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Background and scope

This statement aims to present the required information as part of the Article 29 of the French LEC (at entity level), and the PAI report. We will present the state of our methodology at the present time, and the improvements we plan to implement.

The article 29 of the French Loi Energie-Climat precises the requirements previously stated in the article 173-V. It articulates the French regulation with the European Sustainable Finance Disclosure Regulation (SFDR) and Taxonomy settlements. It focuses on the alignment with the Paris Agreement, and the long terms objectives linked to biodiversity and sustainability risks. Investors must explain their policy, methodology, and goals in terms of sustainability.

The PAI report is a mandatory statement as part of the EU SFDR, which was implemented to increase transparency around sustainability claims made by financial market participants.

This statement applies as of 30 June 2022, and reflects the activities carried out in 2021. This statement will be reviewed annually.

Link to other statements

More information on Amundsen IM's ESG policy and shareholder commitment can be found there :

- ESG policy : <https://amundsen-im.com/investment-philosophy/>
- Shareholder commitment and the exercise of voting rights : https://amundsen-im.com/wp-content/uploads/2021/11/V-6_Shareholder-commitment-and-the-exercise-of-voting-rights_1.0.pdf

General strategy of Amundsen IM *point 1 du III du D. 533 16 1*

Amundsen IM invests in listed companies, across all industries and company sizes. Our investment decisions are made independently of any benchmark considerations. We equally invest in new companies coming to the market or in existing listed companies in need of equity. We also provide liquidity to strategic or financial owners selling down their stakes. We invest across all European markets and opportunistically outside Europe.

The investment decision results from a process including meetings with the management, business and sectorial analysis, financial analysis, ESG risks and controversies analysis.

As an active and fundamental equity investor dedicated to capital markets events, Amundsen IM engages actively with our portfolio companies and their shareholders when they decide to tap equity markets. We aim to provide them a reliable and valuable source of capital.

ESG policy

In terms of ESG policy, Amundsen IM is already implementing strict exclusion criteria on investments. These criteria are based on the ones advocated by Norges Bank Investment Management.

We seek to ensure that our investments do not contribute to violations of fundamental human rights, severe environmental damage including climate change, gross corruption, severe health risks, or other particularly serious violations of fundamental ethical norms.

Therefore, we exclude the following :

- Companies excluded from Government Pension Fund Global, following a product-based criteria :
 - Companies which themselves or through entities produce weapons that violate fundamental humanitarian principles through their normal use
 - Produce tobacco
 - Sell weapons or military material to states that are subject to investment restrictions on government bonds as described in the management mandate for the GPFG
 - Mining companies and power producers which themselves or through entities they control derive 30% or more of their income from thermal coal ; base 30% or more of their operations from thermal coal ; extract more than 20 million tonnes of thermal coal per year ; have a coal power capacity of more than 10 000 MW from thermal coal
- Companies excluded from Government Pension Fund Global, following a conduct-based criteria :
 - serious or systematic human rights violations, such as murder, torture, deprivation of liberty, forced labour and the worst forms of child labour
 - serious violations of the rights of individuals in situations of war or conflict
 - severe environmental damage
 - acts or omissions that on an aggregate company level lead to unacceptable greenhouse gas emissions
 - gross corruption
 - other particularly serious violations of fundamental ethical norms.
- Exclude upstream oil & gas
- Other specific investor-directed exclusions

Principal Adverse Impact Statement

In 2021, Amundsen IM has not yet considered the PAI. This is due to the recent launch of the fund in early 2021, and the poor quality of data available. In fact, companies going public do not disclose high-quality data yet. This should improve with the implementation of the CSDR regulation.

The mandatory PAI indicators are the following :

Theme	Indicators	Metrics
Greenhouse gas (GHG) emissions	1. GHG emissions	Scope 1, 2, 3 GHG emissions + total
	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 sources compare to renewable energy sources (in %)
	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	Tons of emissions to water generated by investee companies per million € invested, expressed as a weighted average
Waste	9. Hazardous waste ratio	Tons of hazardous waste generated by investee companies per million € invested, expressed as a weighted average
Social and employee matters	10. Violations of UN Global Compact principles and 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	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for ME or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for ME
	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
	14. Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons
Environmental	15. GHG intensity	GHG intensity of investee countries
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations, as referred to in international treaties and conventions, UN principles, and national laws
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extractions, storage, transport, or manufacture of fossil fuels
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy inefficient real estate assets

We will set up our methodology to identify and prioritize the PAI, following these main points :

- The selection of the PAI will follow an ongoing basis, depending on the sector of the company, and the data available
- We will start from what the company evaluates as main adverse impacts, but then elaborate our own analysis
- We will check that the companies comply with the minimum ESG safeguards, stated by the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises

Engagement policy *point 4 du III du D. 533 16 1*

The position that Amundsen IM has in the process of primary market events allows to engage with the companies' management and their advisors, and give them feedback, especially regarding issues related to ESG factors. The first issue is the access to reliable data, which comes from a great level of disclosures, the second one is the comparison with the peers. In both cases, the management is given feedback about material issues and disclosures. We seek to make our engagement beneficial for our investors and for the companies, which can be better prepared for the public markets.

Moreover, we want to encourage the invested companies to set align with international targets for limiting global warming in line with the Paris Agreement. Namely, we advocate commitment to a two-degree scenario approved by the SBTi. We will ourselves be engaged along with the Institutional Investors Group on Climate Change (IIGCC).