

Statement on the main adverse impacts of investment decisions on sustainability factors (PAI Statement)

Financial market participants
Evangelische Bank eG

Legal Entity Identifier (LEI)
529900R600X5X54X0G26

Summary

Evangelische Bank eG (hereafter EB) considers the main adverse impacts of investment decisions on sustainability factors. Two financial market participants belong to the EB Group: in addition to the Bank (EB), this is EB - Sustainable Investment Management GmbH (EB-SIM). Portfolio management is outsourced to EB-SIM.

We consider the main adverse impacts - the so-called PAIs (Principal Adverse Impacts) - at group level by measuring and monitoring the cumulative adverse impacts of the investments on the sustainability factors. In the case of investments, the indicators for the principal adverse impacts are taken into account via exclusion criteria, the consideration of sustainability risks in the company valuation and engagement dialogues designed for sustainability transformation.

Key adverse impacts on sustainability factors include all climate indicators and other environment-related indicators such as greenhouse gas emissions, non-renewable energy consumption, adverse impacts on biodiversity, water and through waste.

By considering exclusion criteria, such as more than 5% turnover in coal production, the negative impact due to GHG emissions and non-renewable energy consumption was taken into account.

This kept the exposure to critical companies low.

Furthermore, no investments were made in countries with very poor climate protection (poor ESG score, no ratification of the Paris Agreement or insufficient compliance, not a party to the Convention on Biological Diversity).

In addition, adverse impacts on biodiversity and water as well as through waste were generally taken into account by considering exclusion criteria, such as the exclusion of companies with a strong negative impact on the United Nations Sustainable Development Goals (SDGs) 14¹ and 15² in combination with a below-average sustainability. In this way, the exposure to critical companies was kept low.

Social and employment indicators were equally included.

¹ <https://sdgs.un.org/goals/goal14> - Conserve and sustainably use the oceans, seas and marine resources for sustainable development

² <https://sdgs.un.org/goals/goal15> - Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Companies with very serious violations of the UN Global Compact or the OECD Guidelines for Multinational Enterprises were not eligible for investment. In this context the UN Global Compact also works towards the elimination of discrimination in employment and occupation. Companies that produce controversial weapons were not eligible for investment.

States with very low levels of human rights protection were also not investable.

This statement on the main adverse impacts on sustainability factors relates to the reference period from 1 January to 31 December 2023.

Evangelische Bank eG

Kassel, 28 June 2024