



QUINTET
PRIVATE BANK

CORPORATE SUSTAINABILITY REPORT
2022





Organisations covered:

This report covers the entire Quintet Private Bank group, which consists of all its entities across all geographies: Brown Shipley & Co., InsingerGilissen, InsingerGilissen Asset Management, Kredietrust Luxembourg, Merck Finck, Puilaetco, Quintet Danmark, and Quintet Luxembourg.

Period covered:

This report covers the period from 1st January 2022 to 31st December 2022; all data contained herein are valid as of 31st December 2022. For comparison and background purposes, some reference is made to past events.

Date of publication:

This report was published on 30th June 2023. Quintet publishes its Corporate Sustainability Report on an annual basis; reports from previous years can be found at [quintet.com](https://www.quintet.com).

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Group CEO message

It is my pleasure to introduce Quintet Private Bank's 2022 Corporate Sustainability Report, which details our commitment to putting environmental, social and governance (ESG) matters at the heart of our business. This reflects the expectations of all our stakeholders – including our clients, colleagues, regulators and the communities we serve – that we contribute to meaningful change.

As you will discover, this report is structured around ESG factors as they pertain to our operations and our product offering. In each section, we provide evidence-based analysis of the actions we are taking to become a more sustainable organisation.

That includes, for example, long-term initiatives to minimise the environmental impact of our operations by reducing the consumption of gas and electricity, while simultaneously increasing the use of electricity from renewable sources. As active owners when managing assets that have been entrusted to us, the report also highlights our support

of 93% of the environmental proposals put forward at the companies in which we invested last year, nearly triple the industry benchmark.

From a social perspective, we supported numerous charitable and non-profit organisations in 2022. Of special note, we mobilised our resources to support the people of Ukraine, including by forming a partnership with the United Nations High Commission for Refugees to channel capital to those displaced by the war. We made significant investments in staff training, strengthened our Diversity, Equality & Inclusion Policy, and exercised our influence as active owners by supporting 80% of social proposals at the companies in which we invested in 2022, triple the industry benchmark.

Our governance commitments include ensuring the application of relevant best practices, in particular from a regulatory perspective, and the enhancement of our own governance framework to facilitate the implementation of ESG principles across our firm.

Finally, from a product perspective, we updated our Responsible Investment Policy and introduced a Sustainable Investment Framework for our flagship funds – remaining steadfast in our conviction that integrating ESG factors in our investment decision-making has the potential to support superior long-term returns. By taking a broader view of such risks and opportunities, we help our clients build stronger portfolios and foster meaningful change.

I hope you find our annual Corporate Sustainability Report illuminating. If you would like any additional information, please don't hesitate to contact us.



Chris Allen
Group CEO



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INTRODUCTORY REMARKS

Introductory remarks



1.1 Business environment

The year 2022 was marked by a number of challenges that have impacted all layers of society, the economy and, as a consequence, the planet. From the outbreak of the war in Ukraine, to the energy crisis, to inflationary pressure, many economic and societal actors have had to face decisions they never expected to make. Efforts to achieve a more sustainable society, economy, and planet – goals that are in their nature long-term – collided with events urgently requiring short-term action that could potentially have long-term consequences. Goals such as the net-zero target, which had just a year before been deemed necessary by the international community in order to achieve the Paris Agreement¹, were put to a test: What changes would governments, corporations and financial institutions need to make in order to provide security today while maintaining sustainability tomorrow?

In parallel, the motivations for financial institutions to continue on their sustainability track remain strong and multiple.

- International agreements like the Conference of Parties (COP) add to the EU-specific sustainable finance regulatory framework enabling actors such as Quintet to increase transparency on sustainability-related products and services, strengthen how sustainability is integrated in our risk management, and ultimately help shift finance where it is needed. Similarly, the European ecosystem in which Quintet and its fellow European-focused peers operate, is one that is heavily working on sustainability legislations and actions.
- From the bottom up, talent increasingly expect their (future) employer to contribute to a more sustainable

future; this same cohort of talent is also increasingly exposed to higher education programs building sustainability-related competences.

- In a virtuous circle, real economy corporations further integrate sustainability in their strategies, policies, processes and products, something that can help accelerate the transition.
- For banking clients, sustainability is an important topic, yet they do not always find the necessary and transparent information to help them navigate the range of choices at their disposal. As the population of banking clients and prospects progressively renews itself integrating younger generations, sustainability will increasingly be expected by clients and prospects as a default factor of banking services.

This is the context for Quintet while we pursue our sustainability journey that commenced in 2021, continuing to build a foundation for the future.

As crises can be triggers for opportunity, we are taking this opportunity to review our sustainability strategy: in the course of 2023, we will be defining our ambitions across the entire scope of what typically falls under “sustainability”, thus covering the environmental, social and governance pillars. To ensure a solid foundation, our ambitions will be translated into clear objectives, and we will organise ourselves to work towards their implementation. In doing so, we are integrating all relevant regulatory requirements, as well as specificities in some of our local markets.

For example, our Dutch branch InsingerGilissen has signed the Dutch Climate Commitment in 2019. As such, the asset management arm InsingerGilissen Asset Management has committed to reducing greenhouse gas emissions by at least 50% across its assets under management by 2030 (compared to the 2019 baseline). This target does not include own operational emissions.

¹ [Glasgow Climate Pact](#), 2021: “Limiting global warming to 1.5 °C requires rapid, deep and sustained reductions in global greenhouse gas emissions, including reducing global carbon dioxide emissions by 45 per cent by 2030 relative to the 2010 level and to net zero around mid-century, as well as deep reductions in other greenhouse gases”.



While this process is ongoing, our 2022 CSR Report:

- Is structured across four pillars that correspond to the main areas we will address as part of our strategy review: (1) environmental, (2) social, and (3) governance with regards to our own operations, and (4) overall sustainability with regards to our product approach
- Allows for comparison vis-à-vis our 2021 CSR Report

In the future, while maintaining reference to the past for comparison and transparency sake, our CSR Report will also track progress against our defined strategy, and progressively align with the upcoming standards set by the Corporate Sustainability Reporting Directive (CSRD).

Figure 1: Structure of the 2022 CSR Report



Chapter 3: Environmental pillar

- Covers the impact we have on climate and the environment via our own operations (chapter 3.1) and via our products (chapter 3.2).



Chapter 4: Social pillar

- Covers the impact we have on the social context we operate in.
- This includes both our people (chapter 4.1) and our communities, also known as our societal impact (chapter 4.2).
- Through our products we can also achieve a social impact (chapter 4.3).



Chapter 5: Governance pillar

- Covers the ways we have organised ourselves to ensure we follow good governance both for our internal environment (chapter 5.1) and our products (5.2).



Chapter 6: Product

- Explains the way we have organised ourselves to integrate environmental, social and governance characteristics in our product offering (chapter 6.1), providing a view of the results achieved in 2022 (chapter 6.2).

1.2 Quintet business model

Our group provides wealth management, investment management and lending services to clients via our offices in Belgium (Puilaetco), Germany (Merck Finck), Luxembourg (Quintet Luxembourg), Netherlands (InsingerGilissen), Denmark (Quintet Danmark) and the United Kingdom (Brown Shipley & Co. or “Brown Shipley”). The following table provides a non-exhaustive list of services. Across each of these, our approach with clients is to tailor our offering depending on the level of sophistication and customisation: from core, to personal to bespoke.

Figure 2: List of services (non-exhaustive)

PLANNING
Wealth planning and Financial planning
Succession planning
Wealth structuring
INVESTING
Discretionary portfolio management
Advisory services
Alternative investments
Responsible & sustainable investments
LENDING
Loans against investment portfolios
Single stock & illiquid collateral
Residential mortgages
BANKING
Multi-custody, including third-party banks
Multi-currency cash accounts & deposits
Card & payment solutions

Asset management services are provided via our management companies InsingerGilissen Asset Management (“IGAM”) and Kredietrust Luxembourg (“KTL”).

Our activities are overseen by a robust corporate governance, including (in top-down order): a Board of Directors, an Authorized Management Committee,

affiliate and branch management. Overall, and in agreement with legislations in force, the group has set up robust internal governance arrangements as part of its three-lines-of-defence model (see Annex for further information). On the ground, our clients are supported by an international team of experts:

Figure 3: List of experts to support Quintet clients

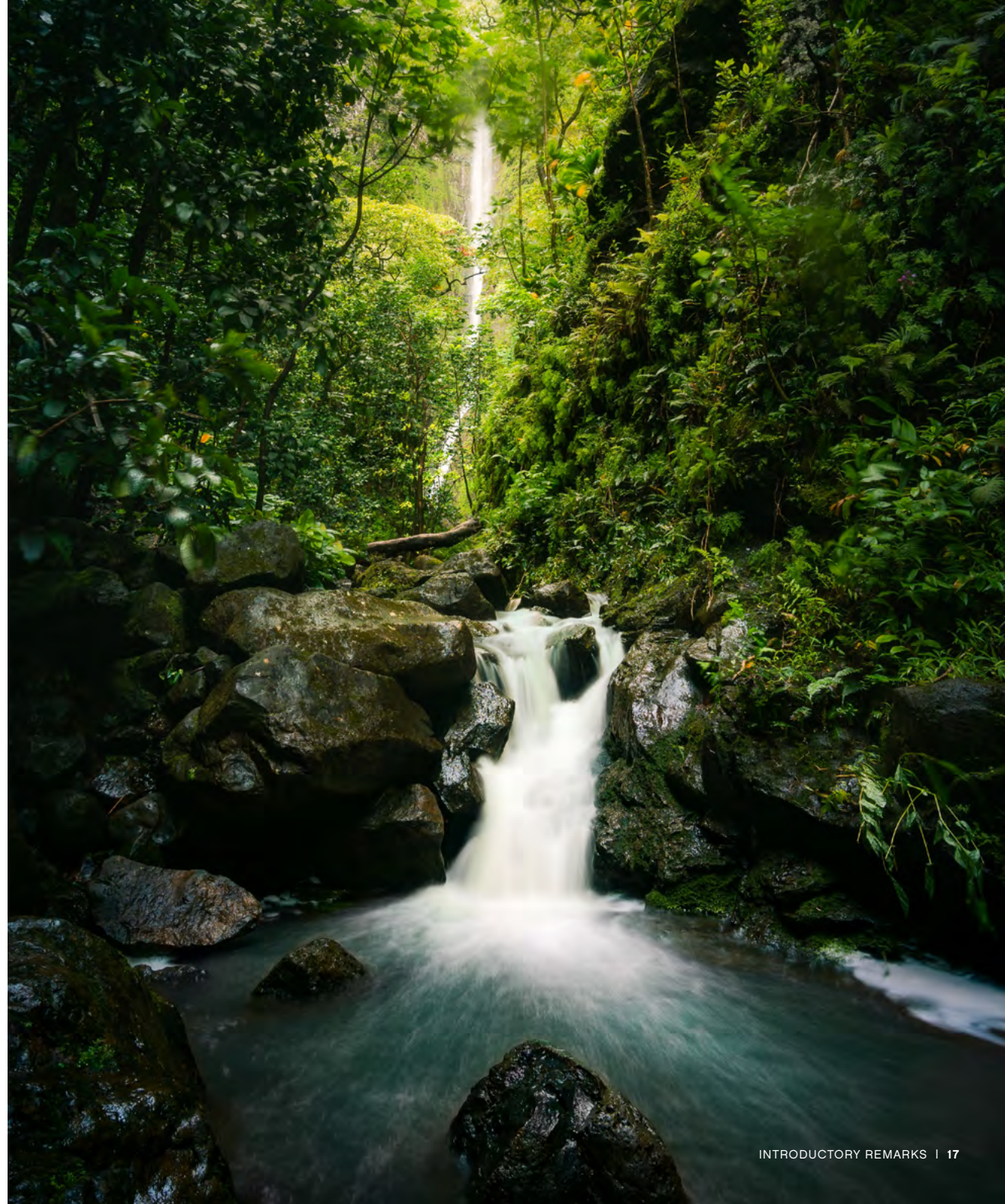
Client advisors	First point of contact, supervise specialist involvement
Investment specialists	Provide investment advice to clients, act as direct link to the Chief Investment Office and latest bank convictions
Lending specialists	Provide expert credit structuring and credit advice, focus on finding tailored solutions for clients
Product specialists	Provide expert knowledge for individual product suites, remain available for client conversations as required
Wealth planners	Provide specialist expertise across wealth planning categories, act as link to external providers of specialist services
Investment analysts	Provide market views, convictions, and regular updates, ensuring macro focus as well as market proximity

In addition, specifically in our Dutch branch, the InsingerGilissen Philanthropy team has expertise in the field of charities and can help our clients (private individuals and foundations) to set up a registered fund with a charity goal, such as an environmental, social, health, educational or cultural one.

Our ways of working and delivering impact to our clients revolve around one key pillar: partnership. This is central to both how we partner with our clients and how we partner with each other.

To continue to strengthen our business model, we are focused on increasing client-centricity, reviewing our service models and client propositions as necessary, reducing complexity across our organisation, and increasing process efficiency.

For our key figures, please refer to our [2022 Annual Report](#).





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KEY ACHIEVEMENTS

Key achievements



2.1 Environmental

Over the past year, a number of initiatives were undertaken across each of our entities to improve our environmental management. Some of these initiatives were linked to a specific energy-saving campaign, launched in response to the crisis we – as many other economy actors – faced in 2022.

Overall, the CO₂ emissions from our own operations increased by 18% compared to 2021, while still remaining under 2019 levels. This was largely due to two factors: the group-wide progressive return to the office, coupled with a progressive return to usual ways of doing business, including business travel.

On the product side, we continued to exercise our active ownership role and principles, evidenced by our support for 93% of environmental proposals (almost triple the industry average) and our 278 engagements with companies on environmental-related issues that saw progress against the milestones set to monitor advancement.

We continue to integrate environmental characteristics among our products in line with the requirements of the Sustainable Finance Disclosure Regulation (SFDR)², the EU Taxonomy³, and our Sustainable Investment Framework.

Find out more [here](#).

2.2 Social

A range of activities and events were organised across Quintet entities to offer our staff the opportunity to engage on topics close to their hearts. Training was also fundamental, in particular training that enabled our front office to onboard our clients on the sustainable finance journey initiated by the most recent MiFID II regulatory requirements.⁴

We also supported the commendable work of a number of non-profit organisations through sponsorship, donations, and volunteering. In this way, we were able to create a positive impact in areas such as: poverty reduction, inclusion, education, health, human rights – to name a few.

On the product side, social elements are as important part to our active ownership role as are environmental ones. We supported 80% of social proposals (more than triple the industry average) and 153 of our engagements on social issues saw progress against the milestones set to monitor advancement. Like the environmental characteristics, social ones are also considered in the products offered to our clients.

Find out more [here](#).

² Regulation (EU) 2019/2088 of 27 November 2019 entered into force on 10 March 2021. [See here](#).

³ Regulation (EU) 2020/852 of 18 June 2020, entered into force on 12 July 2020. [See here](#).

⁴ Commission Delegated Regulation (EU) 2021/1253 of 21 April 2021, entered into force on 2 August 2022. [See here](#).



2.3 Governance

In 2022, we worked towards fulfilling all relevant regulatory requirements. Drivers like the SFDR, the EU Taxonomy, ESG changes to MiFID II, and the ECB Guide on climate-related and environmental (C&E) risks⁵ allowed us to further structure the integration of sustainability within our products, disclosures, and risk management.

Additionally, we are working towards structuring a governance framework that can enable the bank to implement sustainability across the organisation.

Find out more [here](#).

2.4 Products

We recognise that, through our investment product range, we can have a positive impact on environmental and social aspects. To ensure we continue to do so, we have revised our [Sustainable Investment Framework](#). Our achievements are highlighted in our [2022 Active Ownership Report](#), our [2022 Statement on principal adverse impacts](#), and insights from our ESG and sustainable assets. With regards to the latter, the review of our Sustainable Investment Framework in Q3 2022, in line with SFDR definitions, meant that our total ESG AUM have continued to increase compared to previous periods, while having deeper knowledge of which portion of them are sustainable assets vs which are contributing to environmental and social characteristics.

Find out more [here](#).

⁵ ECB publishes final guide on climate-related and environmental risks for banks, 27 November 2020. [See here](#).

2.5 Looking ahead

2023 is a pivotal year. While we continue to seek to refine how we integrate sustainability within our products and client conversations, and while we continue to engage with the local communities in which we operate by working with NGOs, we will also aim to tackle some significant milestones, such as:

- Definition of our corporate sustainability strategy, through a materiality assessment that considers stakeholder needs and interests and leveraging all sustainability-related initiatives already undertaken across the group⁶
- Preparation of stronger and more structured sustainability reporting, following recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD)⁷ (for our entity in the UK, Brown Shipley) and requirements of the Corporate Sustainability Reporting Directive (CSRD).⁸ In 2023 we will be preparing our latest report as United Nations PRI signatory, contributing to enabling different stakeholders to understand how the area of responsible investing is evolving. We are committed to avoiding green-washing, and providing fair and clear information to our clients, employees, regulators, peers, and civil society
- Structuring the governance and organisation around all relevant topics linked to sustainability to ensure the coherent implementation of our future strategy, coordinated by a new Head of Corporate Sustainability and Head of ESG & Sustainable Investing
- Alignment with regulatory expectations, including upcoming requirements around SFDR “Level 2” (pre-contractual disclosures, website disclosures, principal adverse sustainability impacts statements), coordinated by our Head of ESG & Sustainable Investing
- Alignment with the ECB following the thematic review of climate and environmental risk management, coordinated by our Chief Risk Officer
- Strengthening of our policies around ESG & sustainable investment, including Responsible Investment Policy, Sustainable Risks in Investment Policy and Active Ownership Policy, coordinated by our Head of ESG & Sustainable Investing

⁶ Including for example the materiality assessment performed from a risk perspective in the context of ICAAP requirements.

⁷ [Publications | Task Force on Climate-Related Financial Disclosures \(fsb-tcfd.org\)](https://www.fsb-tcfd.org/).

⁸ Directive (EU) 2022/2464 of 14 December 2022 entered in force on 5 January 2023. [See here](#).

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ENVIRONMENTAL

Environmental



Throughout 2022 we continued our efforts to mitigate our environmental impact across our own operations as well as within our products.

3.1 Our own operations

We continued to work with Myclimate, and together we calculated Quintet’s carbon footprint. We collected data across all locations about energy, transport, business travel, employee mobility, office materials, food and waste.

Brief overview of the approach followed by Myclimate: The carbon footprint is calculated based on the internationally recognized standard of the GHG Protocol and includes the climate-relevant greenhouse gases that fall under the

operational control of the company. The data basis for the calculations of the CO₂ balance comes from ecoinvent 3.6⁹ and considers the greenhouse gas potential over a time horizon of 100 years, i.e. using the Global Warming Potential (GWP) GWP 100a. The following sites were covered: Belgium, Denmark, Germany, Luxembourg, the Netherlands, the UK.

⁹ Ecoinvent 3.6 is one of the databases developed by [ecoinvent](#), an association providing a database that can be used as a background for lifecycle assessments and other environmental assessments.

Reminder of the three scopes of CO₂ emissions, following the GHG Protocol:

Figure 5: Types of CO₂ emissions

SCOPE	BRIEF DESCRIPTION	GHG PROTOCOL FUNCTIONAL CATEGORIES GENERATING CARBON FOOTPRINT THAT HAVE BEEN CONSIDERED IN OUR CALCULATIONS
Scope 1	Includes all direct emissions from owned or controlled sources, such as combustion of fuels in heating systems	- Heating and cooling
Scope 2	Includes all indirect emissions resulting from purchased energy, for example purchased electricity	- Electricity
Scope 3	Includes upstream and downstream indirect emissions such as purchased goods and services, business travel, employee commuting, waste disposal, etc. Excluding our financed emissions; for the latter, see Product section .	<ul style="list-style-type: none"> - Purchased goods and services: office material (scope 3.1) - Purchased goods and services: beverages (scope 3.1) - Capital goods: IT materials (scope 3.2) - Fuel and energy-related activities not included in Scope 1 or Scope 2: Electricity (scope 3.3) - Fuel- and energy-related activities not included in Scope 1 or Scope 2: Heating and cooling (scope 3.3) - Waste generated in operations: waste to incinerations (scope 3.5) - Waste generated in operations: waste water (scope 3.5) - Business travel: business travel and overnight stays (scope 3.6) - Employee commuting: commuting (scope 3.7)

Some limitations should be noted:

Unavailability: In case of data unavailability, some assumptions were followed:

Where data was not available for 2022, data collected in previous years was analysed. Such data can prove more representative compared to estimates based on market benchmarks. In analysing data from previous years, some assumptions are integrated to account for, among others:

- 2022 surface area, which could, for example, impact heating
- 2022 number of FTE, which could impact most categories of emissions, notably food and beverages as well as commuting
- 2022 percentage of remote staff, which could have a similar impact as the number of FTE

Where no real data from previous years could be recovered, the calculation was based on estimates reflecting market benchmarks provided by Myclimate. Data unavailability corresponds to approximately 12% of the total CO₂ emissions calculated for 2022.

Scope categories: With regards to the functional categories of heating and cooling as well as electricity, today we are not able to precisely calculate what is linked on the one hand to Scope 1 and 2 respectively, and to Scope 3 on the other. Our current solution with Myclimate uses a fixed, average proportion assigned to Scope 3, with the majority assigned to Scope 1 and 2. It should also be noted that we do not yet regularly calculate our Scope 3 financed emissions. We endeavour to work on this for the future CSR and TCFD reports.

Business travel: Egencia is Quintet's chosen provider for booking business trips (transportation and hotel stays). As such, when working with Myclimate to calculate our CO₂ footprint, we provide Myclimate with data extracted from Egencia. However, while we are in the process of implementing the company-wide use of Egencia, some business trips may still be booked separately by Quintet staff. Between Q3 2023 – Q1 2024 we will deploy an additional procurement tool that will ensure increased transparency on staff expenses. The latter, coupled with the more company-wide use of Egencia, will increase transparency on the effective impact of business travels at Quintet. Hence, we expect that – all things being equal – the footprint of the "Business travel and overnight stays" functional category will increase in subsequent CSR reports.

Comparison between 2021 and 2022: CO₂ emissions disclosed in our 2021 CSR report were based on the previous ecoinvent methodology, namely ecoinvent 2.2. For comparison purposes, the following tables include past CO₂ emissions that have been recalculated with the ecoinvent 3.6 methodology. For reference, the Annex contains past as well as 2022 CO₂ emissions calculated based on ecoinvent 2.2.



Figure 6: Total carbon footprint, t CO₂e

2019	13,012.6
2020	7,666.3
2021	7,809.2
2022	9,199.4 (increase by 18%)

Figure 7: Total carbon footprint per FTE, t CO₂e

2019	7.2
2020	4.0
2021	4.1
2022	5.2 (increase by 25%)

Figure 8: Carbon footprint by scope, t CO₂e

	SCOPE 1	SCOPE 2	SCOPE 3
2019	2,599.5	2,788.7	7,624.4
2020	2,124.1	693.6	4,848.6
2021	2,565.1	640.5	4,603.5
2022	2,413.7 (26% of total) (decrease by 6%)	147.8 ¹⁰ (2% of total) (decrease by 77%)	6,637.9 (72% of total) (increase by 44%)

¹⁰ It should be noted that one office in the Netherlands running on conventional electricity, and thus contributing to CO₂ emissions in 2022 was closed on 1st October 2022. Hence, we expect this number to diminish in 2023.

Figure 9: Carbon footprint by activity, t CO₂e

	2019	2020	2021	2022
TOTAL	13,012.6	7,666.3	7,809.2	9,199.4
ENERGY	5,068.3	2,603.1	2,538.4	1,625.5 (18% of total)
Electricity	3,526.4	977.6	890.5	299.8
Digital working	297.7	363.3	340.2	312.4
Heating & cooling	1,244.2	1,262.2	1,307.7	1,013.3
MOBILITY	3,949.4	2,085.2	1,749.4	3,396.5 (37% of total)
Commuting	2,921	1,738.5	1,256.8	2,290.9
Business travel & overnight stays	1,028.3	346.8	492.6	1,105.6
TRANSPORT	3,065.1	2,233	3,053.5	3,226.8 (35% of total)
Fuel consumption company owned vehicles	3,048.1	2,213.8	3,031.4	3,212.3
Transport third party	17	19.2	22	14.4
FOOD & BEVERAGES	419.5	148.3	142.5	289.2 (3% of total)
Beverages	125.6	62.1	43.5	82.7
Snacks & meals	293.9	86.2	99	206.5
MATERIAL	432	552.4	287.4	606.8 (7% of total)
Office material	85.6	55.4	48.9	80.4
Tap water	7.3	5.8	6.1	5.5
Printed matter	49.8	59.2	48.9	41.1
IT materials	289.3	432	183.5	479.8
WASTE & RECYCLING	78.2	44.2	38	54.5 (1% of total)
Waste to incineration	67.4	35.6	29	45.9
Recycling waste	0.4	0.2	0.2	0.8
Waste water	10.4	8.4	8.7	7.8

Overall, three main drivers can be identified for the change in CO₂ footprint: the wind-down of Quintet Switzerland between Q2 2022 and early 2023, as well as the fact that three entities (Denmark, Germany and the UK) had their premises switch to electricity backed by renewable energy, helped contribute to the significant reduction of Scope 2 emissions. These two drivers were supported by a group energy-saving initiative to respond to the international affairs unfolding in 2022. On the other side, a significant return from the ways of working imposed by the Covid-19 crisis enabling Quintet staff to travel again to facilitate client relations and promote collaboration among colleagues meant that our Scope 3 emissions linked to Mobility and Transport increased from previous years.

With regards to the Scope 2 emissions specifically (147.8 t CO₂e), 4.7 t CO₂e are contributed by the electricity used by one office in the Netherlands sourcing from conventional sources until closure of the premises in October 2022. These tons of CO₂e correspond to 9,153 kWh, which were compensated in full by Guarantees of Origin issued by Nvalue, a third-party company we worked with in 2022 to secure Guarantees of Origin where necessary. The value shown in Figure 8 is thus prior to the application of the Guarantees of Origin.



Initiatives to reduce the environmental impact of our own operations

Across all of our entities, we have undertaken a number of actions to continue to reduce our environmental impact in our own operations. A non-exhaustive view of most recent actions undertaken in 2022 can be found below:

Figure 10: Non-exhaustive environmental management initiatives across the group

AREA OF ENVIRONMENTAL IMPACT	GROUP INITIATIVE
Energy	<ul style="list-style-type: none"> - In view of energy-saving, all facilities lowered temperature to 20°C. - An awareness-raising campaign was rolled out across different offices, providing tips of simple actions that could be followed by all staff around the buildings to reduce energy consumption.
Pollution	<ul style="list-style-type: none"> - By booking through our travel agency Egencia, staff are enabled to make more conscious choices via the different search criteria and flags indicating the level of greenness of the various travel options.

Figure 11: Non-exhaustive environmental management initiatives across the entities

AREA OF ENVIRONMENTAL IMPACT	COUNTRY-SPECIFIC INITIATIVE
Energy	<ul style="list-style-type: none"> - Our new office in Aarhus, Denmark, showcases sustainable building standards.¹¹ - We perform continuous checks in our premises in Germany of the air-conditioning program, ventilation system and outdoor lighting to ensure we reduce energy-use when needed and possible. LED lighting and motion detectors are in place across the premises. - The distribution of our teams in our premises in Belgium was revised in order to free a floor, which made it possible to reduce heating and energy consumption.

Figure 11: (continued)

Materials	<ul style="list-style-type: none"> - In the UK we are undertaking a number of initiatives to lower the impact from paper usage: printers are preconfigured to print in black and white and recto-verso, reducing paper and ink usage. We only use FSC-certified paper, ensuring that the wood within the product is from FSC-certified material, recycled material or controlled wood. - Our UK office has continued to encourage clients to utilise the secure online platform 'My Brown Shipley' and by November 2022 39% (2021: 36%) of clients were registered on the platform and 33% (2021: 30%) were receiving all documents digitally.
Pollution	<ul style="list-style-type: none"> - In Belgium, we have implemented a leasing offer including only electric vehicles, while we cover the cost of public transportation for those who wish not to have a leasing vehicle. The mobility budget in place in Belgium also enables to opt for a smaller car or an electric bike. - The office in Copenhagen has seen the addition of plants across the office to positively influence employees wellbeing.
Waste management	<ul style="list-style-type: none"> - Our office in Luxembourg was newly awarded with a national label¹² certifying the company's waste management practices in line with ISO 14024 for the past 15 years. - Whenever we organise conferences in our premises in Germany, we use deposit-based glass bottles. We also undertake waste separation. - In the Netherlands, plastic bottles were removed from all offices. - Filtered tap water is available in our offices in the Netherlands, and there is an ongoing reduction of canned beverages. - Our offices in the UK eliminated paper cups and have started installing water taps in offices to remove the need to order bottled water for client meetings. - In the UK, we have developed a partnership with a waste management company called "First Mile" for the London office. Here, 67% of waste is recycled, while the rest is incinerated to generate power for our partner's recycling facility.

¹¹ Label "A2015", based on the Danish Energy Agency labelling system where "Buildings are labelled from A to G. The energy-labelling scale runs from A to G, where A is divided into A2020, A2015 and A2010. A2020 covers low energy buildings, which only consume a minimum of energy, while G-labelled buildings consume the most energy." [See here.](#)

¹² The "SDK – SuperDrecksKëscht" performs its review every two years.

3.2 Our products

Throughout 2022, we continued to seek to make a positive impact on the climate and the environment via our products. Our [Active Ownership Report](#) and [2022 Statement on principal adverse impacts](#) showcase our results for 2022; read more about our impact in the [Product section](#).

Specifically, when it comes to our climate and environmental impact, our taxonomy simplified disclosures provide additional insight in line with regulatory expectations. View our disclosure in the [Annex](#).



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SOCIAL



Social



As a bank, we believe we have the capacity to have a positive influence on our people and the wider community, including via our products and offering.

4.1 Our people

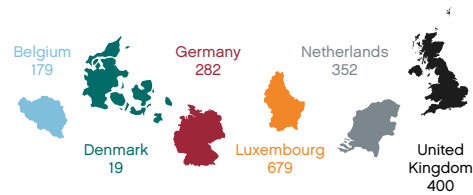
Our clients can rely on a strong organisation with a presence across six countries:

NUMBER OF EMPLOYEES



OF WHICH PERMANENT EMPLOYEES – 1,818
OF WHICH TEMPORARY EMPLOYEES – 93

Figure 12: Number of employees per entity



Engagement activities

We want our employees to be connected directly to our strategy and aspirations as a firm. In order to educate, engage and connect, we continue to leverage a range of initiatives, including:

- Quarterly Group CEO meetings for all staff to present business strategy, ways of working and priorities
 - Monthly and quarterly staff meetings to discuss issues they want to highlight
 - Quarterly line manager meetings with updates on business strategy, operations and staff matters
- In addition to the above updates on business strategy and related topics, specific opportunities were provided to staff to engage on sustainability topics. The nature of the topic generated significant engagement with staff. For example, through its corporate partnerships, our UK office organised a number of virtual and in-person talks on topics related to diversity and gender:
- LGBTQ+ Insights Awareness Course, in partnership with LGBT Great
 - Pride Webinar, in partnership with LGBT Great
 - How to better understand female clients (partnership with WealthiHer)



Learning and career opportunities

We are committed to preparing our colleagues for their roles today and tomorrow, supporting everyone in taking ownership of their own development.

Three main types of training were facilitated over the course of the year.

1 All staff:

Mandatory training is provided to all staff upon joining the bank. This allows new employees to be duly informed of key bank policies and procedures in a timely manner, thus enabling the bank to be compliant with regulatory requirements. Mandatory training covers, for example, Anti-Money Laundering (AML), fraud risk, Common Reporting Standards (CRS), Foreign Account Tax Compliance Act (FATCA), data protection and cybersecurity.

2 Front office:

To enable our client advisors to best engage with and serve our clients, we provide client advisors with specific trainings relevant to the jurisdictions they operate in. In 2022, this included, for example, a range of sessions on sustainable finance, also covering the recent changes about integrating client sustainability preferences into the suitability assessment process.¹³ In addition, a “Front Academy” was deployed, fully facilitated by internal trainers to client advisors.

Specifically, to ensure our approach to sustainability is effectively implemented across our offering, we are enabling our client advisors to lead the appropriate type of conversation around sustainability. Examples of training we organised for our client advisors include:

¹³ See MiFID II ESG requirements.

Impact story: Front Academy

- The training was specifically targeted at Quintet’s front office
 - The goal was threefold: supporting the “Front Evolution” project by developing a culture of learning, and contributing to continuous improvement to facilitate the achievement of business goals
 - The content was structured around six pillars: investment; lending; sales, values and behaviours; legal, risk, compliance and data protection; wealth planning; and digital excellence
- Result:**
- 260 hours of training
 - 480 learners (6,350 attendees over 21 workshops) and 85 staff involved in the delivery of the training

Impact story: MiFID II ESG Trainings

September 2022: Training focused on capturing ‘new client’ ESG Preferences

- Overview of regulation
- Introduction to some of the technical terminology/language
- Familiarisation with the new ESG questionnaire
- Introduction to the product/instrument scoring process

December 2022: Training focused on the approach for existing clients and new Advisory clients

- Refresh on regulatory context
- Revisit technical terminology and our sustainability approach
- Introduction to the ‘portfolio scoring’ tool (including forecasting impact of trades on ESG scoring)
- Deep-dive on new process for Discretionary clients
- Deep-dive on new process for Advisory clients

3

Topic-specific: Other training is organised to cover specific topics or a demographic. Two illustrative cases below:

Impact story: Mental Health Training Programme

- The Mental health training programme was designed for employees who wished to deal more calmly with the challenges of everyday life. The training provided the opportunity to better know and understand different reactions to stress, thus identifying the possible appropriate and positive responses. Attendees acquired tools to manage reactions to stress with serenity and anchor practices in everyday life
 - The programme was structured along three key moments:
 - A virtual reality experience, to explore the possible natural reactions to stress
 - Two three-hour sessions on stress management and emotional intelligence
 - Additional sessions selected by attendees: lightening the mental load, balancing work and private life, (re)discover your resources, setting boundaries, expand your zone of influence
 - The 2022 programme was a pilot aimed at Luxembourg-based colleagues, with the ambition to roll-out the same programme across the group in 2023
- Results**
- 112 attendances across the various workshops

Impact story: Quintet Group Graduate Programme

- The Quintet Group Graduate programme has been in place since 2020, with four to five graduates joining the programme each year
- Through a two-year rotation-based programme, graduates can experience four different areas of Quintet's business, while being trained and developing professional competences
- During the programme, graduates can be based in any Quintet location. International mobility is encouraged to share experience, explore the corporate culture and local specificities, building a strong network across the group
- We seek diversity within our graduate community and have accordingly recruited from a variety of academic backgrounds

Results

- The most recent intake was equally split between female and male graduates

Graduate testimonials:

"The level of trust given to us as graduates is amazing. We were immediately put onto meaningful high-level projects representing challenges I did not think I would have until years into my career."

"At Quintet, a pan-European bank with an entrepreneurial spirit, I have regular recourse to world-class experts in the field. I believe my contribution is valued, and I am given responsibility to make a tangible impact on the organisation's direction and development. Rotating through multiple markets and departments provides the perfect opportunity to acquire a holistic understanding of the wealth management industry."

3

Topic-specific (continued): We strive to create a learning culture throughout our organization. The Learning week organized in October 2022 supported this objective:

Impact story: Learning Week

- Over a period of five days, over 28 workshops were organized to promote a learning culture
- Sessions were virtual and facilitated by Quintet staff as well as external experts
- Sessions were based on various themes, including: sharing of career stories from different colleagues, “learn to learn”, how to build psychological safety, presenting like a pro, building collaboration, seven most common dysfunction of leaders, managing upwards, turning stress into an ally, mindfulness for business, lightening

your mental load, understanding how your brain works, managing as a coach, growth mindset

- While certain sessions could appeal to specific audiences (e.g. managerial roles), the sessions were open to all employees

Results

- 444 attendees over 28 workshops
- 11% participation from the total possible audience

“
Highly relevant content,
concerns everybody.

”
Extract of feedback from attendees

Diversity, equality, and inclusion (DE&I)

At the end of 2022 we revised our group Diversity, Equality and Inclusion (DE&I) Policy. The revised policy sets out a commitment to address inclusion in three ways:

- A workplace where voices are heard through surveys and specific initiatives
- A workforce mix where we mirror our client base and our markets
- A workforce that is balanced at all levels with regards to gender

We identified six key DE&I principles and will define objectives and clear metrics to guide the necessary actions in line with those principles:

- Non-discrimination is enshrined in our deontological principles
- Each breach, alleged breach or deviation from our Diversity, Equality and Inclusion Policy is encouraged to be reported and will be fully investigated with total objectivity
- We pursue and monitor our actions by establishing qualitative and quantitative criteria
- We raise awareness and support managers in their effort to develop diverse talent

- We encourage mentoring and internal networking to propose initiatives, express views and give feedback to enhance our actions
- We systematically review and ensure diversity representation in all working groups

As a primary focus, we are committed to gender diversity, including:

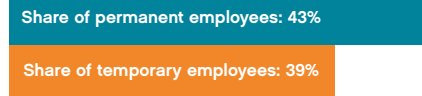
- The hiring and advancement of women at all stages of their careers through internal mobility, personal development, succession planning, where everyone feels empowered and accepted
- An equal pay philosophy, rewarding employees equally for doing equivalent jobs at the same level of experience and performance, regardless of gender
- The attraction of more women within our workforce, in our management and Authorized Management Committee; here, we target a representation of 30% of the under-represented gender within the management body
- Partnering with a global internal women’s network, and external organizations structures

The following figures provide an overview of our diversity situation as at the end of 2022¹⁴:

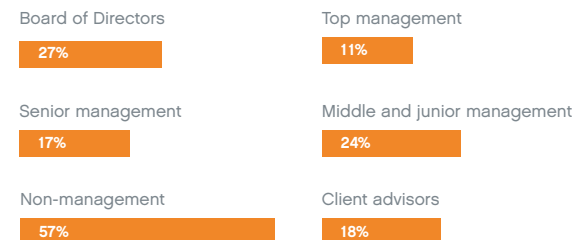
FEMALE SHARE OF TOTAL WORKFORCE



OF WHICH



OF WHICH¹⁵

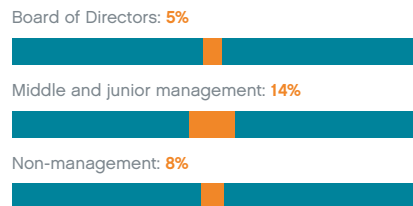


¹⁴ The indicators follow those used in the 2021 CSR Report to allow for comparison. In addition, where possible we have started to integrate the CSRD approach to human capital indicators, namely those linked to ESRS S1 “Own workforce” (draft standards at the time of writing).

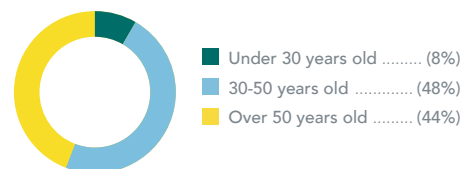
¹⁵ The categories correspond to the categories used by Women In Finance, an initiative that Quintet Luxembourg joined in 2023 and to which it will have to report on a regular basis. The categories of Women In Finance have been mapped to Quintet’s internal organisation in the following way: “Top management” = Authorized Management Committee, Executive Committee, C-Suite; “Senior management” = employees having the corporate title of “Management director”; “Middle and junior management” = employees having the corporate title of “Executive director” and “Director”.



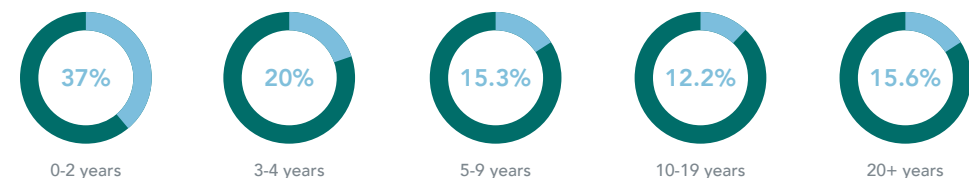
GENDER PAY GAP¹⁶



DISTRIBUTION OF EMPLOYEES BY AGE GROUP:



AVERAGE EMPLOYEE TENURE:



¹⁶ Limitation: while the draft ESRS S1 "Own workforce" would require a calculation based on average gross hourly earnings, for the time being, our calculations are based on average notional earnings.

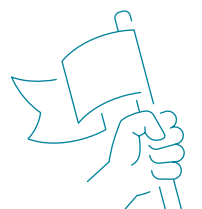


RECRUITMENT

In 2022 we recruited

286

new joiners, of which
57% male and 43% female.



NATIONALITIES

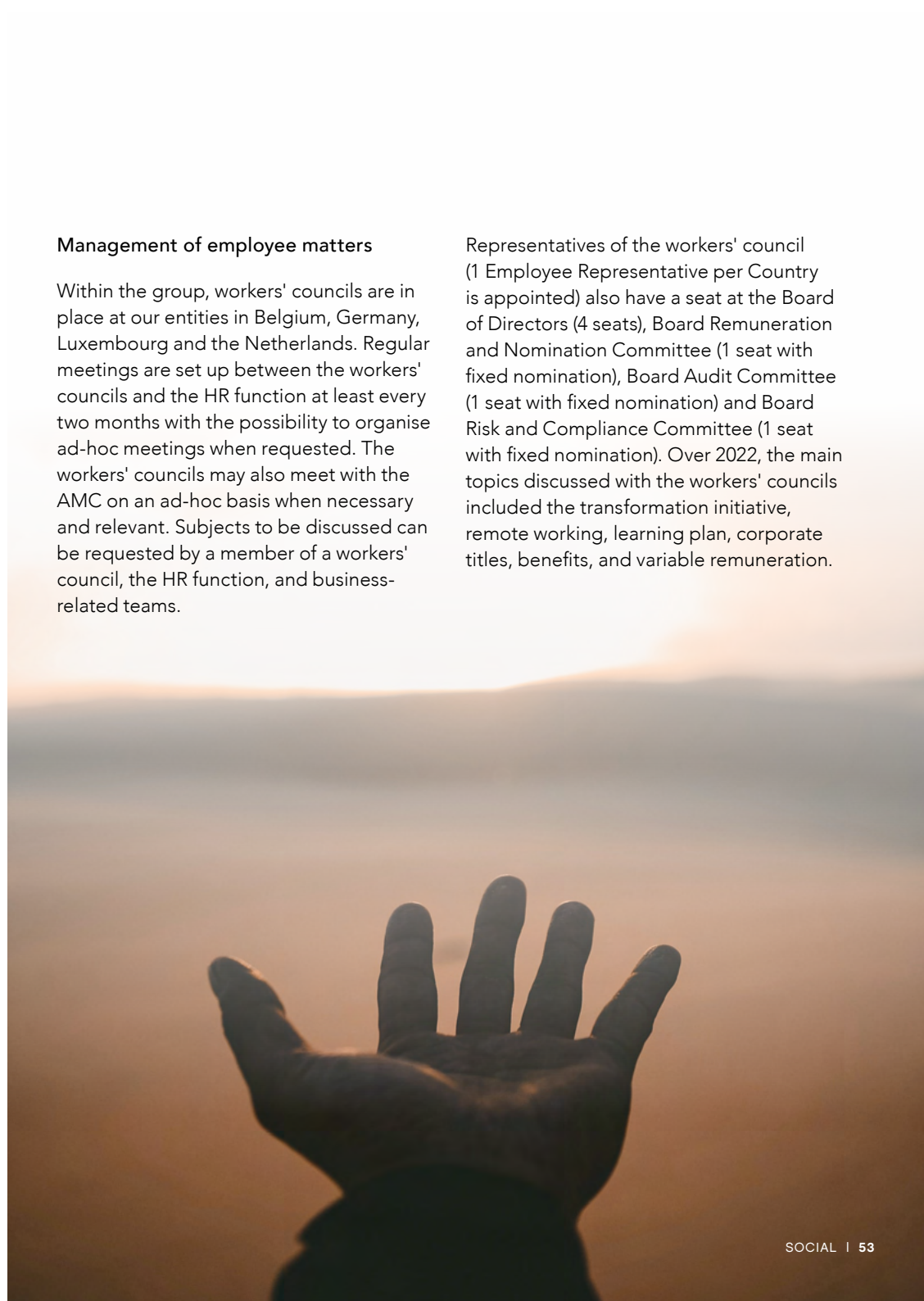
56

different nationalities
employed.

Management of employee matters

Within the group, workers' councils are in place at our entities in Belgium, Germany, Luxembourg and the Netherlands. Regular meetings are set up between the workers' councils and the HR function at least every two months with the possibility to organise ad-hoc meetings when requested. The workers' councils may also meet with the AMC on an ad-hoc basis when necessary and relevant. Subjects to be discussed can be requested by a member of a workers' council, the HR function, and business-related teams.

Representatives of the workers' council (1 Employee Representative per Country is appointed) also have a seat at the Board of Directors (4 seats), Board Remuneration and Nomination Committee (1 seat with fixed nomination), Board Audit Committee (1 seat with fixed nomination) and Board Risk and Compliance Committee (1 seat with fixed nomination). Over 2022, the main topics discussed with the workers' councils included the transformation initiative, remote working, learning plan, corporate titles, benefits, and variable remuneration.



4.2 Our communities

Social responsibility

Thanks to the motivation of our employees and our presence across a number of European countries and cities, Quintet has a unique opportunity to make a difference in the local communities we serve by acting as a responsible corporate citizen. That includes by contributing time and capital to laudable organizations and important ideas, serving as an agent of positive social change.

Key facts about our impact through our social responsibility involvement:



Over 52 organisations supported throughout the group



Over €685,000 donated to organisations by our group entities



Over 2,554 hours offered to organisations by volunteers from across our group entities

Figure 13: Extract of Quintet's societal impact

QUINET IN	KEY IMPACT AREA COVERED THROUGH SOCIETAL WORK IN 2022	EXAMPLE OF ORGANISATIONS SUPPORTED IN 2022
Luxembourg	<ul style="list-style-type: none"> - Humanitarian crisis relief - Health - Poverty 	<ul style="list-style-type: none"> - Caritas Luxembourg - Europa Donna Luxembourg - Fondation Autisme Luxembourg - Fondatioun Kriibskrank Kanner - Stemm vun der Strooss - UNHCR (Belgium) - UNICEF Luxembourg
Nordics	<ul style="list-style-type: none"> - Poverty - Children - Health 	<ul style="list-style-type: none"> - JunkFood - Smilfonden - KidsAid
Belgium	<ul style="list-style-type: none"> - Children - Health - Inclusion - Poverty - Entrepreneurship & international development - Humanitarian crisis relief 	<ul style="list-style-type: none"> - FABL – For a Better Life - Goods to Give - Ligue Nationale sclerose en plaques - Ondernemers voor ondernemers - WAPA – War-Affected People's Association - Women in Finance
Netherlands	<ul style="list-style-type: none"> - Financial education - Inclusion - Poverty 	<ul style="list-style-type: none"> - Bank voor de klas - Stichting Voedselbank Amsterdam
Germany ¹⁷	<ul style="list-style-type: none"> - Senior citizens - Children - Health - Animal welfare - Culture 	<ul style="list-style-type: none"> - Care for Rare Foundation - Whale and Dolphin Conservation - Clinic Clowns - International Fund for the Promotion of Culture and Civilization - Foundation Outpatient Children's Hospice
United Kingdom	<ul style="list-style-type: none"> - Gender - Diversity - Health - Children 	<ul style="list-style-type: none"> - Cambridge University Ladies Netball Club - WealthiHer - LGBT Great - Sports Connection Foundation - Aspire

¹⁷ Via the work done by the [Merck Finck Foundation](#).

Impact story – Belgium:

In 2022, 45 volunteers from our Belgian office joined forces in Antwerp and Charleroi for two “*Puilaetco Solidarity Days*” with Goods to Give, preparing a total of 3,537 boxes of goods for Ukrainian refugees.

Impact story – Netherlands:

Forty volunteers from our Dutch office took the time to deliver 30 boxes of food for the *Voedselbank* (food bank).

Impact story – Luxembourg:

Some 50 volunteers from our Luxembourg office participated in the *Relais pour la Vie* in March 2022, a global 24-hour event to run in support of cancer research.

The relationships we have with some of these organisations have been in place for a number of years: maintaining our support is proof of our commitment and allows them to more effectively focus on their long-term objectives.

4.3 Our products

Throughout 2022, we continued to seek to make a positive impact on society via our products. Our [Active Ownership Report](#) and [2022 Statement on principal adverse impacts](#) showcase our results for 2022 – read more about our impact in the [Product section](#).

Impact story – United Kingdom:

“

Brown Shipley has been a corporate member of LGBT Great since 2020 and their support makes our LGBTQ+ sustainability work across the financial services industry possible. We are proud to have Brown Shipley on board to help us realise our mission of empowering 100,000 people by 2030.

”

Matt Cameron (he/him),
Global Managing Director, LGBT Great

2022 CORPORATE
SUSTAINABILITY REPORT

GOVERNANCE

Governance



5.1 Internal governance

Oversight of sustainability:

Quintet’s work on sustainability has the potential to impact both our own organisation and stakeholders (e.g. our people, our facilities) and our external environment and stakeholders (e.g. our clients, regulators, local communities, etc.). As such, our work is overseen by several bodies to ensure issues and risks are identified and managed,

and decisions taken appropriately. These bodies include (in order of escalation): the Group Sustainability Steering Committee, the Group Investment Committee and the Group Product Committee¹⁸, the Authorized Management Committee (including its Risk Committee), and the Board of Directors (including its Risk Committee).

¹⁸ In 2023, the Group Product Committee and the Group Investment Committee were merged. As we provide the view as at 31st December 2022, this report provides the view of the set-up in place at the time.

Figure 14: Group governance around sustainability

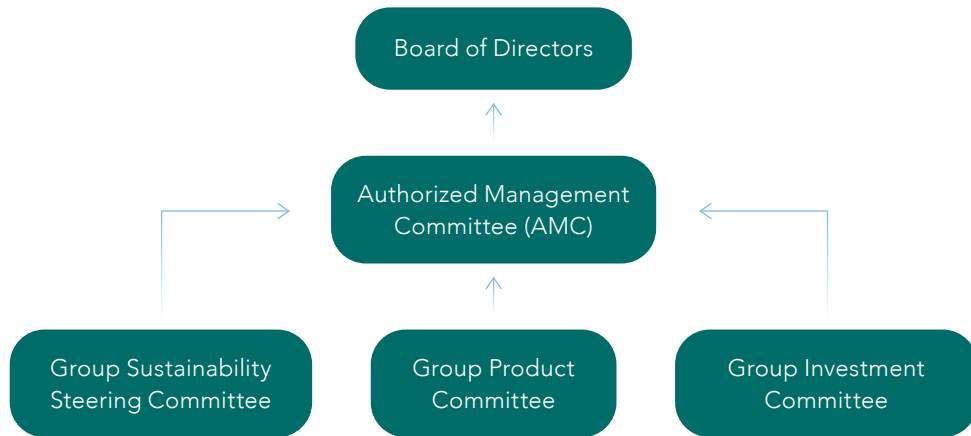


Figure 15: Oversight of sustainability topics across internal governance

Members	Description	Frequency	Extract of topics
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Board of Directors (BoD)

Members	Description	Frequency	Extract of topics
Please refer to our 2022 Annual Report	Supervises the implementation of Quintet's sustainability strategy and oversees its integration across our business model, culture, and behaviours.	Quarterly	<ul style="list-style-type: none"> - Climate-related and environmental (C&E) risks are raised at each quarterly BoD as part of the overall risk report. - Sustainable and ESG investments are discussed at each quarterly BoD as part of the overall investment performance update. - The Diversity, Equality & Inclusion policy was presented and discussed at the BoD in December 2022. <p>In addition, C&E risks were raised at each quarterly Board of Directors Risk and Compliance Committee.</p>

Authorized Management Committee (AMC)

Members	Description	Frequency	Extract of topics
Please refer to our 2022 Annual Report	Approves the corporate sustainability strategy and monitors its progress. Supports the implementation and further integration of sustainable practices.	Every fortnight	<p>Prior to implementation of the Authorized Management Risk Committee (AMRC), the C&E risk topic was included in the risk report snapshot presented on a monthly basis to the Assets & Liabilities Committee, a sub committee of the AMC.</p> <p>The topic of sustainable and ESG investments was discussed six times in 2022 either as part of an overall investment performance update, a dedicated sustainability strategy discussion or update on SFDR.</p> <p>In addition, the SFDR policies were reviewed and approved.</p> <p>The DE&I policy was discussed twice by the AMC and approved prior to submission to the BoD.</p> <p>In addition, the C&E risks were raised at each monthly AMRC as part of the overall risk report, which occurred twice in 2022.</p>

Group Investment Committee			
Members	Description	Frequency	Extract of topics
<ul style="list-style-type: none"> - Group and Local Chief Investment Officers - Group Head of Investment Management - Chief Economist - Head of ESG & Sustainable Investing - Senior Investment Strategist - Head of Fund management, KTL Conducting Officer - Head of BRM (Business Risk Management) - Group Chief Risk Officer - Head of Market Risk - Group Head of Regulatory Compliance 	Designs and monitors sustainability framework with a specific investment-focus, encourages innovation, and promotes the mobilization of assets towards sustainable solutions.	Monthly	<ul style="list-style-type: none"> - January 2022: discussion about Quintet Earth, a specific product launched as part of the ESG & sustainable investment offering in early 2022 - February 2022: discussion about various sustainability-related policies (accessible here on our website) ahead of validation at AMC - August 2022: presentation of the revised Sustainable Investment Framework

Group Product Committee			
Members	Description	Frequency	Extract of topics
<ul style="list-style-type: none"> - Group and Local Chief Investment Officers - Group Head of Investment Advisors - Group Head of Lending - Head of Product & Business Management - Group Head of ESG & Sustainable Investing - Group Head of Market Execution - Head of Structured Products & OTC Derivatives - Group Head of Alternatives & Direct Investments - Head of Belgian Market - Client advisors - KTL CEO and Conducting Officer - Group Head of Fund Solutions - Brown Shipley CEO - Head of BRM - GPS Head of Legal - Group Head of Compliance - Head of Group Operational Risk - Group Head of Regulatory Compliance - Head of Wealth Planning & Structuring 	Designs sustainability framework with a specific product focus, encourages innovation, and promotes the mobilization of assets towards sustainable solutions.	Monthly	<ul style="list-style-type: none"> - January 2022: update on the implementation of SFDR and MiFID II ESG changes - July 2022: update on the implementation of MiFID II ESG changes - September 2022: validation of the Sustainable Investment Framework and product scoring methodology - November 2022: validation of some changes to the Sustainable Investment Framework as well as other sustainability related documents for product rules - December 2022: validation of the Group Responsible Investment Policy, Group Sustainability Risks in Investments Policy, Group Active Ownership Policy. Discussion about the SFDR classification of bespoke solutions in the Netherlands.

Group Sustainability Steering Committee			
Sponsor: Head of Group CEO Office & Transformation Office	Oversees and steers the progress of key sustainability topics (e.g. integration of climate-related & environmental risks and integration of SFDR into products).	Monthly	<ul style="list-style-type: none"> - May 2022: expectations stemming from the ECB Guide on C&E risks; response provided by Quintet to the ECB on the thematic review; status on the ECB climate risk stress test; review of the Sustainability project governance - July 2022: update on the actions needed to fulfil ECB C&E expectations; high-level overview of market practices on the governance around sustainability; discussion around Quintet's current positioning regarding sustainability through its products, footprint and risk management approach. - September 2022: feedback received by the ECB on its C&E thematic review; action plan in order to tackle the feedback received by the ECB.
<ul style="list-style-type: none"> - Group Chief Investment Officer - Group Head of ESG & Sustainable Investing - Group Chief Financial Officer - Group Head of Regulatory Finance - Financial Regulation & Solutions team members - Group Chief Risk Officer - Head of Group Risk Modelling and Quantitative Analysis - Head of Group Transversal Risk Management - Transversal Risk Management team members - Brown Shipley Chief Risk Officer - Brown Shipley Head of Change 			

Additionally, specific sustainability topics are managed as projects, as is for example the case of the implementation of SFDR and MiFID II ESG requirements.

In view of the review of our corporate sustainability strategy, governance will be reviewed and potentially adapted to ensure it best supports our objectives.

Specifically, regarding sustainability reporting work at Brown Shipley, the local Chief Risk Officer is the sponsor of the programme that includes two workstreams: finance and risk reporting, and carbon footprint. The Brown Shipley CIO sponsors a third workstream on sustainable investing. Input is then brought forward to the local Sustainability Steering Committee, the local Executive Committee and finally reported to the Risk Compliance and Legal Committee of the Brown Shipley Board.

Strategy and objectives:

The non-project related governance will bear responsibility for reviewing and validating the proposed corporate sustainability strategy and objectives, as well as the roadmap of activities to implement said strategy and objectives.



BUSINESS ETHICS

Integration of sustainability into the organisation:

As part of the proposed strategy and objectives on sustainability, and as part of the work the bank will undertake to align with CSRD requirements, Quintet will identify the functions and areas of activities of the bank where sustainability shall be integrated. In 2022, sustainability concepts were integrated in the following areas¹⁹:

¹⁹ These are illustrative. A complete overview will be provided as part of our first CSRD report, in line with European Sustainability Reporting Standards.

In 2022 we revised our Code of Conduct to focus on its behavioural nature and remove any reference to any matter with no regulatory relevance. When acting on behalf of Quintet we will:

1. Act with integrity
2. Act with due skill, care, and diligence
3. Be open and cooperative with our regulators
4. Pay due regard to our clients' interest and treat them fairly
5. Observe proper standards of market conduct

In addition, those holding a senior manager role within Quintet also commit to:

1. Ensuring that the business of Quintet for which they are responsible is controlled effectively
2. Ensuring that the business of Quintet for which they are responsible complies with the relevant requirements and standards of the regulatory system
3. Ensuring that any delegation of their responsibilities is to an appropriate person and that they oversee the discharge of the delegated responsibility effectively

With this revision, our intention was to have a Code of Conduct that is simple, client-focused, principle-based, and easy to understand.

In terms of implementing the principles of the Code of Conduct:

- Since publishing of this updated Code of Conduct, our staff follows a mandatory training on it.
- Several controls have been put in place to ensure prevention of misconduct. For example: (i) Compliance set up controls regarding investor protection, ethics, fraud, bribery and corruption, internal governance, market abuse, AML and CTF; (ii) Senior managers in the front are informed of breaches by their team members via reporting from the BRM function; (iii) when defining their individual goals every year, each employee needs to set one goal related to the area of Risk, Controls and Governance, aiming at reinforcing a proactive risk culture across the bank.
- The group Code for Protection of Whistleblowers (reviewed in 2023) allows all employees to report anonymously serious and legitimate concerns about internal governance or matters that could cause any harm to Quintet's clients as well as any of its entities.



PROCUREMENT

In 2022, we revised our Supplier General Terms & Conditions, with accompanying guidelines to help different bank functions comply with these updated terms & conditions.

As part of the Supplier General Terms & Conditions, Quintet favours suppliers who share our principles and values, and requires them to be familiar and comply with the Supplier Code of Conduct, in accordance with applicable international and local laws and regulations, as well as applicable industry standards. Guidelines structuring Quintet's Supplier Code of Conduct cover:

- **Business ethics and integrity:** including anti-bribery, conflict of interest, fair competition, safeguarding of information, countering of fraud, corruption, money laundering, and tax evasion
- **People:** including zero tolerance of child labour, forced labour, harassment, and discrimination; assurance of a safe working environment; payment of salaries and employment benefits in line with local and industry specificities; avoidance of inhumane treatment; set up of whistleblowing mechanisms
- **Planet:** set up of an environmental policy, and responsible use of environmental resources

Quintet's Procurement team is involved in all purchasing processes when certain budget thresholds are surpassed, as well as when there may be a confirmed or potential environmental impact.

At Brown Shipley, sustainable considerations have been integrated within the due diligence process for providers. The due diligence report template to be completed by providers was updated at the end of 2022 to include the following questions:

- How is the supplier approaching sustainability?
- Does the supplier have a Modern Slavery Statement?
- How is the supplier contributing to the Paris Agreement and/or the Net-Zero target by 2050?



DATA PROTECTION

Quintet's group Data Protection Policy was updated in 2022.

Major enhancements include clear data protection accountability at different levels – from group/local function heads to group/local department heads/line managers – and recognition of Group DPO network support, including contact points in key functions (most exposed to data protection risks) in permanent interactions with centralized Group DPO function in Luxembourg and the UK.

This group Data Protection Framework consists of key principles applicable to data protection and procedures, amended based on regulatory updates related to data transfers outside the EEA/UK.

To ensure implementation of the above-mentioned changes, training sessions are organised for all line managers and all employees, and 1st and 2nd line-of-defence controls have been defined and implemented.



To enable impacted functions to integrate sustainability across their organisation, external guidance and exchange with peers is valuable. To that end, we participate in various working groups in different banking and finance associations across the countries in which we are active, for example the [Luxembourg Banker's Association](#) (ABBL) and the [UK Sustainable Investment and Finance Association](#) (UKSIF).

Management of sustainability-related risks:

Conscious of the impact sustainability can have on our activities, we have integrated sustainability-related topics within our risk management framework, with an initial focus on climate-related and environmental risks. Our [Pillar III Report](#) showcases how the risks faced by the bank are processed internally through each of its entities.

Sustainability risks have also been integrated in the investment process. In 2022, the [Group Sustainability Risks in Investments Policy](#) was revised. The policy goes hand in hand with the bank's low appetite for climate and environmental risk, in the context of the Risk Appetite Statement revised in Q4 2022. A low-risk appetite is thus required to be integrated across all investments made by Quintet. The revised policy:

- Identifies the main types of risks in the investment process:
 - o Climate and environmental risks to the investment
 - o Reputational risk to the investment
 - o Non-compliance risk to the investment
 - o Litigation risk to the investment
- Defines how sustainability risks should be managed in the investment process, namely through:
 - o Adherence to international standards
 - o Active ownership
 - o Exclusion
 - o Controversy monitoring
 - o ESG integration

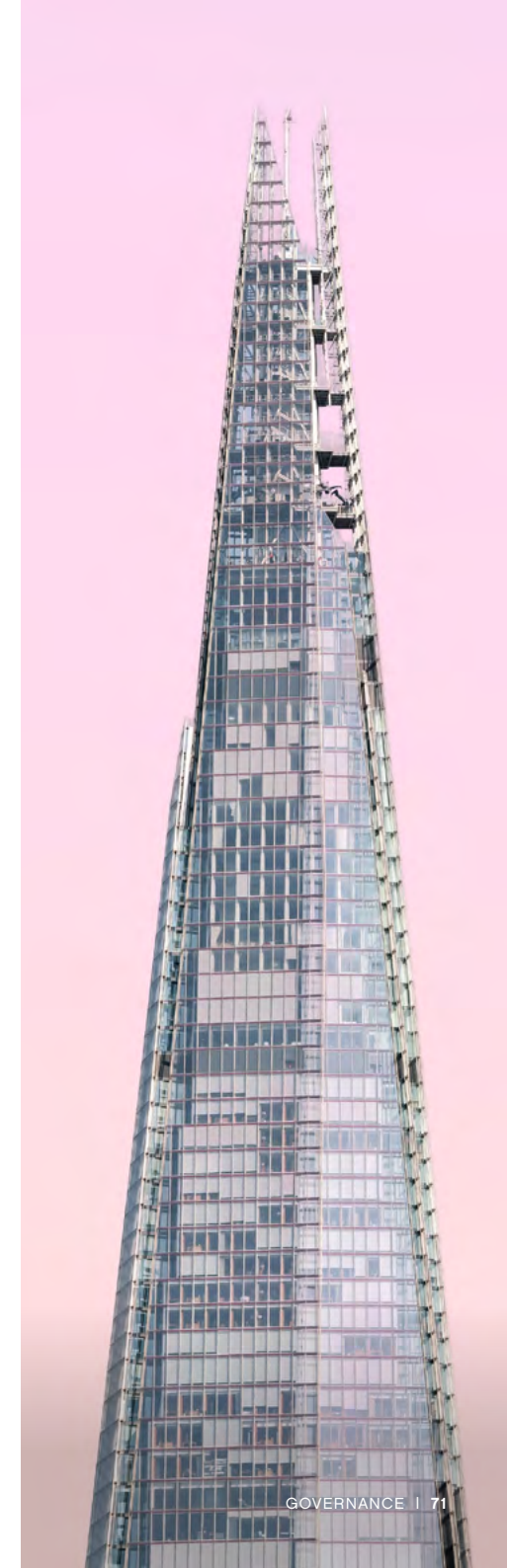
Compliance with disclosures and transparency requirements:

- In 2022, Quintet complied with all expected disclosures and requirements, including:
- [Pre-contractual documents](#), under SFDR
 - Periodic reports, under SFDR
 - [2021 PASI Statements](#) for Quintet as Financial Market Participant as well as Quintet as Financial Advisor, under SFDR
 - EU Taxonomy simplified disclosure, [see Annex](#)

Furthermore, the suitability process for portfolio management and advisory clients was amended to integrate clients' sustainability preferences. This is in line with the expectations of the relevant amendments to MiFID II, which entered into force in August 2022.

5.2 Governance within our product sustainability framework

As a central pillar of sustainability, we integrate governance factors into our Sustainable Investment Framework. Here good governance represents one of the three elements to consider when identifying instruments that are investible as per Quintet's framework. We check for good governance via an external data provider. Refer to the [Product section](#) for further information on how we integrate governance within our product approach.



2022 CORPORATE
SUSTAINABILITY REPORT

PRODUCT

Product



6.1 Product strategy

2021 saw the entry into force of the first notable regulations around sustainable finance (SFDR and the EU Taxonomy), which led us to reflect on sustainability within our investment approach. Following the implementation of the first SFDR regulatory requirements in 2021, 2022 was a year of revisiting and consolidating:

- We revised our [Sustainable Investment Framework](#)
- We started an objective review of our instrument and portfolio analysis based on +100,000 data points, to ensure our Sustainable Investment Framework was integrated
- We revised our Investment Philosophy

These revisions were prompted by the evolution of the market and environment in which we operate, and the assessment we could make of the level of adaptability and resilience of our former sustainable investment approach to the evolving market and environment. Regulatory requirements have clarified and matured, in particular when it comes to the prevention of green-washing coupled with the expectation that clients' sustainability preferences be included in suitability assessments. To ensure we continue to serve our clients with quality, fairness, and transparency, while contributing positively to the planet and society, we deemed it necessary to review our Sustainable Investment Framework and identify any need for adjustments.²⁰

²⁰ Nota bene: in 2022, from a product perspective sustainability was integrated in the investment products. In 2023, we are assessing how to integrate sustainability in our lending approach, starting from the changes to our group Credit Policy in order to integrate the consideration of ESG factors in loan origination and monitoring.



Sustainable Investment Framework:

In general²¹, our Sustainable Investment Framework is structured across three pillars; if a company meets all requirements across all pillars, its investment instruments are considered as sustainable according to Quintet's proprietary framework. To be noted: our Sustainable Investment Framework only applies to single lines; for third-party funds we rely on our Fund Selection team to perform the appropriate due diligence.

²¹ Complete information about Quintet's Sustainable Investment Framework is [available online](#).



Pillar 1: Contribution to an environmental or social objective, where the data that is considered is whether the company's activities:

- Align with the EU Taxonomy
- Are sustainable
- Are linked to low-carbon intensity and ESG risks
- Are related to healthcare and education



Pillar 2: Do no significant harm (DNSH) principle, considering:

- Principles of international frameworks such as the UN Global Compact principles, OECD guidelines for SMEs and UN Guiding Principles for Business & Human Rights
- Thresholds set for principal adverse impacts (PAI) defined by SFDR



Pillar 3: Good governance, ensuring that companies are not involved in severe controversies related to governance matters.

Governance matters can include sound management structures, employee relations, remuneration of staff and tax compliance. In addition, Quintet expects the companies to comply with the UN Global Compact Principles, which include commitments to anti-corruption and labour relations to satisfy the good governance pillar.



Our Sustainable Investment Framework firmly relies on data

Our approach is driven by data:

- Before investing in a company, we analyse the environmental and social characteristics across 190+ data points.
- Being data-driven is engrained throughout the entire ESG integration process, from exclusions to identifying sustainable companies.
- Using a data-driven approach ensures we provide a consistent view that allows for comparability and a clear methodology.
- 190+ data points across all sectors: By using materiality we ensure that the right data point is used for the right purpose.

Based on data, our Article 8+ flagship funds²² adhere to EU SFDR guidelines and meet the following criteria:

- **At least 85% of investments adhere to environmental and social (E&S) characteristics:** the bulk of a portfolio is invested in instruments meeting E&S characteristics. This includes, for example, funds classified as Article 8 or 9, and single-line bonds or equities meeting our in-house sustainable and ESG investment process.

- **At least 20% of investments should be sustainable investments:** each instrument carries a percentage exposure to sustainability. When aggregating all these sustainable exposures, a portfolio must carry at least 20% exposure to these sustainable instruments.

- **At most 15% of the portfolio is allocated to “other” vehicles,** or cash and commodities, which have no E&S goals and are only allowed for hedging and diversification purposes.

²² Refer to the SFDR text.





The below summarises how our ESG and sustainable investment approach relies on data, regulatory requirements, research and important governance aspects such as active ownership and transparency:

Figure 16: Screening approach for companies and funds

Sustainable screening of individual companies:

- 1 **Filter for negative effects:**
Screening for negative activities with Sustainalytics data
- 2 **Filter for controversies with Sustainalytics data**
- 3 **Identification of sustainability of products and services & financially material ESG risk factors**
- 4 **Identification of whether the instrument is sustainable:**
 - 1) Contribution to an environmental or social objective
 - 2) Do No Significant Harm (DNSH) principle
 - 3) Good governance

Sustainable screening of funds: we rely on five key pillars of fund selection

-  **Intentionality:**
Explicit and intended links to sustainability in fund objective
-  **Portfolio characteristics:**
Sustainable characteristics across holdings and portfolio construction
-  **Research:**
Sufficient skill, capacity and tools embedded in methods and processes
-  **Active ownership:**
High-quality voting and engagement supported by clear policies
-  **Transparency:**
Frequent reporting on voting, engagement and progress on sustainable targets

Consideration of Principal Adverse Impacts

Our [2022 Statement on principal adverse impacts](#) provides insights into the principal adverse impacts of Quintet's investment decisions on sustainability factors. As this statement covers investments where Quintet was responsible for the investment decision-making, it does not cover investments made by Quintet's clients within Quintet's Advisory and Execution Only propositions, nor the investments of Quintet subsidiaries that manage mutual funds.²³ While all PAIs described in the statement are directly or indirectly influenced through the different methods and criteria Quintet follows as part of its [Responsible Investment Policy](#), the indicators that are most explicitly embedded in the Quintet Responsible Investment Policy are PAI indicator 4 (companies active in the fossil fuel sector) through the exclusion criteria for single lines related to thermal coal, PAI 10 (violations of UN Global Compact Principles and OECD Guidelines for Multinational Enterprises) through the combined engagement and exclusion approach for single lines related to companies that are considered to be in violation thereof, and PAI 14 (involvement in controversial weapons) through the exclusion criteria for single lines related to company involvement in controversial weapons.

²³ Being Financial Market Participants as per SFDR definition, these entities prepare their own Statement on principal adverse impacts.



6.2 Resulting outcomes

ESG & sustainable assets:

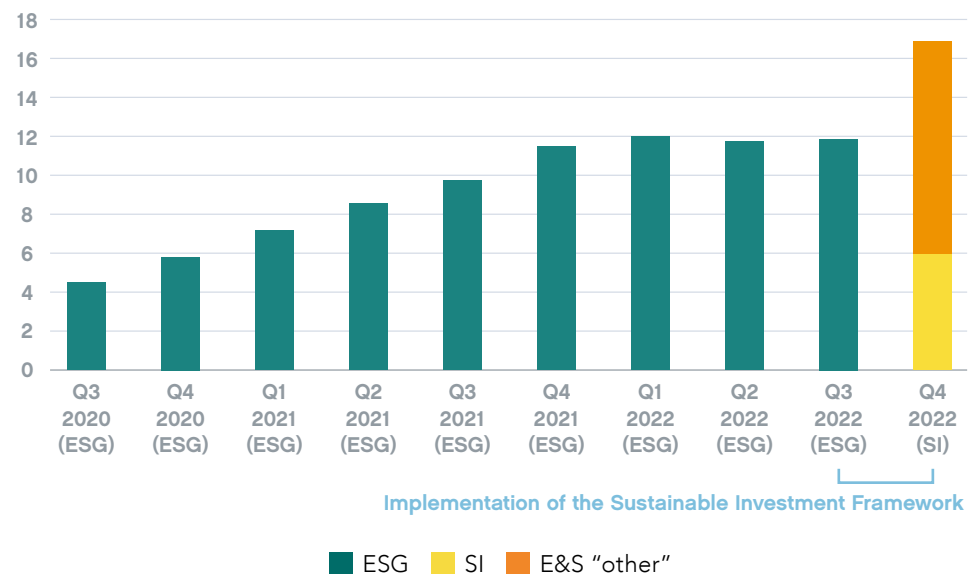
When assessing how assets contributed to sustainable investing, the recent revision of our Sustainable Investment Framework, in line with SFDR definitions, should be kept in mind.

Until Q3 2022, our calculations were limited to investments made in third-party ESG funds and reflected a broader definition of sustainability. Starting from Q4 2022 onwards, we implemented the Sustainable Investment Framework, and

have been able to calculate our sustainable AUM with greater accuracy, as defined by SFDR. With the implementation of the Sustainable Investment Framework, we are also now able to include a larger scope covering investments made via single lines, on top of the previous scope which only covered funds.

The below shows the evolution from 2020 until Q4 2022, with a double view for the latter to illustrate ESG investments that are sustainable and those that have environmental and social characteristics.

Figure 17: Evolution of our ESG assets under management over time



Active ownership:

We engage as active owners because we are convinced that when companies adopt sustainable practices they become better businesses, which benefits investors, society and the planet. Through our Active Ownership Policy²⁴ and activities, we are implementing one of the UN Principles for Responsible Investment, to which we are a signatory: "We will be active owners and incorporate ESG issues into our ownership policies and practices."

We use our voice to press for positive change through a combination of dialogue with companies and voting at shareholder meetings. That is what is meant by "active ownership", which constitutes a key part of our investment strategy.

Summary of our voting and engagement approach (see next page):

²⁴ Our group Active Ownership Policy is [accessible here](#).



VOTING APPROACH

- Our voting activity is organised in an Active Ownership group and we have partnered with **Glass Lewis**, a proxy voting provider, to provide research and technically implement voting. The Active Ownership group monitors the recommendations made by Glass Lewis to ensure consistency is maintained with our voting policy.
- **Voting priorities** include: composition, independence, and accountability of the board; disclosure and transparency; long-term sustainable value creation; executive compensation and alignment with long-term interests of shareholders and key stakeholders; rights of shareholders; shareholder proposals.
- **We vote** for direct line equities in portfolios of our in-house funds managed by Brown Shipley, InsingerGilissen Asset Management N.V. and Kredietrust Luxembourg S.A. (Rivertree and Essential Portfolio Selection fund ranges).

- **We will not vote** where:
 - o Across applicable Quintet holdings the exposure totals less than €500,000 unless the company is involved in a severe controversy, as defined by ourselves or one of our service providers
 - o Additional costs and/or barriers are deemed prohibitive by the Active Ownership group
- Quintet's Active Ownership group will discuss in detail the shareholder meetings' agenda items:
 - o Where across applicable Quintet holdings the exposure totals more than 1% of the company's outstanding shares
 - o Where across applicable Quintet investments we represent more than €20 million
 - o Where the company is involved in a severe controversy
 - o Upon the request of equity portfolio managers, or members of the Active Ownership group



ENGAGEMENT APPROACH

- We work with EOS at Federated Hermes (EOS) to conduct engagement on our behalf. We believe that working with a third-party company that engages on our own but also others' behalf results in a collaborative effort facilitating the more effective steering of decisions and change in the companies with which we engage.
- We have instructed EOS to focus on companies that violate the principles of the UN Global Compact, or that are involved in significant ESG controversies.
- The engagement priorities reflect the most material drivers of long-term value, with four priority themes: climate change, human and labour rights, human capital management and board effectiveness and ethical culture.
- Engagement priorities are reviewed annually, and we provide our insights and priorities as part of the priority-setting process with our service provider.
- In addition to engagement for direct lines, we also engage with external fund managers to communicate our beliefs and to understand theirs, and for insight into their active ownership policy and practices.



All the votes we have cast in 2022 are publicly disclosed after each company's shareholder meeting, and we publish them on this [webpage](#). We provide regular updates about our active ownership activities during the year and publish a full-year report to provide more context and information to our clients. Our Active Ownership Policy is available on [Quintet's website](#).

Key voting facts 2022:

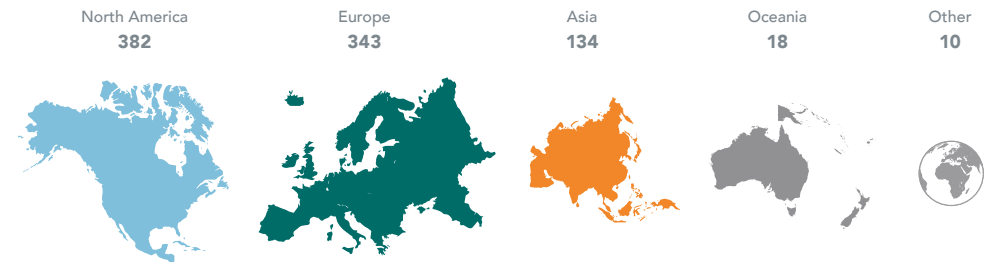


11,984
Proposals voted upon

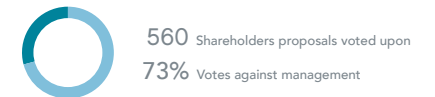
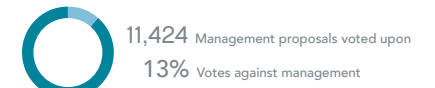
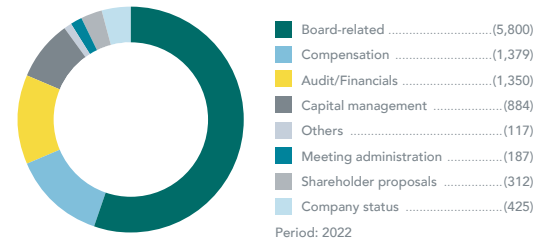


887
Shareholder meetings

BREAKDOWN OF MEETINGS BY GEOGRAPHY



PROPOSALS VOTED BY CATEGORY



All categories of impacted proposals and related reasons for voting against management are described in our [2022 Active Ownership Report](#).



Support of environmental proposals: ~93%. Almost triple the industry average.²⁵



Support of social proposals: ~80%. More than triple the industry average.²⁶



We voted against the election of approximately 340 directors due to failures to address gender diversity.

²⁵ As per Glass Lewis Proxy Season Review 2022, support levels for environmental proposals was at 35%. Report accessible [here](#).

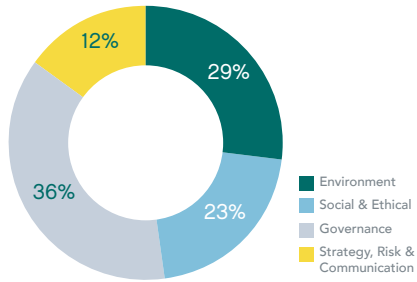
²⁶ As per Glass Lewis Proxy Season Review 2022, support levels for social proposals was at 25%. Report accessible [here](#).

Key engagement facts:

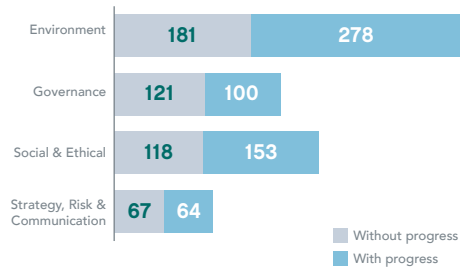


750 Companies engaged on **3,146** ESG issues by our engagement partner EOS.

COMPANIES ENGAGED: BREAKDOWN OF ISSUES AND OBJECTIVES BY THEME



NUMBER OF ENGAGEMENTS SEEING PROGRESS:



PROGRESS IS TRACKED AGAINST FOUR MILESTONES WE SEEK TO ACHIEVE:



82 Article 8 & 9 funds selected



100% of active fund managers interviewed as well as engaged



100% of sustainable funds having signed the PRI



A **due diligence** questionnaire is used to assess ESG funds



5 experts dedicated to sustainable fund selection

Impact story: Walt Disney

- We engaged with the Walt Disney Company, which has recognised the need to amplify under-represented voices, and the importance of accurate representation in media and entertainment.
- The company has created two senior leadership councils focused on DEI in the workforce and content. We also welcomed the company's intention to advance representation for people of colour and other diverse groups in front of and behind the camera. We see this in its film Encanto, which depicts a Colombian family.
- We encouraged the company to set and disclose qualitative and quantitative DEI goals, and we expect its content representation dashboard to provide a baseline to support this.

Source: EOS.



Impact story: Microsoft

- Tech giant Microsoft found its own culture under scrutiny when it announced plans to buy Activision Blizzard in January 2022. In Q1 2022 we engaged with Microsoft on a 2021 shareholder proposal that had gained 78% support, asking the board to report on the effectiveness of its workplace sexual harassment policies.
- The company said that its communications on these issues had improved. It also committed to annual public reporting on the implementation of its sexual harassment and gender discrimination policies, including the total number of reported concerns, the percentage substantiated and the types of corrective actions taken.

We appreciated this transparency and encouraged it to integrate its policies and practices at Activision Blizzard when/if the acquisition closes.

- EOS forwarded to Microsoft our expectations for board oversight of sexual harassment and discrimination issues that we had sent to the Activision board. EOS were pleased to receive Microsoft's first report on its workplace culture with an independent review via email in late 2022.

Source: EOS.

As evidence of our work towards integrating ESG and sustainability in our products and offering, Quintet received the "Highly Commended"²⁷ mention at the 2022 Private Banker International Global Wealth Awards in the category "Best Bank for Sustainability and ESG Leadership".

In addition, one way of integrating ESG matters in our product offering is by partnering with financial institutions that are structuring funds in such a way already. For example, our partnership with Triodos Investment Management allows us, for our discretionary portfolio management clients who choose to opt for this mandate, to participate in equities contributing to at least one of Triodos' sustainable transition themes.²⁸ At the end of 2022:

- Total investments in the sustainable investment mandate in partnership with Triodos was 1.142 billion EUR in assets.
- Engagement by Triodos on funds in which we invest was initiated on 370 occasions, through ESG and business topics in the following proportion: 77% business topics, 31% environmental topics, 24% social topics, 15% governance topics.

For a complete view of our 2022 active ownership results, please visit our [2022 Active Ownership Report](#).

²⁷ "Highly Commended" corresponds to the runner-up position behind the "Winner" award. [See here](#) for the news published on our website.

²⁸ Sustainable transition themes include: renewable resources, circular economy, sustainable mobility and infrastructure, sustainable food and agriculture, innovation for sustainability, prosperous and healthy people, social inclusion and empowerment.



2022 CORPORATE
SUSTAINABILITY REPORT

ANNEX

Annex



This section contains information that complements the disclosures provided elsewhere in this report:

A. Sustainability regulatory framework:

While sections of this report make reference to sustainability-related regulations on which work has been conducted in 2022, this section of the Annex provides the overall picture.

B. EU Taxonomy simplified disclosures:

This section contains the EU Taxonomy disclosure as expected for 2022, i.e. focusing on climate-change objectives that today have a Delegated Act (climate-change mitigation and climate-change adaptation) and focusing on EU Taxonomy eligibility only.

C. CO₂ emissions with ecoinvent

2.2 method: As addressed in the Environmental section, myclimate's calculations of CO₂ emissions rely on the ecoinvent database. This database is continuously updated, and calculations following one version of the database could therefore appear different from calculations following another version of the database. 2022 emissions were calculated based on the ecoinvent 3.6 database and to allow comparison with previous years; previous years' emissions were also recalculated based on the same database version. However, these previous years' emissions calculations do not provide the same outcome as in the 2021 CSR report, which followed the ecoinvent 2.2 database. Hence, for comparison purposes, this section of the Annex reports emissions calculated based on the ecoinvent 2.2 database.

D. Implementation of the fundamental conventions of the International Labour Organisation:

The Non-Financial Reporting Directive (NFRD) being the regulatory framework for the preparation of the CSR report, this section of the Annex aims to disclose how we abide by the fundamental conventions of the International Labour Organisation, as required by the NFRD. Given that such alignment did not undergo any specific changes in the course of 2022, we did not include this information in the main body of this report.

E. Quintet's three-line-of-defence model (3LoD):

In the same spirit of providing information related to items required by the NFRD, we explain how our bank's governance is structured, beyond solely the sustainability topic. This can be read in conjunction with section 1.2 on the Quintet business model and section 5.1 on internal governance.

F. Supply chain due diligence obligations of Union importers of gold originating from conflict-affected areas and high-risk areas:

We consider ourselves a Union importer of gold as per Regulation (EU) 2017/821 when we purchase gold from our sole supplier, which is based in Zurich, Switzerland. While we consider that none of our gold import transactions fell within the scope of this Regulation in 2022, this section of the Annex summarises the verifications we perform during physical vault handling.



A. Sustainability regulatory framework

The below summarises at a high level the key sustainability-related areas where extensive regulatory work was performed in 2022. Further details can be found in the relevant section of this report.

Figure 18: Main areas of sustainable finance regulations with actions taken in 2022

REGULATORY DRIVER	DONE IN 2022:
SFDR	- Pre-contractual documents prepared for Quintet as Financial Market Participant - Start of preparation for periodic reporting - PASI Statements
EU Taxonomy	- Simplified disclosures for eligible activities
MiFID II - ESG	- Integration of clients' sustainability preferences through questionnaires, system controls and training for front office
ECB Guide on Climate-related and environmental risks	- Ongoing work to meet ECB expectations listed in the Guide
Pillar III	- Public disclosure of ESG risks

B. EU Taxonomy simplified disclosures

Regulation background

Delegated Act of 6/7/2021 pursuant to Article 8 of the EU Taxonomy Regulation 2020/852 defines simplified reporting requirements for credit institutions on a consolidated basis for the financial years 2021 and 2022. The publication by financial institutions of the Green Asset Ratio in accordance with Appendix V of the Delegated Act of 6 July 2021 section 1.1.2. will become mandatory for financial year 2023.

Disclosures entail Taxonomy eligibility reporting where eligible assets are those identified in the EU Taxonomy with the potential to be aligned with one of the environmental objectives.

Taxonomy eligibility of an asset does not give any indication on the environmental performance and sustainability of the corresponding activities. It is a preliminary

step prior to assessing, starting with financial year 2023, the alignment of assets provided they fulfil:

- Technical Screening Criteria
- Do No Significantly Harm criteria
- Minimum safeguards

Those criteria are laid out in the EU Taxonomy Regulation and subsequent Delegated Acts.

Scope of financial assets subject to the eligibility analysis

Data used for reporting eligible assets are the same as those used for prudential reporting, and the financial assets reported are recorded at gross carrying amount without taking into account any impairment, as per annex V.²⁹

²⁹ In the context of taxonomy eligibility reporting, the same principles as taxonomy alignment reporting (as defined in Appendix V of Delegated act of Article 8 of Taxonomy regulation) shall be used to ensure comparability. Please refer to "[How should financial and non-financial undertakings report taxonomy-eligible economic activities and assets in accordance with the Taxonomy Regulation Article 8 Disclosures Delegated Act?](#)"

B. EU Taxonomy simplified disclosures (continued)

The first step in determining the eligibility of financial assets is to identify the scope of assets subject to analysis. This is achieved by excluding certain categories of assets listed in Article 10 of the Delegated Act of July 2021, combined with Article 7 of the same Act. The excluded categories are:

- Hedging derivatives
- Exposures to central governments, central banks, and supranational institutions
- Exposures to undertakings not required to publish non-financial information under EU Directive 2013/34/EU
- The trading book
- On-demand interbank loans

Appendix V of the Delegated Act defines the total hedged assets that are subject to eligibility analysis. These include various categories of financial assets, such as those measured at amortised cost and fair value, investments in subsidiaries and joint ventures, and collateral obtained by taking possession. This analysis covers a broad range of financing activities across the EU, encompassing loans, debt securities, and equity investments across different economic sectors and customer types.

It is worth noting that certain assets—such as cash and cash-related items, property, plant, and equipment, and intangible assets—are excluded from the eligibility analysis. However, these items are still included in the denominator of the eligibility ratios.

Methodology

EU Taxonomy disclosures for 2022 relate to exposures to Taxonomy-eligible and non-eligible assets. The disclosures only cover the two first environmental objectives, climate change mitigation and climate change adaptation, as no Delegated Act relating to the four remaining environmental objectives has been adopted at this stage.

Given the specific business model of Quintet, with a focus on private banking and asset servicing, few counterparties are meeting NFRD criteria and publishing KPIs in this regards.

The analysis of the eligibility of financial assets is based on a two-step approach:

1. Identification of real estate loans: these exposures are eligible in their entirety.
2. Identification of exposures to companies subject to the NFRD: Quintet eligibility assessment is performed based on KPIs directly disclosed by the counterparties in the context of the Delegated Act of 6/7/2021 pursuant to Article 8 of the EU Taxonomy Regulation.

Figure 19: EU taxonomy eligibility reporting

	GROSS AMOUNT (IN EUR MILLION)	% COVERED ASSETS*	% TOTAL ASSETS**
Taxonomy eligible activities	1,408	18.51%	9.73%
Taxonomy not eligible activities	2,175	28.60%	15.03%
Counterparties not subject to NFRD	2,868	37.71%	19.82%
On-demand interbanks loans	422	5.55%	2.92%
Derivatives	243	3.20%	1.68%
Other assets	488	6.42%	3.38%
TOTAL COVERED ASSETS	7,605	100%	52.56%
Governments and central banks	6,501		44.93%
Trading portfolio	364		2.51%
TOTAL ASSETS (EXCL. IMPAIRMENT)	14,460		100.0%
TOTAL ASSETS PER ANNUAL REPORT	14,441		

*Covered assets are defined in the Commission Notice § 21 (2022/C 385/01).

**Art. 10 Delegated Act of Article 8 of the EU Taxonomy Regulation 2020/852.

C. CO₂ emissions with ecoinvent 2.2 method

For reference and transparency purposes we provide below CO₂ emissions already disclosed in our 2021 CSR report following the previous ecoinvent 2.2 methodology, together with 2022 CO₂ emissions following ecoinvent 2.2 methodology.

Figure 20: Total carbon footprint, t CO₂e – ecoinvent 2.2 methodology

2019	13,393.1
2020	7,531.8
2021	7,601.1
2022	8,626.2 (increase by 17%)

Figure 21: Total carbon footprint per FTE, t CO₂e – ecoinvent 2.2 methodology

2019	7.4
2020	4.0
2021	4.0
2022	4.9 (increase by 21%)

Figure 22: Carbon footprint by scope, t CO₂e – ecoinvent 2.2 methodology

	SCOPE 1	SCOPE 2	SCOPE 3
2019	2,754.1	3,428.7	7,210.3
2020	2,236	939	4,356.8
2021	2,717.3	842.5	4,041.4
2022	2,557.2 (30% of total) (decrease by 6%)	182.1 (2% of total) (decrease by 78%)	5,886.9 (68% of total) (increase by 46%)

Source (Figures 20-22): Myclimate calculations.

Figure 23: Carbon footprint by activity, t CO₂e – ecoinvent 2.2 methodology

	2019	2020	2021	2022
TOTAL	13,393.1	7,531.8	7,601.1	8,626.2
ENERGY	5,831.1	2,768.5	2,628.1	1,455.6 (17% of total)
Electricity	4,254.6	1,076	910.6	90.8
Digital working	297.7	363.3	340.2	312.4
Heating & cooling	1,278.7	1,329.1	1,377.3	1,052.4
MOBILITY	3,593.8	1,911.3	1,669.6	3,130.9 (36% of total)
Commuting	2,561.5	1,561	1,165.1	2,042.5
Business travel & overnight stays	1,032.3	350.3	504.5	1,088.4
TRANSPORT	2,765.8	2,023.1	2,753.5	2,924.6 (34% of total)
Fuel consumption company owned vehicles	2,755.9	2,008.6	2,732.7	2,915.3
Transport third party	9.8	14.5	20.8	9.3
FOOD & BEVERAGES	669.2	227.1	213	453.4 (5% of total)
Beverages	155.4	75	49.9	92.9
Snacks & meals	513.8	152.1	163.1	360.5
MATERIAL	452.1	556.9	296.7	601.9 (7% of total)
Office material	92.7	60.1	54.2	86.6
Tap water	4.1	3.3	3.3	3.1
Printed matter	49.7	57.9	48.8	41
IT materials	305.6	435.6	190.4	471.1
WASTE & RECYCLING	81.3	44.9	40.1	59.7 (1% of total)
Waste to incineration	66.5	35.1	28.6	45.3
Recycling waste	6.4	3	4.5	8.2
Waste water	8.4	6.7	7	6.3

Source: Myclimate calculations.



D. Implementation of the fundamental conventions of the International Labour Organisation

Quintet is active in different countries that have all ratified and implemented within their local labour-related legislation the fundamental conventions of the International Labour Organisation. None of the Quintet entities is in breach with the local labour-related legislation. This is further reinforced by the existence of different Labour Inspection Authorities in the different countries making sure that the local labour law, and consequently the fundamental conventions, are respected.

In addition, to ensure the respect of the fundamental conventions, Quintet relies upon the following:

- Human Resources ("HR"): our recruitment and onboarding process ensure that the employee or trainee has the possibility to work from a labour law perspective. No individual can start working for Quintet if they have not been addressed to HR. HR conducts an annual equal pay review and takes this opportunity to align remuneration if required.
- Staff Delegation: regular meeting with employee representatives are in place at nearly all our entities.
- Collaboration with the Labour Inspection Authorities in case of control or information requests.
- Legal Council: Quintet regularly seeks advice from legal counsel via internal legal counsel or external legal counsel specialised in Labour Law.

E. Quintet group's three-lines-of-defence model (3LoD)

First line-of-defence:

The first line-of-defence (or 1LoD) represents the risk-owning functions. The operational business lines (eg. front office) have primary accountability for the day-to-day management, control and reporting of risk exposures in accordance with the risk appetite, strategies and policies set by the Board of Directors and implemented by the AMC and the management of branches and subsidiaries. In respect of the branches, the AMC and the Branch Country Manager monitor the overall risk profile on a regular basis (with the support of the second line-of-defence) and ensure that adequate financial resources are maintained.

Second line-of-defence:

The second line-of-defence (or 2LoD) represents the risk-monitoring functions (i.e. Risk Control function & Compliance function). The aim of the second line-of-defence is to ensure independent risk oversight from the business lines, monitoring and reporting to governing

bodies on the effectiveness of the risk management structure to efficiently address the various risk exposures. In particular, the above-mentioned functions perform key controls such as reconciliation, confirmation of accounts and transactions, follow up of operations and first line-of-defence controls, etc. by leveraging the risk and compliance framework of the group and in close cooperation with the local teams of risk and compliance in the branches and subsidiaries.

Third line-of-defence:

The third line-of-defence (or 3LoD) represents the risk-assurance function performed by Group Internal Audit. This line-of-defence provides independent assurance on the quality of risk identification, measurement, management and control processes throughout the group.

F. Supply chain due diligence obligations of Union importers of gold originating from conflict-affected and high-risk areas

We consider ourselves a Union importer of gold when we purchase gold from our sole supplier, which is based in Zurich, Switzerland. As the gold we purchase is deposited in our vault in Luxembourg, we consider Regulation (EU) 2017/821²⁹ as a framework for supply chain due diligence requirements.

In 2022 we did not have any gold import transactions that we considered within the scope of the obligations of the said regulation, due to the transactions' volume thresholds.

Regardless of volume thresholds, when such gold import transactions do occur, we follow a strict physical vault handling procedure. In addition, when necessary – i.e. when the volume thresholds of imported gold are surpassed – we ask our supplier to provide us with a “supply chain proof” letter.

²⁹ Regulation (EU) 2017/821 of the European Parliament and of the Council of 17 May 2017 laying down supply chain due diligence obligations for Union importers of tin, tantalum and tungsten, their ores, and gold originating from conflict affected and high-risk areas. Regulation accessible [here](#).





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