Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: SISSENER SICAV – Sissener Canopus

Legal entity identifier: 529900WXXG3J9CDIQE18

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
●● ☐ **Yes**	●○ ☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective**: ___%	☐ **It promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective: ___%**	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund will make ESG (environmental, social and corporate governance) considerations when analysing potential investment opportunities in addition to applying negative screening.

Examples of the primary environmental and social characteristics which are promoted by the Sub-Fund are included in the table below.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

Environmental	Social	Governance
• Impact on environment – Use of water, waste handling, pollution, carbon footprint etc. • Physical threats – Company location at risk of experiencing extreme weather, lack of water supply etc. • Sector specific – Which sector/industry does the company operate in. Are there any general constrains in this specific sector? • Regulations – Upcoming laws or regulations (for instance emission restrictions) that will trigger changes that can impact the company/sector negatively etc.	• Labour safety – The company's safety measures for the workforce, working conditions etc. • Labour rights – Possibilities to organize, access to healthcare etc. • Equality and social rights – Gender composition of the company, balance in promotional opportunities for the work force, equal pay etc.	• Management and BoD – Who are the management and the Board of Directors of the company, their track-record, skill sets, gender composition etc. • Active ownership and proxy voting – How does the company interact with shareholders and handle shareholders rights etc. • Physical damage – Protection against cyber-attacks, risk of damage on assets such as factory/machines etc.

The Sub-Fund complies with the exclusion list as defined by Norges Bank Investment Management (NBIM), also known as the Norwegian Pension Fund. NBIM excludes companies that contribute to violations of fundamental ethical norms, manufacture certain types of weapons, base their operations on coal, or produce tobacco. This is further explained under binding elements.

The fund does not use a benchmark to achieve the environmental and social characteristics promoted by the fund.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***
  - To measure the attainment of the environmental and social characteristics mentioned above, the Sub-Fund focuses on three primary methodologies: **ESG risk analysis**, which provides a quantitative ESG score for each company, calculated by considering each company's performance relative to comparable peers, and based on measurements of ESG material factors that are deemed to drive long-term financial value. These scores are then aggregated to provide an ESG score for the total portfolio.
  - **EU taxonomy alignment** of the sub-fund, based on the eligibility of each company, and the alignment of eligible companies based on meeting ESG performance thresholds.
  - **Principal Adverse Impact Indicators (PAI)** for the sub-fund, where values can be compared to international benchmarks. This methodology will also be incorporated into the report for Sustainable Finance Disclosure.

More details of how these indicators, and how they are used is included in the table below.

	Sissener analysis	ESG risk analysis	Taxonomy alignment	Clarity (PAI)
Analysis	Qualitative	Quantitative	Quantitative	Quantitative
Application	Primary stock selection	Secondary stock selection	Reporting requirements (EU Taxonomy)	Reporting requirements (SFDR)
Application area	New investments: Existing investments (monitoring)	New investments: Existing investments (monitoring)		
Advantages	Proprietary analysis Application to all companies	Covers all sectors Wide company coverage	Strong focus on ESG direction	Covers all sectors Wide company coverage
Disadvantages	Ignores ESG direction – i.e. if company is improving	Ignores ESG direction – i.e. if company is improving	Several sectors excluded from EU taxonomy	
Typical output	Company passes or is rejected from negative tilt analysis based on NBIM exclusion list or other ESG concerns.	"ESG risk score" (0-100) which determines whether a company passes/fails (new investments) or is retained rejected (existing investments/monitoring).	Fund taxonomy Eligibility (%) and Alignment (%)	Qualitative output 14 compulsory PA one of 22 optional environmental indicators and one 24 social and governance indica

In the ESG Risk Score analysis, each of the three categories (Environmental, Social, Governance) are measured on three separate data type (see below).

Data type	Description	Metric type	Example
Structured quantitative data	Indicators measuring statistics and business activities that can be numerically quantified. The quantitative metric score is calculated by considering each organization's performance relative to other organizations.	**Quantitative**	Tons of Scope 1 CO2 emissions
Structured qualitative data	Policies, targets, and other information that allow evaluation of observable commitments. Policy scores equal 1 when the policy is not implemented and 100 if it is implemented. The calculation of policy scores does not depend on the peer group of reference described for quantitative metrics.	**Policy**	Board gender diversity policy
Unstructured data	Open text news and reports that allow evaluation of incidents of controversial behavior by companies. Controversies derive from corporate behavior and the company's reputation as perceived by consumers, investors, and society as a whole.	**Controversy**	Labor rights incidents

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

N/A

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

N/A

- ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

N/A

- ***How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

N/A

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒Yes,
The Sub-Fund considers the principal adverse impacts indicators in the investment process. Investments will be analysed and monitored according to the principle adverse impacts indicators listed above. Exposure towards companies with potential impact can in addition be limited/reduced by our general portfolio exclusions such as; sector exclusions, company specific exclusions and the Norges Bank Investment Management (NBIM) (Norway) exclusion list. Where principal adverse impacts are identified, either in companies and/or issuers in the portfolio, the Investment Manager will monitor and manage the positions through active ownership activities of the Sub-Fund.

☐No

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What investment strategy does this financial product follow?

The investment management strategy is based on being an active investment manager, emphasizing fundamental analysis on company and macro level. By incorporating ESG factors into the overall fundamental analysis the goal is to create additional return to the clients. The Investment Manager follows the six Principles for Responsible Investments (PRI) as guidance for our general ESG approach.

The Investment Manager integrates ESG goals into the Sub-Fund's investment strategy to better manage risk, generate sustainable long-term returns, and promote environmental, social and governance characteristics.

ESG and sustainability risks are a part of the fundamental analysis of potential new investments and can include climate risk, regulatory risk, ownership structure, labour relations etc. Sustainability risks cover a vast range of risks, and the target of the analysis is to find out whether a company will struggle to meet the ESG demands in the market.

The first stage of the Investment Manager's investment process is a negative screening (Negative tilt), which is applied to the Sub-Fund as a first layer of exclusions in the investment process where new investment cases are screened against the NBIM exclusion list (sectors and company exclusions).

The second stage is the Positive tilt. The investment manager employs a third-party sustainability platform in order to perform quantitative and qualitative ESG analysis for all investments, and to actively monitor alignment with ESG performance metrics both at company and aggregated portfolio level. In this stage of the process, the potential investment case is analysed through the sustainability platform providing each company with an ESG Risk Score. The ESG Risk Score is based on wide ranging data, including quantitative data (e.g. emissions), policy metrics (e.g. gender diversity) and controversy analysis (e.g. labour rights). The ESG Risk Scores range from 1 to 100, with 1 being a poor score that denotes high ESG risk and 100 an excellent score that means low ESG risk. The investment manager targets an ESG Risk Score above 50, which means that on average companies are ranked in the upper half of their sector peer universe.

The continuous ESG Risk Score monitoring aims to address how the score evolves over time, based on how (i) scores for individual companies, and (ii) the composition of the fund (i.e. the weighting of individual companies in the Fund), may change over time. Thus, for example, our investment management process includes an analysis of (i) how an investment in a new company can change the Fund's overall score, and (ii) our expectations for how the scores for individual companies may evolve over time.

The ESG Risk Score monitoring promotes companies that have positive ESG characteristics relative to other companies in their sector, as opposed to promoting sectors.

The Investment Manager also practises active ownership as part of the strategy. This can for instance mean using voting rights in general assemblies, entering into direct dialogue with a company or raising awareness through the media.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The binding elements are:

The Investment Manager has defined two approaches to exclusion and negative screening: Ethical exclusion of companies based on "what they do" i.e. the nature of their core business, and based on company behaviour.

1. The Sub-Fund's policy with regards to ethical exclusion is based on complying with the exclusion list as defined by Norges Bank Investment Management (NBIM). The Norwegian Ministry of Finance has issued guidelines and set up an independent Council on Ethics to assess companies and make recommendations on exclusion and observation. Today, NBIM decides on each exclusion/observation themselves. This means that the Sub-Fund should not be invested in companies that contribute to violations of fundamental ethical norms, manufacture certain types of weapons, base their operations on coal, or produce tobacco. The Investment Manager has continuous oversight and monitor companies that become excluded or added to the observation list

The exclusion list can be found here: Observation and exclusion of companies | Norges Bank Investment Management (nbim.no)

2. Risk based exclusion of companies based on "company behaviour", as deemed by the Investment Manager.

The Investment Manager will exclude companies where ESG-related risks are deemed of material potential detrimental character. Aligning investments with the Sub-Fund's ESG goals is a recognition that ESG consideration are important drivers of value. The investment manager targets a total ESG Risk Score on an aggregate portfolio level above 50. Further details on the scope and definition of the criteria are outlined in instructions under the ESG Investment policy available at www.sissener.no/en-gb/esg.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

The Sub-Fund does not commit to a minimum rate of reduction of the investments considered prior to the application of the investment strategy.

- **What is the policy to assess good governance practices of the investee companies?**

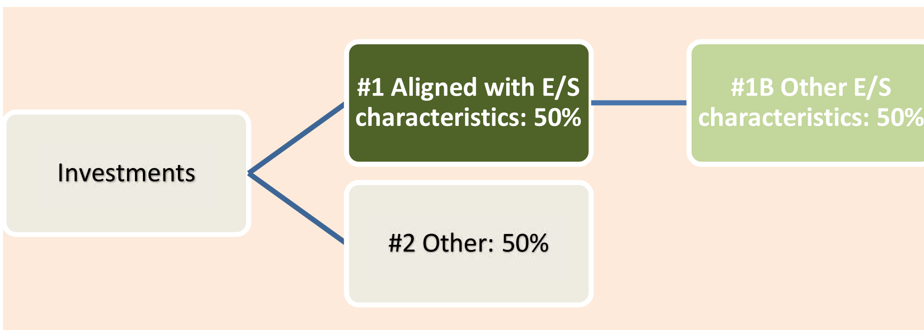
The Investment Manager uses its shareholder right to vote in general assemblies and corporate actions. It will initiate direct dialogue with companies where it believes it can impact the company in a positive direction. It can also use media to raise publicity in regards to transactions and corporate events where it believes that suggested proposals not are in the best interest of shareholders. This is either done individually or in collaboration with other share/bondholders.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

What is the asset allocation planned for this financial product?

Sissener Canopus is an actively managed global equity fund with a Nordic focus that primarily invests in large and liquid public companies with solid capital structures, predictable cash flows and good corporate governance. The Investment Manager aims for at least 50% of the portfolio to be invested in companies that have a minimum "ESG Score" of 50 based on a quantitative and qualitative analysis. This analysis is based on wide ranging sustainability factors in order to generate a score between zero and 100 for each company/issuer. Each company/issuer score is then aggregated to the portfolio level. This ESG score is based on a comparison of a company's ESG characteristics relative to other companies in its peer group. The 50 threshold effectively means that on average the portfolio will be invested in companies that score above average in their sector peer group. These characteristics include (but are not limited to) resource use, emissions, labour rights, working conditions, business ethics and board composition.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.
#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics covers**:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Sub-Fund does not use derivatives for the attainment of its environmental or social characteristics. Both the underlying positions of the derivatives as well as the long positions will take ESG considerations into account.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund has no minimum share of investments aligned with the EU Taxonomy, i.e. 0 %.

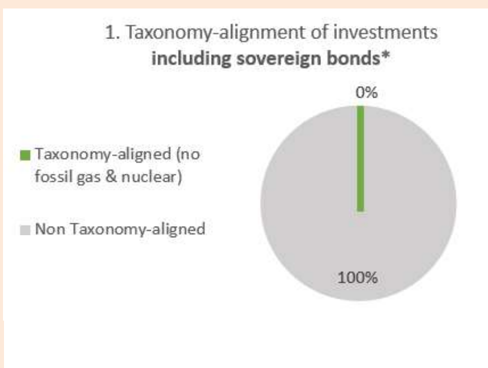
- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?**

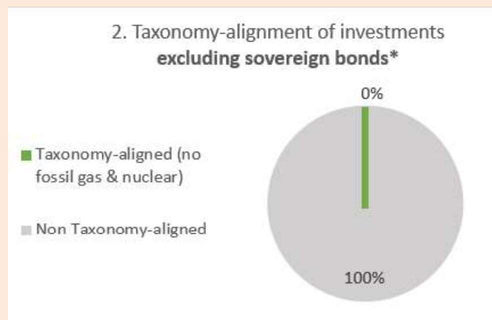
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*





This graph represents 100% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

- **What is the minimum share of investments in transitional and enabling activities?**

The minimum share of investments of the Sub-Fund in transitional activities is 0 %.

The minimum share of investments of the Sub-Fund in enabling activities is 0 %.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory not in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Sub-Fund has no minimum share of investments aligned with the EU Taxonomy, i.e. 0 % minimum target. There is a considerable shortage of availability for investments that are not fully environmentally sustainable. There is also significant shortage of data – coupled with spurious reliability of that data. Due to these factors, the Sub-Fund seeks instead to improve sustainability practices and profiles towards investee companies over time and to manage potential risks.

What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments is 0 %.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

Investments that might fall under "#2 Other" are cash positions, money market instruments and derivatives that might be required for portfolio management purposes, in addition to investments for diversification purposes. Sector specific investments that can fall into the #2 Other category can for instance be investments in fossil fuels or related to other types of non-renewable energy. Investments in the #2 Other category s will nonetheless follow the exclusions that the Investment Manager implements for specific sectors, companies and/or the Government Pension Fund Global (Norway) exclusion list.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote

The Sub-Fund is actively managed and uses a benchmark for performance comparison purposes. However, the Sub-Fund does not specifically use a benchmark index in order to attain its environmental or social characteristics.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

  N/A

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

  N/A

- **How does the designated index differ from a relevant broad market index?**

  N/A

- **Where can the methodology used for the calculation of the designated index be found?**

  N/A

Where can I find more product specific information online?
More product-specific information can be found on the website:

More Sub-Fund specific information can be found on the website www.sissener.no/en-gb/sissener-canopus and www.sissener.no/en-gb/esg