



Statement on principal adverse impacts
of investment decisions on sustainability factors

- Summary -

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Financial Market Participant: Nordkinn Asset Management AB, LEI: 549300DEMWPPGDAFUH64

Summary

Nordkinn Asset Management AB, LEI 549300DEMWPPGDAFUH64 (below "Nordkinn" or "the Manager") considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the Nordkinn's consolidated statement on principal adverse impacts on sustainability factors. It is presented in accordance with the provisions of Article 4 of the EU Regulation (2019/2088), "SFDR" on sustainability-related information to be provided within the financial services sector.

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

This statement includes all mandatory indicators for principal adverse impacts and additionally the following indicators:

Within climate and other environment-related indicators:

- Investments in companies without carbon emission reduction initiatives

Within social and employee, respect for human rights, anti-corruption and anti-bribery matters:

- Investments in companies without workplace accident prevention policies
- Lack of a supplier code of conduct
- Lack of anti-corruption and anti-bribery policies
- Lack of anti-money money laundering and combating the financing of terrorism policies and procedures

These indicators are in line with Nordkinn's set goals to achieve the Paris Agreement, promote social issues such as social cohesion, social integration, and good relations between labor market parties, as well as practices for good corporate governance.

Nordkinn's overall objective is to create positive returns with low correlation to both the stock and bond markets through active management. Nordkinn shall conduct its management activities responsibly and always act in the common interest of the fund's unit holders. Nordkinn shall also manage and mitigate sustainability risks and principal adverse impacts on sustainability factors. This is done by excluding certain companies or sectors (so-called exclusion) and through engagement dialogue, which are important methods in Nordkinn's investment process. During the period, exclusion filters have worked well, and dialogues have been conducted

with 92% of investee companies, where all relevant indicators have been discussed based on the companies' goals, strategies, resources, and metrics for each, to promote positive developments in environmental and social issues.

For this reporting, data for each investment has been obtained from Bloomberg and Nordkinn, either through verified data from the companies or, where such data is lacking, values estimated by Bloomberg based on relevant assumptions and methods. An average for the investments based on the portfolio's exposure at the end of each quarter has been used for each indicator. Where reported data is lacking for certain indicators for certain holdings and estimates are also unavailable, the portfolio coverage for each indicator is shown in the column "Explanation." If no data could be identified, the company is excluded from the calculation, which is why the values in the column may be lower than 100%.

If Nordkinn's sustainability committee assesses that an activity is associated with a higher risk than the Manager is willing to take and it is unlikely to positively influence the companies, the committee decides to refrain from investment. This is also described in the fund's information brochure and annual report, which can be obtained via Nordkinn's website or by contacting the company.

Nordkinn prioritises the following principal adverse impacts on sustainability factors:

- Share of greenhouse gas emissions
- Companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement
- Companies active in the fossil fuel sector
- Companies with non-renewable energy consumption and production, with operations negatively affecting areas of sensitive biological diversity, committing violations of the UN Global Compact and OECD Guidelines for Multinational Enterprises, and companies lacking strategies to monitor compliance with these
- Companies with unadjusted gender pay gaps and low board gender diversity
- Companies involved in the manufacturing or selling of controversial weapons
- Companies lacking supplier code of conduct
- Companies lacking anti-corruption and anti-bribery policies, and with identified insufficiencies in actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery
- Companies lacking money laundering and terrorist financing prevention policies
- Companies operating in sectors that the Nordkinn has determined contribute to adverse consequences for sustainability factors.