

Principal Adverse Impact (PAI) Statement for Sissener AS

This document is valid from 01.01.2023 and will be annually reviewed

1. Summary

This statement has been prepared by Sissener AS in accordance with Article 4 of the Sustainable Finance Disclosure Regulation (SFDR). Sissener AS consider Principal Adverse Impacts (hereinafter "PAI") in relation to the company's investment process, meaning the potential negative impact on sustainable factors in our UCITS funds. We recognise that almost any type of economic activity can affect sustainability factors – both positively and negatively – and that it is therefore essential to thoroughly consider the PAI indicators.

One example of considerations of PAI indicators in an investment process can be how the company respects human rights and other issues related to social and labour law, or the effect the company has on the climate – typically through carbon footprint.

Under the "ESG" section on the company's website, Sissener has described how efforts are made to ensure that sustainability-related considerations are taken into account in the investment process. Further information and details can be found in our ESG Investment Policy published on www.sissener.no.

2. PAI Indicators

Sissener AS has committed to analysing and monitoring the mandatory PAI indicators listed below in relations to our investment process.

Adverse sustainability indicator		Metric
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS		
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions
		Scope 2 GHG emissions
		Scope 3 GHG emissions
		Total GHG emissions
	2. Carbon footprint	Carbon footprint
	3. GHG intensity of investee companies	GHG intensity of investee companies
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector
	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

Adverse sustainability indicator		Metric
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS		
		sources compared to renewable energy sources, expressed as a percentage of total energy sources
	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
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
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average
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
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
	11. 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
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members
	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

3. Guidelines for identifying and prioritising significant PAI in the investment process

Sissener consider negative effects in our investments decisions through the use of exclusions/screening, active ownership and quantitative analyses. We exclude companies that violate international norms or that produce/distribute products with unfortunate characteristics.

This includes companies with large negative climate and environmental impact, companies that violate international law/human rights or where issues related to corruption and/or financial crime have been identified. In addition, our portfolios are screened on a regular basis. As a consequence, any changes to existing portfolios will be revealed and then followed up through divestment, active ownership or similar.

Sissener also prioritizes investing in companies that are leading the way in integrating ESG factors into their internal processes. This helps us to identify and prioritise investments that have fewer negative sustainability impacts.

4. Implemented and planned measures related to PAI

In all investment decisions, a number of sustainability indicators are considered, both related to environmental, social and governance-related issues. We recognise that all economic activity can have both positive and negative sustainability consequences, and we have therefore implemented several measures related to the significant negative consequences of our investment decisions.

5. Active ownership policy

Sustainability risk shall be taken into account through active ownership, i.e. influencing companies to improve their processes. Active ownership means that the company must seek to influence companies in the desired direction, for example through dialogue with management, voting at general meetings and/or statements in the media.

Active ownership in companies is exercised in relation to specific issues such as the environment, climate, social conditions and corporate governance and may also include the companies policies and routines in certain areas. Sissener also works actively with companies that we believe should reduce their sustainability risk. In this way, we can help companies reduce their sustainability risk, while reducing the risk in our investments. Active ownership and dialogue will be prioritized towards companies where we believe we can make an impact.

The company's routine for active ownership is available at www.sissener.no.

6. Reference to adherence to responsible business conduct rules and internationally recognised standards

Sissener is a member of Norsif (Norwegian Forum for Responsible and Sustainable Investments).

Change log

Date	Version	Comment
01.01.2023	1.1	First version published
19.04.2023	1.2	Removal of PRI