

Statement on principal adverse impacts of investment decisions on sustainability factors

2023-06-30

Financial market participant:

Sensor Fonder AB (5493004M92EB41UP1092) (“the Company”) considers principal adverse impacts of its investment decisions on sustainability factors. This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January to 31 December 2022.

Summary:

The Company and its funds' universe of potential investments includes various types of businesses, resulting in different types of adverse impacts on sustainability factors. Therefore, the Company takes into consideration a broad range of climate and environmental indicators, as well as indicators related to social conditions, personnel matters, respect for human rights, and issues concerning anti-corruption and bribery. As part of its commitment to addressing the adverse impacts on sustainability factors, the Company initially employs exclusion criteria for its fund, which serves as the first step in its strategy for sustainability (as the Company managed only one fund in 2022). In the first instance, the Company relies on data provided by the investment objects included in the fund, and secondarily, data from third-party providers is also utilized. In order to encourage existing portfolio companies to reduce their negative impact on sustainability factors, the Company are active in shareholder engagement, in accordance with its principles. The voluntary indicators that the Company has chosen to consider are:

1. Share of investment in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement
2. Share of investments in entities without policies on the protection of whistleblowers

The Company recognize that there are certain limitations regarding the data collected due to the lack of relevant sustainability data for reporting in accordance with Regulation 2019/2088/EU (Disclosure Regulation) and applicable delegated acts. The implementation of the Corporate Sustainability Reporting Directive and reporting standards from the European Financial Reporting Advisory Group is necessary to provide information on reliable quantitative indicators. Furthermore, these regulations only apply to companies based in the EU/EEA, which may result in a lack of data from investment objects located outside the EU/EEA in the future.

The Company also acknowledges limitations in the verification of the collected data, as there are currently no common reporting standards for sustainability reporting or requirements for third-party verification of sustainability data. There may also be a delay in data availability, which means that the information on which the Company bases its assessments may have changed.
