

Sustainability Risks policy

for

Fondsmæglerselskab Petersen & Partners Investment Management A/S

I. Sustainable finance and sustainability risks

- I.1. This policy applies to Petersen & Partners Investment Management A/S (“Petersen & Partners” or “PPIM”) and its employees.
- I.2. The EU Sustainable Finance Disclosure Regulation (“SFDR”), require Petersen & Partners to present a policy on the integration of sustainability risks in the investment decision-making process and investment advisory process.
- I.3. This policy is produced in accordance with article 3 of the SFDR: the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial service sector.
- I.4. Petersen & Partners are signatories of the UN Principles for Responsible Investments (“PRI”), and these principles form the foundation for much of the efforts on sustainability and responsible investment decisions.
- I.5. Petersen & Partners wish to support investments and products that will promote climate, social responsibility, and sustainability. This includes incorporating internationally recognized principles and sustainability goals.

Petersen & Partners offer investment strategies and products that directly support sustainable energy as well as businesses that focus on technological developments that limit greenhouse gas emissions. Petersen & Partners will incorporate and promote these investment strategies on sustainability whenever relevant.

Petersen & Partners acts as financial advisor and asset manager for clients. Thus, the clients’ preferences regarding sustainability will partake in the decision-making for given investments.

2. Purpose and scope of the policy

- 2.1. The purpose of this policy is to clearly communicate Petersen & Partners’ commitment to sustainability risks and understanding of the responsibilities Petersen & Partners have on the matter.
- 2.2. This policy should describe how Petersen & Partners both handle and integrate sustainability risks in the investment decision-making process and investment advisory process.

2.3. Petersen & Partners acts as a “financial market participant” according to SFDR definitions. The majority of clients are defined as “professional investors” as described in Annex II to Directive 2014/65/EU.

2.4. With less than 500 employees, there are certain requirements, that Petersen & Partners are not obligated to and thus, will not disclose.

3. Definitions

3.1. ‘Sustainability risk’ is defined by the SFDR, article 2 as *“an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.”*

3.2. ‘Sustainability factors’ are defined by the SFDR, article 2 as *“environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.”*

4. Sustainability risks in investment process and advisory

4.1. Petersen & Partners offers both financial products, financial advisory, and asset management. This includes both products with a sustainability focus as well as product that do not have a sustainability focus. Thus, the incorporation of sustainability risks will vary through the different investment strategies and contracts with clients.

4.2. Petersen & Partners currently offer two internally managed article 8 funds as classified by the SFDR, where one of them is in the process of becoming an article 9. This will result in an increasing focus on the sustainability risks connected to the investments. With these funds, Petersen & Partners aim to make sustainability an approachable and safe choice when investing.

4.3. As the EU regulation progresses, Petersen & Partners will continuously report various sustainability information on products and incorporate such information in the investment process. The data, quality, and reporting vary across products and asset classes. Petersen & Partners sources sustainability data from data vendors and will thus report to the extent where an appropriate data quality is available.

4.4. In the investment process, Petersen & Partners will always inform the clients about possible sustainability risks associated with the investment. Further, the clients’ sustainability preferences will be discussed and considered before any investments take place.

5. Petersen & Partners reporting on sustainability and responsible investing

- 5.1. Petersen & Partners will continuously report on the incorporation of sustainability risks in investment decision-making.
- 5.2. For the funds with a designated sustainability focus, there will be continuous updates on the integrations of sustainability risks as well as reports on the Principal Adverse Impacts (“PAI”).
- 5.3. General information about Petersen & Partners’ approach on sustainability measures can be found on the PPIM website, [ppim | company information](#)
- Petersen & Partners’ annual report on the UN PRI.
 - SFDR (2019/2088) disclosures on all funds
 - PAI report of investment decisions on sustainability factors for funds with a sustainability focus
 - Guidelines on Responsible Investing
 - Petersen & Partners’ policy on diversity in the Board of Directors
 - Petersen & Partners’ salary policy and sustainability factors in such
- 5.4. The range of information on the PPIM website will reflect the size of the firm (less than 500 employees).

6. Review and improvement

- 6.1. This policy will be reviewed on an annual basis or as required to ensure its ongoing relevance and effectiveness.
- 6.2. This policy will be updated in case of legislative changes and/or environmental regulations.
- 6.3. Further questions regarding Petersen & Partners ESG and sustainability risks policies are welcome on tel: +45 2135 3799 or email: ppim@ppim.dk

7. Entry into force

- 7.1. This policy will enter into force the 8th of December 2023 as being approved by the Petersen & Partners Board of Directors.

Godkendt af bestyrelsen den 8. december 2023