



## SUSTAINABILITY RELATED DISCLOSURES

### Transparency of sustainability risks policies

The Company integrates sustainability risks in its decision-making process. Hence the Company has adopted a policy for integration of sustainability risks where the Company clarifies how sustainability related risks are integrated in the investment decision-making process. The Company integrates sustainability risks as part of the financial risk analysis for each investment that is made in the funds that the Company manages, and in the portfolios that are managed on a discretionary basis. In the concept of sustainability risks the Company includes identified risks related to the environment, the climate, human rights, diversity, and transparency.

### Transparency of adverse sustainability impacts

The Company has chosen to consider principal adverse impacts of investment decisions on sustainability factors on an entity level. Hence the Company has adopted a Due diligence policy where the Company includes information on the identification of sustainability factors, and how it prioritizes between principal adverse sustainability impacts. It also includes a description of the principal adverse impacts and the actions that may be taken in relation thereto. Further, the Company has adopted an engagement policy with additional information on the Company's engagement in its investment objects on behalf of the investees. The Company has identified the following principal adverse sustainability factors.

Adverse impact on the environment:

- High greenhouse gas emissions
- High energy consumption from non-renewable energy
- Damage to biodiversity
- High water consumption
- High levels of waste

Adverse impact on social and personnel-related issues:

- Lack of recognition by the ILO concerning workers' rights
- Gender-discriminatory wages
- Child labor

Adverse impact for human rights and combatting corruption and bribery:

- Lack of human rights policy
- Lack of commitment to comply with UN human rights principles
- Lack of anti-corruption and anti-bribery policies

The Company takes measures to ensure that it does not participate in activities that may have adverse impacts on sustainability factors. As part of the method used by the Company the Company has chosen not to invest in certain business activities that are deemed to have principal adverse impacts on sustainability factors by their very nature. The Company also exercises effective influence by engaging in the investment objects by seeking to influence investment objects in matters of human rights, as well as regarding climate and the environment. Further, the Company has chosen to follow the ten principles of the UN Global Compact, the UN's guiding principles for business and human rights, and supports the PRI (Principles for Responsible Investments).



### **Transparency of remuneration policies in relation to the integration of sustainability risks**

The Company has adopted a remuneration policy which includes relevant information to its policy for integration of sustainability risks. The remuneration policy aims to ensure that the Company does not take to high risk, or risk on the expense of the funds or portfolios. By integrating sustainability risks in the remuneration policy one of the criteria for variable remuneration is that relevant employees must act in compliance with the Company's policies for integration of sustainability risks, and no employee may be able to take excessive risk for their own benefit, including sustainability risks.