

Statement on Principal Adverse Impacts of investment decisions on sustainability factors

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Financial Market Participant

VR-Bank Bonn Rhein-Sieg eG

Legal Entity Identifier: 5299007Z9DGHSB1PQ447

Summary

VR-Bank Bonn Rhein-Sieg eG considers the principal adverse impacts of its investment decisions on sustainability factors. This statement is the consolidated disclosure on the principal adverse impacts on sustainability factors for the bank's financial portfolio management activities.

This statement covers the reference period from 1 January to 31 December 2025.

VR-Bank Bonn Rhein-Sieg eG applies the strategies described below to identify and prioritize principal adverse impacts on sustainability factors.

By combining ESG integration, clearly defined exclusion criteria, targeted PAI management, and continuous monitoring, VR-Bank Bonn Rhein-Sieg eG ensures that negative impacts on sustainability factors are systematically identified, assessed, and reduced.

ESG Integration and Sustainability Approach

VR-Bank Bonn Rhein-Sieg eG systematically integrates ESG criteria (environmental, social and governance) into all key stages of the investment process. Sustainability indicators covering environmental, social, employee, human rights, and anti-corruption matters are used to identify and assess adverse impacts on sustainability factors.

Classification under the Sustainable Finance Disclosure Regulation

VR-Bank Bonn Rhein-Sieg eG focuses on financial products with sustainability characteristics in accordance with Regulation (EU) 2019/2088 (*the Sustainable Finance Disclosure Regulation, "SFDR"*), in particular products classified under Article 8 (products promoting environmental and/or social characteristics) and Article 9 (products with a sustainable investment objective).

PAI Management

VR-Bank Bonn Rhein-Sieg eG reports quantitatively on principal adverse impacts on sustainability factors (*Principal Adverse Impacts – "PAIs"*) and prioritizes selected indicators linked to the UN Sustainable Development Goals ("SDGs"). In financial portfolio management with sustainability characteristics, exclusion criteria and threshold values are applied, among other measures. Additional environmental and social indicators, such as air pollutants and accident rates, are also considered.

Details of the principal adverse impacts on sustainability factors, as well as the measures taken and planned, can be found in the section "Description of the principal adverse impacts on sustainability factors" of this statement.

Exclusion Criteria

Exclusion criteria are a key tool for limiting negative sustainability impacts. Issuers with severe adverse impacts are excluded, particularly companies involved in controversial business activities or countries associated with human rights violations.

Monitoring, Controls, and Data Quality

All potential investments are reviewed before inclusion and on a regular basis thereafter to ensure compliance with the defined sustainability criteria and thresholds. If threshold values are exceeded, the relevant financial instruments are removed from the investment universe. Data is sourced from Morningstar and integrated directly into the bank's internal processes. Data quality is ensured through regular plausibility checks and coverage monitoring.

Handling Uncertainty and Margins of Error

The bank acknowledges that margins of error may arise when determining sustainability impacts due to differences in data availability and quality. However, the combination of PAI management and exclusion criteria is designed to ensure the broadest possible consideration of principal adverse impacts.

Engagement Policy

VR-Bank Bonn Rhein-Sieg eG does not currently pursue an active engagement policy.

Reference to International Standards

VR-Bank Bonn Rhein-Sieg eG aligns its approach with international standards such as the Paris Climate Agreement, the UN Global Compact (UNGC), and the OECD Guidelines.

Review and Ongoing Development of Strategies

These strategies are reviewed at least annually and adjusted where necessary. Responsibility for implementation lies with the Portfolio Management division. The bank continuously monitors market developments, particularly regarding new climate models and regulatory requirements.

Financial Portfolio Management by Union Investment

The bank has outsourced the asset management of the MeinInvest and VermögenPlus products to Union Investment. In this context, Union Investment's information on the consideration of principal adverse impacts on sustainability factors is authoritative. All relevant disclosures required under the SFDR are published at the following link:

Articles 3 and 4 of the SFDR:

<https://www.vrbank-brs.de/service/rechtliche-hinweise/offenlegungen-nachhaltigkeit-fondsvermoegensverwaltung.html>

Datum	betroffene Abschnitte	Erläuterung
June 26, 2026	Comprehensive revision of the statement Integration of the current Union Investment link	
September 25, 2025	Comprehensive revision	Addition of the points provided by the BVR
Juni 19, 2024	Comprehensive revision	Additional publication of the English version of the summary in a separate document
September 01, 2023	Addition of the new financial portfolio management products VR VermögensKonzept Verantwortung I, II and III Revision of the section Engagement Policy	
June 12, 2023	Initial publication	Revised version of the document in accordance with the implementation of the Level II requirements of the Regulation on sustainability-related disclosure obligations (SFDR)