Article 10 (SFDR)

disclosure for Article 9 Fund

ProxyP SICAV-SIF

Renewable L/S Energy

Product name: Proxy Renewable L/S Energy Legal entity identifier: 254900NH89LJJ9BLM234	
Does this financial product have a sustainable investment objective?	
☒ Yes	☐ No
☒ It will make a minimum of **sustainable investments with an environmental objective: 65%** ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ It will make a minimum of **sustainable investments with a social objective:** __%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective ☐ It promotes E/S characteristics, but **will not make any sustainable investments**

A. Summary

The Sub-Fund's sustainable objective is to achieve positive environmental changes by fostering the transition occurring globally around the production, storage and distribution of energy from traditional sources of energy such as fossil fuels to more sustainable sources such as renewable energy. This is referred to as "Energy Transition".

The Sub-Fund will gain exposure to companies which have activities that contribute to climate change mitigation and climate change adaptation.

Proxy P Management AB (the "Investment Manager") will avoid investing in companies that cause significant harm to environmental or social objectives by applying its Exclusion Criteria (as further described below) and will review the alignment of all investments to the sustainable objective using its proprietary environmental, social or governance ("ESG") scorecards, which will include a range of principal adverse impact ("PAI") indicators.

In order to measure the attainment of its sustainable objective, the Sub-Fund is managed to ensure that the portion of investments:

- in companies aligned to SDG 7 should remain ≥ 35%
- in companies aligned to SDG 13 should remain ≥ 35%

- falling within Exclusion Criteria should remain 0%

It is expected that at least 65%, of the Sub-Fund's investments will be in sustainable investments with an environmental objective.

B. No significant harm to the sustainable investment objective

How are the indicators for adverse impacts taken into account?

The Sub-Fund considers the relevant adverse impact indicators to ensure that it does no significant harm to the environmental objective of the Sub-Fund. It does so, prior to entering into a sustainable investment position, and whilst holding the position on an ongoing basis.
The Investment Manager may permit investments in companies that score poorly on some ESG criteria, if they deem the issues to be not severe enough to be classified as significant harm and/or they deem its positive contribution to the sustainable investment objective of the Sub-Fund outweigh any harm.

The Sub-Fund's PAI indicators are:

Adverse Sustainability Indicator	Description
I. GHG Emissions	Scope 1, 2, 3 GHG Emissions
II. Carbon footprint	Carbon footprint
III. GHG Intensity	GHG Intensity
IV. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector
V. % Non renewable energy consumption & production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage
VI. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector
VII. Activities negatively affecting biodiversity sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas
VIII. Emissions to water	

		Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average
IX.	Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average
X.	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
XI.	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
XII.	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies
XIII.	Board gender diversity	Average ratio of female to male board members in investee companies
XIV.	Social and employee matters	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

The number of PAIs considered by the Investment Manager may increase in future when the data and methodologies used to measure those indicators will be mature.

Information on the PAIs will be made available in the periodic reporting of the Sub-Fund.

Are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Yes the sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

C. Sustainable investment objective of the financial product

What is the sustainable investment objective of this financial product?

The sustainable objective of the Sub-Fund is to achieve environmental changes that are positive, by fostering Energy Transition. It aims to achieve this by investing in companies whose activities contribute to climate change mitigation and climate change adaptation.

Energy Transition in this context is defined as the change happening globally around the production, storage and distribution of energy from traditional sources of energy such as fossil fuels to more sustainable sources such as renewable energy.

The Sub-Fund will not make reference to a benchmark in order to attain a sustainable investment objective.

D. Investment strategy

What investment strategy does this financial product follow?

The Sub-Fund aims to achieve its sustainable investment objective by investing a significant majority of the portfolio in companies with a majority of their business activities considered as favourable to Energy Transition and avoiding companies whose activities would significantly harm this or any other sustainable objective.

The Investment Manager integrates these broad ESG strategic approaches into its investment process:

- Exclusions: seeking to exclude issuers involved in specific activities considered to cause negative environmental and/or social impact, as set out in the Exclusion Criteria.
- Contributions/Alignments: selecting investments with the aim of the Sub-Fund demonstrably contributing or being aligned towards specifically identified ESG objectives.

The initial stages of the investment process look to identify an "Energy Transition Universe". This is achieved by firstly applying its Exclusion Criteria and then an inclusionary approach, which seeks to identify companies engaged primarily in renewable energy production, energy technology or related industries which the

Investment Manager believes will stand to benefit from the development and/or production of energy within the sector.

A wide spectrum of analysis is conducted on prospective investments from within the Energy Transition Universe, such as thematic, financial and ESG focused reviews. Within the ESG review, amongst other items, the alignment of the investments to the identified SDGs is a determining factor.

The Investment Manager makes use of its proprietary ESG scorecards at multiple stages in the investment process with the intention of limiting the exposure to ESG risks and to seek out investment opportunities. Utilising external research and data, a quality assessment of each investee company is generated by the Investment Manager in the form of ESG scorecards. Within these ESG scorecards, there are assessments of a wide spectrum of individual environmental, social and governance aspects of each company which it invests, including the aforementioned SDG scores and PAI indicators. These ESG scorecards are utilised prior to entering into any investment into a company and continues to be reviewed for the duration of the position being held.

The Sub-Fund will employ a long/short investment approach.

The Sub-Fund seeks to gain long exposure to companies which it believes to have competitive advantages in the existing and/or future market environment. At the same time the Sub-Fund may gain a short exposure to companies within the Energy Transition universe which are considered to be at a competitive disadvantage in their business activity or the Investment Manager believes have fundamental flaws in their businesses.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The binding elements of the investment strategy are the portion of the Sub-Fund's investments:

- in companies aligned to SDG 7 which should remain ≥ 35%
- in companies aligned to SDG 13 which should remain ≥ 35%
- falling within Exclusion Criteria (below) which should remain 0%

Where "SDG" means UN's Sustainable Development Goals ("SDG")

Where "Exclusion Criteria" means:

Restrictions	Criteria	Qualifying Criteria	Limit on Exposure
Companies with revenues derived from activity	Controversial Weapons (Landmines, Cluster Munitions)	0% of revenue	0%
	Weapons	>10% of revenue	0%
	Tobacco Production	>5% of revenue	0%
	Coal Production	>5% of revenue	0%
Global Norms	UN Global Compact	Serious violations	0%

Sovereign Issuers	Freedom House Index	Insufficient Scoring	0%

Companies failing to comply with various 'norms' criteria set out by the UN will be considered to have "serious violations" of the UN Global Compact. These include amongst others, the protection of international human rights, abolition of child labour, the precautionary approach in dealing with environmental problems and commitment to combat all forms of corruption.

Sovereign issuers are scored against various criteria which measures the access to political rights and civil liberties. Further details are found on Freedom House Index (https://freedomhouse.org/).

What is the policy to assess good governance practices of the investee companies?

The Investment Manager makes use of its proprietary ESG scorecards at multiple stages in the investment process with the intention of limiting the exposure to ESG risks and to seek out investment opportunities. Utilising external research and data, a quality assessment is generated by the Investment Manager in the form of ESG scorecards. Within these ESG scorecards, there are assessments of a wide spectrum of individual environmental, social and governance aspects of each company in which it invests, including the aforementioned PAIs. Specifically for governance, examples of the factors considered are human rights, anti-corruption, anti-bribery matters, sound management structure, employee relations, remuneration of staff and tax compliance.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes

☐ No

There is an ongoing, daily assessment conducted by the Investment Manager of the investment portfolio using the ESG scorecards. Incorporated within the proprietary ESG scorecards is the use of PAIs. The Investment Manager will utilise these PAI indicators to ensure monitoring of Do No Significant Harm to the sustainable investment objective.

Those PAIs considered are listed above, in section *"B. No significant harm to the sustainable investment objective".*

E. Proportion of investments

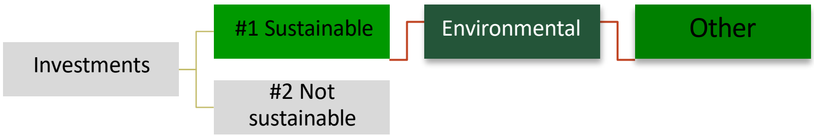
What is the planned asset allocation for this financial product?

It is expected that at least 65% of the Sub-Fund's investments will be in sustainable investments with an environmental objective (#1 Sustainable).

The instances where the Sub-Fund scores below this level is likely to be driven by making use of market hedges in more turbulent market circumstances.
These sustainable investments shall fall within Environmental & Other, as whilst it is expected that a portion of the Sub-Fund's sustainable investments may be aligned with the EU Taxonomy, the Investment Manager at this time does not wish to commit to a

minimum portion doing so. Note that this position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

The Sub-Fund's remaining investments, which are used to perform hedging activities and those used for liquidity management shall fall into the "#2 Not sustainable" category.



#1 Sustainable covers sustainable investments with environmental or social objectives.
#2 Not sustainable includes investments which do not qualify as sustainable investments.

How does the use of derivatives attain the sustainable investment objective?

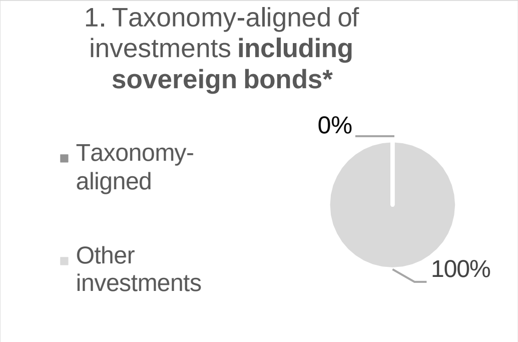
Where derivatives are used to gain exposure to a single underlying issuer, then the sustainable investment objective will be attained by looking through to the underlying issuer. Where derivatives do not provide exposure to individual issuers (e.g. FX derivatives, index derivatives) then these will not be considered in regards to the sustainable investment objective of the product.

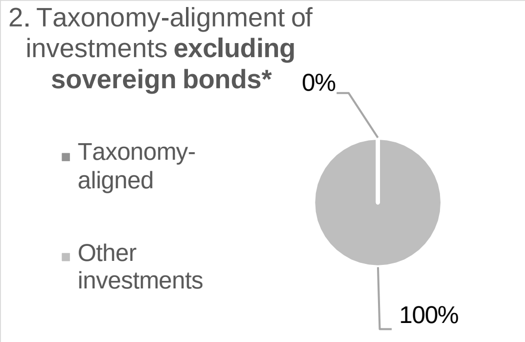
What is the minimum share of investments with an environmental objective aligned with the EU Taxonomy?
(including what methodology is used for the calculation of the alignment with the EU Taxonomy and why; and what the minimum share of transitional and enabling activities)

Alignment metric	Minimum committed portion
sustainable investments aligned with EU Taxonomy	0%
investments in transitional and enabling activities	0%

It is expected that a portion of the Sub-Fund's sustainable investments may be aligned with the EU Taxonomy and/or transitional and enabling activities. However, the Investment Manager at this time is unable to commit to a minimum portion being aligned due to the lack of verified EU Taxonomy alignment data which is available at present.
This position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

It is expected that the share of sustainable investments aligned with the Sustainable Finance Disclosure Regulation ("SFDR") definition is at least 65%.

It is expected that a portion of the Sub-Fund's sustainable investments may be aligned with the EU Taxonomy and/or transitional and enabling activities. However, the Investment Manager at this time is unable to commit to a minimum portion being aligned due to the lack of verified EU Taxonomy alignment data which is available at present.

What investments are included under "#2 Not Sustainable", what is their purpose and are there any minimum environmental or social safeguards?

Investments made as part of portfolio hedging, FX hedging and those made for cash management purposes will fall into the "#2 Not sustainable" category.

No minimum social and environmental safeguards are applied to these investments.

F. Monitoring of sustainable investment objective

What sustainability indicators are used to measure the attainment of the sustainable investment objective by this financial product?

The Sub-Fund intends to utilise alignment of its investments in companies within the portfolio to the SDG 7 and 13 as sustainability indicators, as these are good data proxies for the Energy Transition theme. Specifically, the percentage of its investments into companies which are aligned to both:

- 7: Support innovation for clean and affordable energy; and
- 13: Climate Action

An assessment of the investee company's revenues from activities and/or operations is conducted to determine whether they are beneficial or detrimental to each SDG. This assessment determines the extent to which a company is aligned, misaligned or neutral to the chosen SDGs.

An aggregation of the scores across the investments is then taken to determine the proportion of Sub-Fund that is aligned to each of the SDGs.

Additional sustainability indicators used by the Sub-Fund are the portion of investments falling under this Exclusion Criteria, which should be 0% at all times.

How are the sustainable investment objective and the sustainability indicators monitored throughout the lifecycle of the financial product and what are the related internal/external control mechanisms?

The Investment Manager, Principal Investment Manager and Management Company (as referred to in the Prospectus) have developed an ESG Monitoring framework to ensure the relevant controls are in place throughout the lifecycle of the Sub-Fund:

- The ESG constraints have been incorporated as part of the pre-trade and post-trade checks.
- A post-trade ESG score summary and a compliance report are generated daily on a T+1 basis.
- This assessment applies to all ESG portfolio constraints including the threshold determining the proportion of investments contributing to sustainable investment objective.

G. Methodologies

What is the methodology to measure the attainment of the sustainable investment objective using the sustainability indicators?

Determination of sustainable investments

Each investment is assessed against the following criteria in order for it to be defined as a sustainable investment:

I. In an economic activity that contributes to an environmental or social objective

Through a combination of fundamental and wider quantitative analysis, the Investment Manager determines an "Energy Transition Universe". Each investment made by the Investment Manager will be into those companies which it has determined to be included in the Energy Transition theme. That is, the change happening globally around the production, storage and distribution of energy from traditional sources of energy such as fossil fuels to more sustainable sources such as renewable energy.

II. Investment does not significantly harm those objectives

Through a combination of fundamental and wider quantitative analysis (making reference to PAIs mentioned above), the Investment Manager verifies that Do No Significant Harm of the Sustainable Investment Objective is confirmed

III. Investee companies follow good governance practices

As defined above, in section **"What is the policy to assess good governance practices of the investee companies?"**

Proportion of investments contributing to the sustainable investment objective

This is determined by the following ratio:

- Numerator: is the sum of the absolute net exposures per issuer in the portfolio that contribute to the sustainable investment objective. This is achieved by calculating the net exposure to any underlying issuer per asset class. All positions with a single underlying issuer are included.
- Denominator: is the sum of all absolute net exposures per issuer plus the exposures to all remaining positions without issuers, excluding Cash and FX hedges.

Use of Sustainability indicators

The Investment Manger applies different methods and thresholds whilst employing the sustainability indicators, which are used to measure the attainment of the sustainable investment objective of the Sub-Fund.

i. **SDG alignment**

- Determine which positions with exposures to corporate issuers, are "aligned" with the chosen SDG.
- The numerator is the sum of the exposures of all positions in the portfolio with an exposure to a corporate issuer which are aligned to the chosen SDG.
- The denominator is the sum of the exposures of all positions in the portfolio with an exposure to a corporate issuer.

ii. **Exclusion approach**

The Investment Manager uses an Exclusion Criteria to remove controversial issuers from the Sub-Fund's investment universe. Depending on the Exclusion Criteria, the Investment Manager has set limits which are incorporated in the portfolio management systems to ensure the Sub-Fund can attain the sustainable investment objective. The thresholds are outlined in the binding element section earlier in this document.

Consideration of PAIs

The Investment Manager considers a range of PAIs as part of their ESG approach to determine the negative impact of its investments. The PAI indicators considered are listed in section "B. No significant harm to the sustainable investment objective".
The Investment Manager has determined appropriate thresholds for each indicator and continues to monitor these for the Sub-Fund's investments both pre-trade and on an ongoing basis.

Use of derivatives or other instruments providing indirect exposure:

For the purpose of the aforementioned calculations, where the Sub-Fund uses derivatives or other instruments to gain exposure to a single underlying issuer, then the assessment of the contribution to the sustainable investment objective, the sustainability indicators, or application of PAIs is achieved by looking through to the underlying issuer. Where derivatives do not provide exposure to individual issuers (e.g. FX derivatives, index derivatives) then these will not be considered in the assessment or contribution to the aforementioned points.

Measurement of all indicators described above are part of the periodic reporting, as required under the SFDR.

H. Data sources and processing

What are the data sources used to attain the sustainable investment objective of the financial product including the measures taken to ensure data quality, how data is processed and the proportion of data that is estimated?

The Investment Manager makes use of ESG data from third party data vendors in order to attain the Sub-Fund's sustainable investment objective. Ongoing due diligence is performed on these third party data vendors to ensure the integrity of the data received and sufficient data coverage for the portfolio's investments. It is expected that only a small proportion of the data used may be estimated.
Where data is not available from third party data vendors, the Investment Manager may make use of publicly available information on the issuer.

I. Limitations to methodologies and data

What are the limitations to the methodologies and data sources? (Including how such limitations do not affect the attainment of the sustainable investment objective and the actions taken to address such limitations)

The main limits to the methodologies and data sources are:

- **The availability of data** to conduct ESG analysis. In case of insufficient data, ESG data providers may rely on estimates and approximations using internal methodologies that may be subjective.
- **The quality of the data** used in the assessment of ESG quality and impact as there are no universal standards related to ESG information and third-party verification is not systematic.
- **The comparability of data**, as not all companies publish the same indicators.
- **The use of proprietary methodologies**, which rely on the experience and skills of the Investment Manager. The security selection can involve a significant element of subjectivity when applying ESG filters. Indeed, the way in which the Sub-Fund incorporates ESG factors in its investment processes may vary depending on the investment themes, asset classes and investment philosophy.
- Sustainable finance is a relatively new field of finance. Currently, there is **no universally accepted framework** or list of factors to ensure that investments are sustainable. Also, the legal and regulatory framework governing sustainable finance is still under development.

Although there are limitations to the methodologies and the data sources, the incorporation of ESG considerations into the investment process is expected to result in more informed and sustainable investment decisions and therefore improved investment outcomes.

J. Due diligence

What is the due diligence carried out on the underlying assets and what are the internal and external controls in place?

The due-diligence undertaken on the investments within the portfolio involves the following steps:

- **Exclusion Criteria:** Application of the Exclusion Criteria is incorporated into the investment controls. Any investment failing this screen will not be considered further in the investment process. Where an investment is made and the Exclusion Criteria is updated with such investment already within the portfolio, the Investment Manager will determine how best to remediate the situation.
- **Determining the Energy Transition Universe**: The Investment Manager seeks to identify companies engaged primarily in renewable energy production, energy technology or related industries which it believes will stand to benefit from the development and/or production of energy within the sector. It achieves this Energy Transition Universe by using a combination of quantitative and fundamental analysis. Any subsequent investment in a company within the Energy Transition Universe, will be subject to a wide spectrum of subsequent analysis, such as thematic, financial and ESG focused reviews.
- **ESG Scorecard application:** As described in other sections, the Investment Manager conducts a review of the Sub-Fund's investments, pre and post trade, referencing the data contained within the ESG scorecards to ensure that the sustainable investment objective continues to be met. These ESG scorecards include quantitative metrics and flags that are used to assess a wide range of ESG criteria on the prospective investment, including PAI indicators to ensure monitoring of Do No Significant Harm to the sustainable investment objective. This ongoing assessment ensures that the Investment Manager achieves both its sustainable investment objectives and also reduces and restricts investments that may cause harm to the sustainable investment objectives.

K. Engagement policies

Is engagement part of the environmental or social investment strategy?

☐ Yes

☒ No

If so, what are the engagement policies? (Including any management procedures applicable to sustainability-related controversies in investee companies)

The Investment Manager does not actively directly engage the companies which it invests. Instead, they seek to engage indirectly by voting on the corporate actions of any issuers in the portfolio in support of shareholder friendly governance decisions.

L. Reference benchmark

Has a reference benchmark been designated for the purpose of attaining these characteristics promoted by the financial product?
☐ Yes ☒ No