

Table 1

Statement on principal adverse impacts of investment decisions on sustainability factors

Financial market participant Proxy P Management AB (5493008ZZQISYU0YRD83)
<p>Summary</p> <p>Proxy P Management AB (5493008ZZQISYU0YRD83), considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of Proxy P Management AB.</p> <p>This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January to 31 December 25. As both holdings and portfolio weights in the fund change over the reference period, data from four different dates has been used (31 March, 30 June, 30 September and 31 December), from which an average value for each indicator has then been calculated.</p>
<p>Description of the principal adverse impacts on sustainability factors</p> <p>The table below presents the mandatory indicators for the negative consequences of sustainability factors that Proxy P Management AB have taken into account. Additionally, three non-mandatory indicators are being presented.</p>

Indicators applicable to investments in investee companies						
Adverse sustainability indicator		Metric	Impact 2025	Historical Impact	Explanation	Actions taken, and actions planned and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	1707	2024:2128 2023:6277	Coverage: 97.60%	
		Scope 2 GHG emissions	2516	2024:2703 2023:2562	Coverage: 97.60%	
		Scope 3 GHG emissions	16478	2024:12874 2023:25846	Coverage: 97.60%	
		Total GHG emissions	20886	2024:17404 2023:34159	Coverage: 97.60%	
	2. Carbon footprint	Carbon footprint	718	2024:634 2023:674	Coverage: 97.60%	

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	3. GHG intensity of investee companies	GHG intensity of investee companies	1785	2024:1213 2023:1432	Coverage: 97.60%	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	6,9	2024:7,9 2023:8,5	Coverage: 95.47%	
	5. Share of non-renewable energy consumption and 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 of total energy sources	74,9	2024:75,2 2023:77,8	Coverage: 91.71%	
	6. 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	C: 0,48 D: 3,93 E: 0,69 F: 0,11 G: 0,09	2024: C: 0,42 D: 1,94 E: 2,74 F: 0,16 G: 0,10	Coverage: 90.61%	
Biodiversity	7. 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	8,5	2024:6,1 2023:0	Coverage: 95.89%	

Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0	2024:0 2023:0	Coverage: 16.41%	
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	0,4	2024:1,1 2023:2,5	Coverage: 94.16%	
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
Social and employee matters	10. 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	0	2024:0 2023:0	Coverage: 95.47%	A field that is closely monitored and also part of our exclusion policy.
	11. Lack of processes and compliance mechanisms to	Share of investments in investee companies without policies to monitor compliance with the	5,0	2024:8,2 2023:57,7	Coverage: 95.47%	

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	monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	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				
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	15,5	2024:14,7 2023:12,7	Coverage: 63.52%	
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	28,6	2024:30,7 2023:30,2	Coverage: 95.04%	
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0	2024:0 2023:0	Coverage: 95.47%	
Indicators applicable to investments in sovereigns and supranationals						

Adverse sustainability indicator		Metric	Impact 2025	Historical Impact	Explanation	Actions taken, and actions planned and targets set for the next reference period
Environmental	15. GHG intensity	GHG intensity of investee countries	N/A	N/A		No investments in this category
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	N/A	N/A		No investments in this category
Indicators applicable to investments in real estate assets						
Adverse sustainability indicator		Metric	Impact 2025	Historical Impact	Explanation	Actions taken, and actions planned

						and targets set for the next reference period
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	N/A	N/A		No investments in this category
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	N/A	N/A		No investments in this category
Other indicators for principal adverse impacts on sustainability factors						
Energy performance	19. Breakdown of energy consumption by type of non-renewable sources of energy	Share of energy from non-renewable sources used by investee companies broken down by each non-renewable energy source	Coal: 1% Lignite: 0% Natural Gas: 6% Oil and Gas: 0% Nuclear: 0% Fossil Fuel: 0% Other non-renewables: 32%	2024: Coal: 1% Lignite: 0% Natural Gas: 5% Oil and Gas: 0% Nuclear: 0% Fossil Fuel: 0% Other non-renewables: 48%	Coverage: 95.47%	
Human Rights	20. Number of identified cases of severe human rights issues and incidents	Number of cases of severe human rights issues and incidents connected to investee	0 %	2024:0 % 2023:0 %	Coverage: 95.47%	

Anti-corruption and anti-bribery	21. Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption	4.3 %	2024: 10.5% 2023: 0 %	Coverage: 95.47%	
<p>Description of policies to identify and prioritise principal adverse impacts on sustainability factors</p> <p>Proxy P has adopted a company wide ESG policy (governing document), that forms the basis of its sustainability efforts.</p> <p>Proxy P will avoid in investing in companies that cause significant harm to environmental or social objectives by applying an exclusion approach which restricts investment in:</p> <ul style="list-style-type: none"> • companies with serious violations to the UN Global Compact • countries that have insufficient scoring in the Freedom House Index • companies with revenues derived from controversial activities such as production of weapons, controversial weapons, tobacco or coal <p>In addition, the Investment manager will assess all sustainable investments using its proprietary ESG scorecards, which include measures of adverse impact indicators. These scorecards include quantitative metrics and flags that are used to assess a wide range of ESG criteria on the prospective investment. Specifically, these includes adverse impact indicators to ensure monitoring of Do No Significant Harm to the sustainable investment objective. This ongoing assessment ensures that the investment manager both achieves its sustainable investment objectives and also reduces and restricts investments that may cause significant harm to the sustainable investment objectives.</p> <p>Furthermore, to ensure that the sustainable investments meet certain standards when it comes to human and labour rights, bribery, taxation and fair competition, the <i>Minimum Safeguards</i> (part of EU Taxonomy Regulations) are part of the proprietary ESG scorecards.</p> <p>The primary data source is MSCI ESG Research.</p>						

Engagement policies

Proxy P strives to be a driving force in sustainability, and believes that shareholder engagement is a lever to achieving this aim. The UN PRI defines stewardship as ‘the use of influence by institutional investors to maximise overall long-term value including the value of common economic, social and environmental assets, on which returns and clients' and beneficiaries' interests depend’. In keeping with this definition, the Firm enacts its stewardship by engaging with broader stakeholders as part of the investment process in order to discuss certain factors and their potential significance. These stakeholders include:

- Current or potential investees/issuers
- Policy makers and standard setters

The identification of such factors enables the Firm to evaluate the impact to the financial condition or operating performance of an investment, as well as to potentially influence corporate practice. In assessing the sustainability risk associated with underlying investments, Proxy P is assessing the risk that the value of such underlying investments could be materially negatively impacted by an ESG event or condition. The assessment may result in adjustments to financial forecasting and modelling.

As the Firm is not an activist fund, it does not engage in other elements of stewardship such as filing shareholder resolutions and proposals, or fulfilling direct roles on investee boards and board committees. We engage in voting selectively rather than systematically and consistently discuss ways of improving our voting process.

References to international standards

Proxy P commits to not invest in companies that is involved in violations of the

1. UN Global Compact principles
2. OECD Guidelines for Multinational Enterprises
3. Oslo Treaty on Cluster Munitions (Oslo Convention)

Additionally, Proxy P restricts investments in countries with insufficient scoring in the Freedom House index.

Historical comparison

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For most of the Principle Adverse Impact indicators, the score has stayed on the same level as last year, both in absolute and in relative terms. Notably is that the coverage has increased for most of the indicators, also for many of the previously low-covered indicators.

Notable improvers were seen in the PAI 9, “Hazardous waste and radioactive waste ratio”, and PAI 11, “Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises”. For the latter, the improvement was primarily due to companies in general are improving there processes and compliance mechanisms.

An increase was seen in PAI 7, “Activities negatively affecting biodiversity-sensitive areas”. This is mainly due to vendors having improved their coverage in the area.