/2088 ("Disclosure Regulation"). This statement has been in effect since July of 2023 and is reviewed on a regular basis, at least once a year.

Within the meaning of the Disclosure Regulation, Metzler Asset Management GmbH offers financial products for managing (1) investment funds ("AIFs"), (2) undertakings for collective investment in transferable securities ("UCITS") and (3) external portfolios ("portfolio management").

Metzler Asset Management GmbH does not have a cross-product strategy for taking PAI into account in its investment decisions. The investment strategy implemented in individual financial products may provide for the consideration of PAI if this corresponds to market or client needs.

For the 2022 reporting year, Metzler Asset Management GmbH still took adverse sustainability impacts at company level into account. Following a review of the practical implementation and in light of the experience gained, adverse sustainability impacts at company level have not been taken into account since the 2023 reporting year.

1. Reasons

Metzler Asset Management GmbH has decided not to take PAI into account as a general rule in all of its investment decisions for the following reasons:

- Metzler Asset Management GmbH offers individually designed investment services primarily for institutional clients. The individual design of the financial products may, but does not have to, include the consideration of PAI in investment decisions.
- A commitment to the general consideration of PAI leads to extensive reporting requirements. Small companies are more heavily burdened by these structural costs than large ones.
- When outsourcing the portfolio management of AIFs or UCITS to third parties, which happens quite frequently, Metzler Asset Management GmbH does not make any investment decisions of its own. The outsourced portfolio managers have their own individual strategies for taking PAI into account in their investment decisions. These cannot be monitored by Metzler Asset Management GmbH with reasonable effort nor can they be integrated into Metzler's own strategy.
- The ability to take PAI into account depends to a large extent on the availability of sufficient market information. However, available market information is currently still frequently based on estimates.

Metzler Asset Management GmbH is committed to the principle of sustainability. This statement as well as the decision not to consider PAI as a general rule in all investment decisions are subject to ongoing review at least once a year.

2. Summary of our Engagement Policy according to Article 3g of Directive 2007/36/EC

Metzler Asset Management GmbH, together with a specially mandated company, Columbia Threadneedle Investments (CTI), ensures that business-relevant ESG challenges are addressed in discussions with the companies represented in our portfolios (so-called engagement). CTI was also mandated to exercise voting rights. CTI prepares reports on this and on the milestones achieved in the engagement, some of which we incorporate into ESG reports for our clients. Our Engagement Policy is explained in the Guidelines for Proxy Voting by Metzler Asset Management GmbH at General Meetings, the Conflicts of Interest Policy, and the Corporate Governance Guidelines. These can be found at: www.metzler.com/esg

3. Compliance with a code of responsible corporate governance and an internationally recognized standard for due diligence and reporting

Metzler Asset Management GmbH has committed to responsible corporate governance and adheres to the following standards and voluntary obligations:

- Metzler Asset Management GmbH signed the United Nations Principles for Responsible Investment (UN PRI) in 2012 and supports the principles of responsible investing without reservation.
- Metzler Asset Management GmbH observes the BVI rules of conduct.
- As a supporter of the Task Force on Climate-related Financial Disclosures (TCFD), the Carbon Disclosure Project, and the Water and Forestry Disclosure Project, Metzler Asset Management GmbH is committed to greater transparency in climate reporting

4. Degree of alignment with the objectives of the Paris Agreement

The Paris Agreement is aimed at keeping the global temperature rise to well below 2 °C above pre-industrial levels. Metzler Asset Management GmbH is confident that climate change will be an important factor for capital investments in the long term. In the future, institutional investors will need to be able to analyze the orientation of their portfolios with regard to climate risks and report on their climate strategy. Metzler Asset Management GmbH therefore offers solutions that help investors better understand the impact of climate change on their portfolios and comply with climate risk disclosure requirements. When managing discretionary portfolios, climate models can increase transparency. This helps to safeguard assets from the worst impacts of climate change.

The forward-looking climate model used by Metzler Asset Management GmbH is based on the product "Climate Value-at-Risk" by the company MSCI ESG Research. This model is adapted on an ongoing basis and has various other climate models integrated into it. Analyses are based on the Asia-Pacific Integrated Model/Computable General Equilibrium, among others, which is a model that can be used to analyze the future fight against climate change and its impact on economic conditions. This equilibrium model covers all economic assets and takes the interactions between the different production factors into account.

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