



Summary of Statement on Principal Adverse Impacts of Investment Decisions on Sustainability Factors

Mertzig Asset Management AB
Reference period 1 January - 31 December 2023

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Summary of Statement on Principal Adverse Impacts of Investment Decisions on Sustainability Factors 2023

Mertzig Asset Management AB, LEI-kod 549300YEJX2T16XP217

Kindly note that Mertzig Equity Fund Sweden (the "Fund"), managed by Mertzig Asset Management AB, LEI 549300YEJX2T16XP217, ("the Company" or "the Manager") is primarily offered to investors in Sweden. No other pre-contractual disclosures or other offering documents are therefore made available in English. For further information or enquiries, please contact CEO Magnus Mertzig, magnus@mertzig-am.com.

Summary in English

Mertzig Asset Management AB considers – as far possible - the principal adverse impacts of its investment decisions on sustainability factors ("PAI"). This is the consolidated PAI statement for Mertzig Asset Management AB. This statement covers the reference period 1 January to 31 December 2023.

The Fund's objective is to generate the highest possible risk-adjusted return for the fund unit holders, while taking into account the Funds' investment policy and risk profile. Selection and prioritization of PAI indicators have been based on the Fund's investment strategy and geographical focus.

The Company mainly applies two methods to consider PAI in the investment process: "inclusion" and "exclusion":

Inclusion

The Manager's starting point is that all companies shall act responsibly and in line with Mertzig Asset Management's expectations on managing material sustainability risks and minimizing adverse impacts. Therefore, the Manager reviews material sustainability factors and adverse impacts before an investment. The conclusions from the analysis are weighed into the Manager's investment analysis and decisions and may also lead to the Manager refraining from investing, alternatively divesting the holding.

Exclusion

The Company does not invest in sectors which, by their nature, are deemed to have adverse impacts on sustainability factors. The Company therefore excludes investments in companies that generate significant turnover from any of the following activities: Cluster bombs, Anti-personnel mines, Chemical and biological weapons, Nuclear weapons, other weapons and/or military equipment, Pornography, Fossil fuels, Tobacco, Commercial gambling and/or Alcohol. The Company also excludes companies that severely and/or systematically violate the expectations and principles in international norms and conventions such as the UN Global Compact and the OECD's guidelines for multinational companies.

Utilization of voting rights and other engagement

As the size of the Manager's investment organization is limited, the Company does not systematically exercise the voting rights associated with the Fund's holdings and only conducts limited engagements as an owner.

The table in our Swedish PAI statement contains an account of the mandatory PAI indicators as well as two optional PAI indicators during the reference period. Data for each indicator has been obtained from Sustainalytics and the adverse impacts for 2023 have then been calculated as the average of the year's four quarters. The year 2023 is the second reported period and the comparative period covers 1 January - 31 December 2022. Comparative figures for 2022 in the running text are given in brackets. Relevant data is still missing for several indicators and the data coverage for each indicator, measured as the percentage of the portfolio covered by either reported or estimated data, can be found under the heading "Explanation". An exact breakdown between reported and estimated data per indicator is currently not available.

The full PAI Statement is available on our website www.mertzig-am.com (in Swedish only).