

Alternative R5

Alternative R5, a sub-fund of Amrego I SICAV

Transparency regarding the integration of sustainability risks, the promotion of environmental or social characteristic, and sustainable investments

- The fund has sustainable investments as its objective.
- The fund promotes, among other characteristics, environmental or social characteristics.
- Sustainability risks are integrated into investment decisions, without the fund promoting environmental or social characteristics or having sustainable investments as its objective.
- Sustainability risks are not deemed to be relevant.
Fund management company's comments:
The fund conducts responsible investments based on three principal pillars: active engagement, positive selection and negative screening. The fund aims to invest in target funds that promote environmental or social characteristics or in target funds that demonstrate improving sustainable characteristics. These funds are selected through the use of proprietary research and ratings. It is expected that the fund will be exposed to a broad range of sustainability risks. However, as the fund is broadly diversified, it is not anticipated that any single sustainability risk will drive a material negative financial impact on the value of the fund.

Sustainability-related characteristics promoted in the management of the fund, or that are included in the fund's objective

- Environmental characteristics (e.g. the companies' environmental and climate impact).
- Social characteristics (e.g. human rights, employee rights and equal opportunity).
- Good governance practices (e.g. shareholders' rights, issues relating to remuneration for senior executives and anti-corruption).
- Other sustainability-related characteristics.
Fund management company's comments:
Regarding environmental characteristics, we look at the target funds' carbon footprint, holdings in green bonds and exclusions. For social characteristics, we examine how the target funds act when they see risks of violations of international conventions, such as human rights. For governance characteristics we consider how active the target funds are as owners, including voting at general meetings and conducting proactive dialogues.

Reference benchmarks

- The fund has the following index as its benchmark:
- No index has been designated as a reference benchmark.

Information on the EU taxonomy for environmentally sustainable activities

The EU taxonomy is a classification system that aims to establish common criteria for environmentally sustainable economic activities.

According to legislation, disclosure of the proportion of a fund's investments that are taxonomy aligned is required. The taxonomy is under development and the criteria for all environmental objectives are not yet complete.

Also, there is no established methodology for the calculation of the proportion of a fund's investments that are taxonomy aligned. The companies in which the fund invests have not yet started reporting the extent to which their activities are aligned with the EU taxonomy. For these reasons, it is the assessment of the fund management company that it is presently not possible to disclose reliable information on the proportion of the fund's investments that are aligned with the taxonomy.

The legislation includes a "do no significant harm" principle which requires that investments that contribute to a sustainable objective, do not simultaneously significantly harm any of the other sustainable objectives. The "do no significant harm" principle is only applicable to the proportion of the fund that consists of investments that are deemed sustainable either according to the regulation on sustainability-related disclosures or the EU taxonomy. The remaining proportion of this fund has underlying investments that do not take into account the EU criteria for environmentally sustainable economic activities.

Methods used to integrate sustainability risks, promote environmental or social characteristics or to attain a sustainability-related objective

- Positive screening**
Fund management company's comments:
In the management of the funds we utilize a sustainability rating generated by another entity within the Söderberg & Partners Group. Funds with a better sustainability rating are preferred when selecting investments. In addition, the consideration of ESG characteristics is controlled through a sustainability questionnaire that is addressed to the managers of the target funds.
- Negative screening**
The fund does not invest in companies that are involved in the following products and services. A maximum of 5% of the turnover in the company in which the investment is made may be derived from the specified product or service.

Products and services

- Cluster bombs, anti-personnel mines
Fund management company's comments:
- Chemical and biological weapons
Fund management company's comments:
- Nuclear weapons
Fund management company's comments:
- Tobacco
Fund management company's comments:
- Pornography
Fund management company's comments:
- Other
Fund management company's comments:
The fund does not invest in companies for which thermal coal accounts for more than 30 % of the turnover. The fund can accept deviations from the exclusion criteria if a company is transitioning towards a more sustainable business.

International norms

International norms refer to international conventions, laws, and agreements such as the UN Global Compact and OECD guidelines for multinational companies that relate to issues concerning the environment, human rights, labor practices, and business ethics.

- ☑ The fund does not invest in companies which do not address identified problems or where the fund makes the assessment that the company will not address the problems within a time frame deemed reasonable in that specific case.

Fund management company's comments:

We engage with the addressed fund where the last course of action is exclusion if specified conditions are not met under a reasonable period.

- ☑ **The fund management company influences**

The fund management company exercises its investor influence to influence companies on sustainability-related issues.

The fund management company engages with companies with a view to influencing them to adopt a more sustainable approach.

- ☑ **In-house investor influence**

Fund management company's comments:

We continuously meet with fund managers to discuss how they work with sustainability. Our sustainability rating rewards the funds that proactively conduct company dialogues in a formalized manner.

- ☑ **Investor influence in cooperation with other investors**

Fund management company's comments:

We recognize the importance of participating in international initiatives that support businesses to operate in a more sustainable manner. We have signed the United Nations Principles for Responsible Investment (PRI). Söderberg & Partners is also a member of Swesif, which is an independent and non-profit organization advocating for sustainable investment in Sweden.