

Report on the Principal Adverse Sustainability Impacts - 2023

radicant SDG Impact Solution Fund - Swiss Sustainable Equities

Sustainability is at the core of radicant's business. We strive to generate a positive impact through the companies we invest in. However, investment decisions may cause, contribute to or be directly linked to effects on sustainability factors that are negative, material or likely to be material.

As part of the EU regulation, also known as SFDR (Sustainable Finance Disclosure Regulation), the Principal Adverse Impact (PAI) indicators are a set of mandatory indicators with the objective to show clients the negative impacts that investments may pose on sustainability factors. To give you the full transparency, we disclose these mandatory indicators as well as three additional indicators for our radicant SDG Impact Solution Fund - Swiss Sustainable Equities below.

Please note that below the reported PAIs, we have included an explanation at a minimum for those showing a significant negative change when compared from year to year.

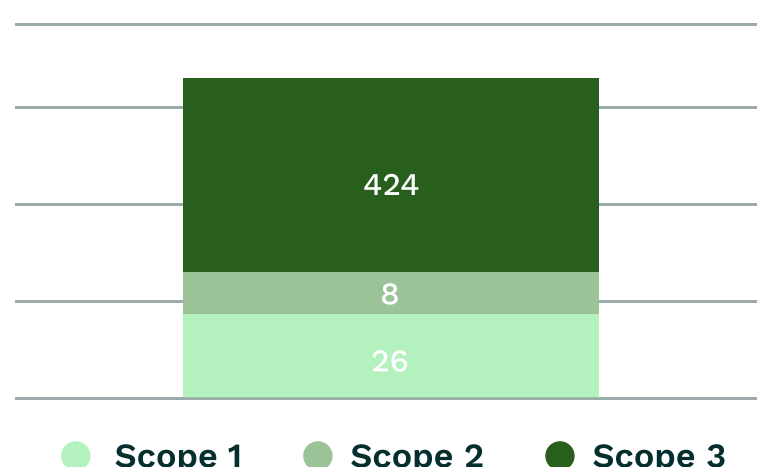
For more information about radicant SDG Impact Solution Fund - [Swiss Sustainable Equities](#)

Greenhouse Gas (GHG) Emissions



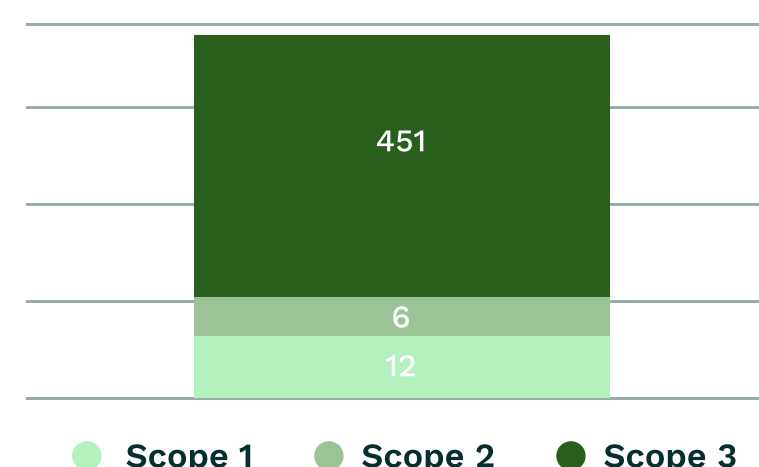
01 GHG emissions

GHG Emissions 2022
(in tonnes of CO2e per Mio EUR Enterprise Value)



Data availability: 100%

GHG Emissions 2023
(in tonnes of CO2e per Mio EUR Enterprise Value)



Data availability: 99%

Greenhouse gas (GHG) emission scopes outline when emissions occur across the value chain of companies. They are divided into direct and indirect emissions and with three scopes:

- **Scope 1:** Direct emissions cover the emissions that occur during the production process in the entities directly owned by the company
- **Scope 2:** Indirect emissions cover the emissions that occur during the generation of purchased electricity, steam, heating and cooling consumed by the company in its upstream activities.
- **Scope 3:** Indirect emissions cover all the emissions resulting from the company's upstream and downstream activities, for example during the use of the products or services. They occur from sources not owned or controlled by the company.

Enterprise value (EV) is the total value of a company, including both the current share price (market capitalization) and the cost to pay off debt (net debt, or debt minus cash), without the deduction of cash or cash equivalents.

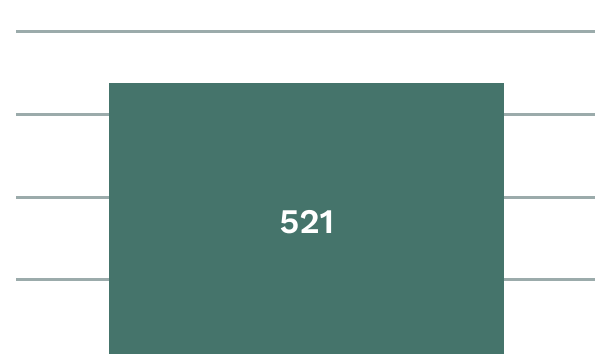
Explanation:

Our Total GHG emissions per Mio EUR EV rose by 6% from 2022 to 2023, due an decrease of the EV of some holdings in our portfolio. However, the absolute total GHG emissions of our portfolio did not increase.



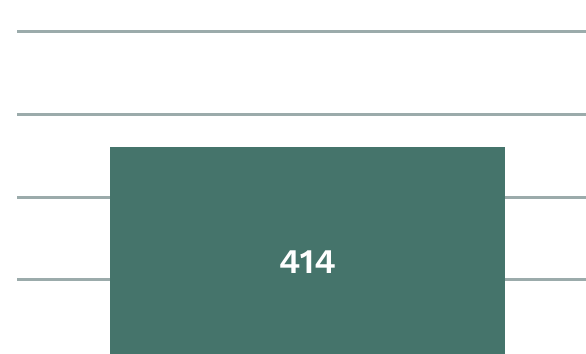
02 Carbon footprint

Total Carbon Footprint 2022
(in tonnes of CO2e per Mio EUR Enterprise Value)



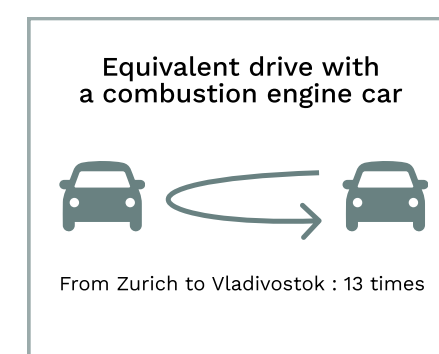
Data availability: 100%

Total Carbon Footprint 2023
(in tonnes of CO2e per Mio EUR Enterprise Value)



Data availability: 100%

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CO2e: GHG emissions are expressed in CO2 equivalents, a unit of measurement that is used to compare the emissions of various GHG emissions on the basis of their halflife in the atmosphere and as a result effects to global-warming.

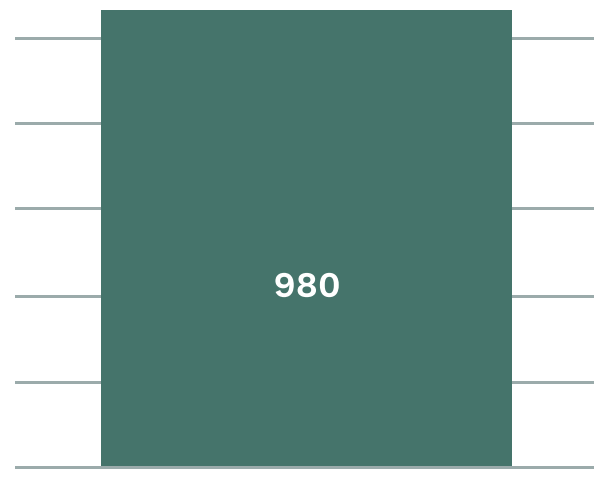
Carbon Footprint is the total of all GHG emissions divided by the current value of all investments.



03

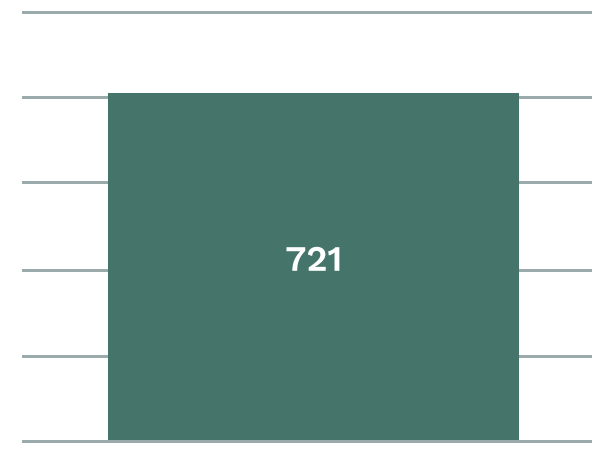
GHG intensity of investee companies

Total GHG Emissions Intensity 2022
(in tonnes of CO2e per Mio EUR Revenue)



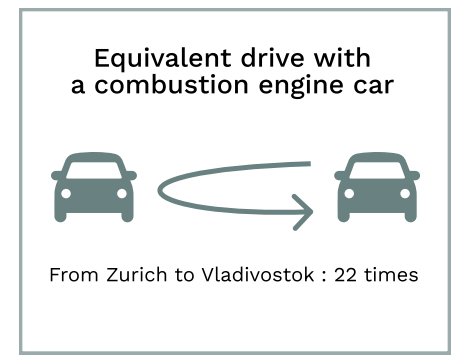
Data availability: 100%

Total GHG Emissions Intensity 2023
(in tonnes of CO2e per Mio EUR Revenue)



Data availability: 93%

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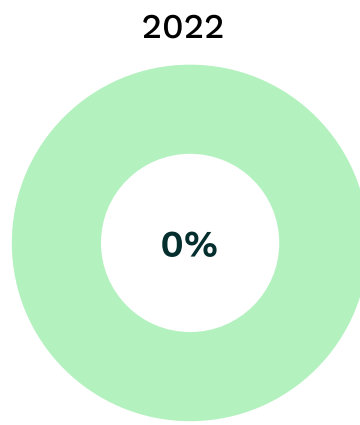


GHG Emissions Intensity is expressed as the total carbon emissions equivalent of the companies invested per million EUR of revenue.

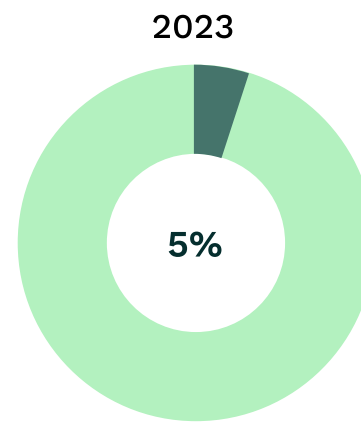


04

Exposure to companies active in the fossil fuel sector



Data availability: 100%



Data availability: 100%

Share of investments in companies active in the fossil fuel sector

Explanation:

The increase in Fossil Fuel Involvement during the year is due to the incorporation of one company in our portfolio during Q4 2023. Energiedienst Holding AG primarily focuses on generating electricity from hydroelectric power plants. In addition, the company operates in transmission and distribution operations. Nevertheless, the company also sells natural gas, considered a fossil fuel. Note that the firm's total revenues amounted to EUR 1.55M in FY2022 (year ended 31 December 2021), where its gas sales accounted for less than 1% of the total.

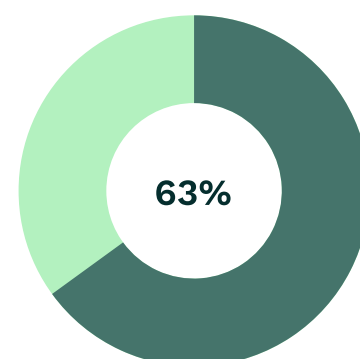
We exclude the mining and extraction, refining and production of conventional fossil fuels based on a revenue threshold of 5%. If green CAPEX and clean/green power production is above 50%, a 30% revenue threshold of 30% is applied. Furthermore, we exclude extreme fossil fuels extractions and productions such as arctic drilling, hydraulic fracturing (fracking) and oil sands based on a revenue threshold of 5%.



05

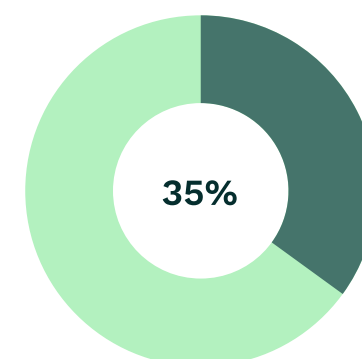
Share of non-renewable energy consumption and production

Non-renewable energy consumption* 2022



Data availability: 52%

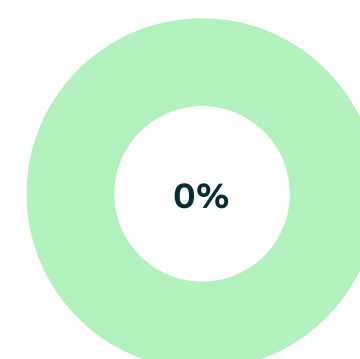
Non-renewable energy consumption* 2023



Data availability: 66%

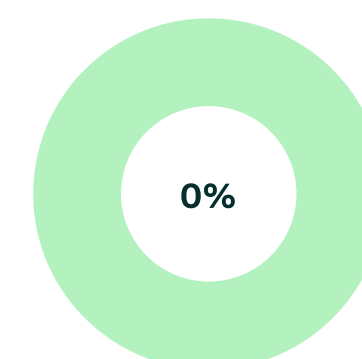
*Percentage of energy consumed by investee companies, which was generated from coal, nuclear, oil, natural gas, waste-to-energy, biomass or unclear energy sources.

Non-renewable energy production 2022



Data availability: 100%

Non-renewable energy production 2023



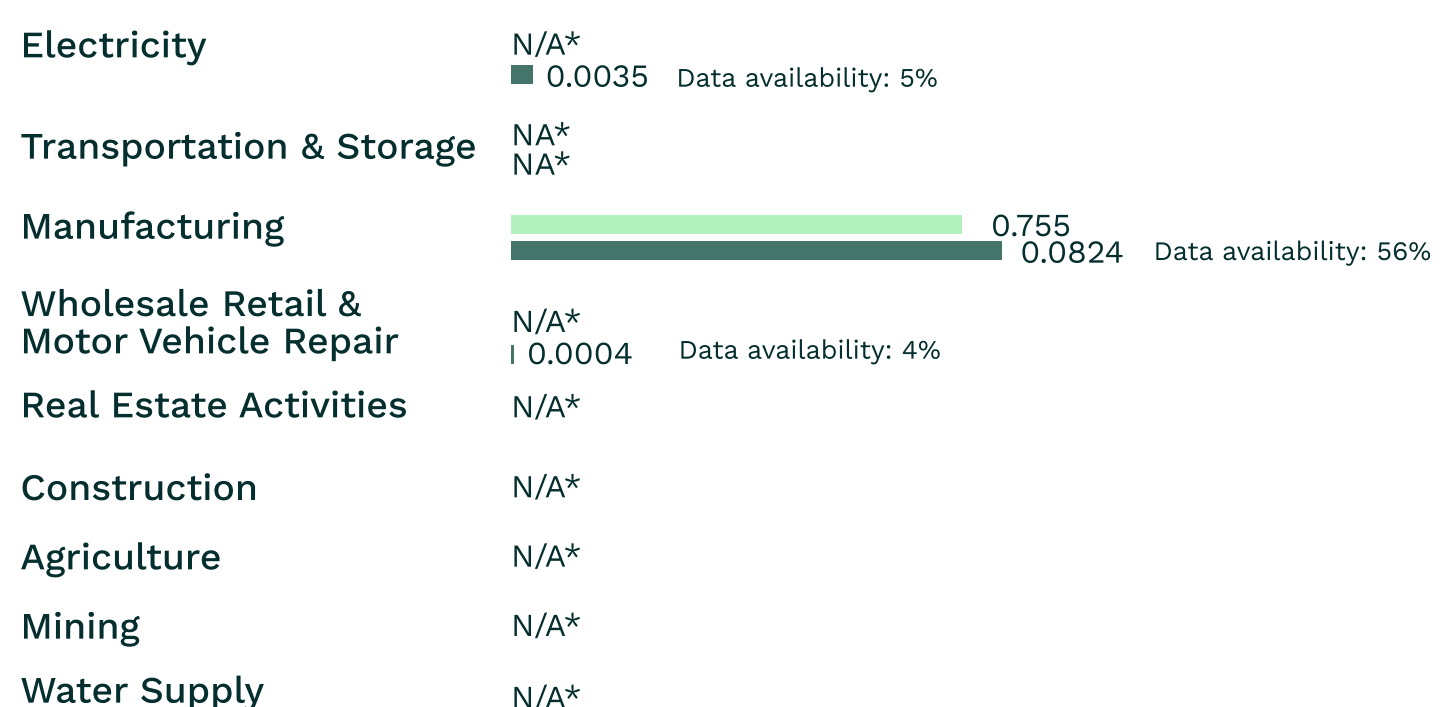
Data availability: 100%



06

Energy consumption intensity per high impact climate sector

Energy consumption intensity per high impact climate sector*
(GWh per Mio EUR revenue)



*The fund does not invest in these high impact climate sectors.

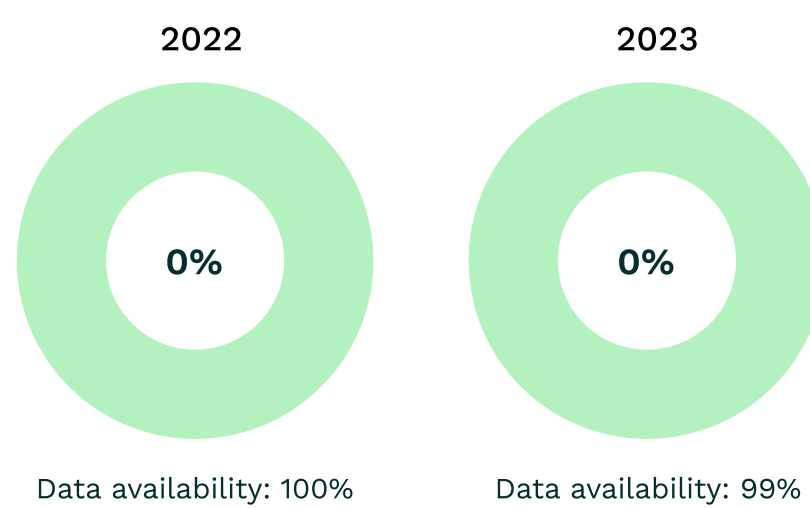
2022
2023

High Impact climate sectors are the sectors listed in the table as defined by the European Parliament and of the Council establishing the statistical classification of economic activities NACE.

Biodiversity

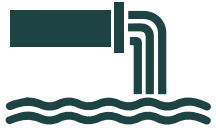


07 Activities negatively affecting biodiversity-sensitive areas

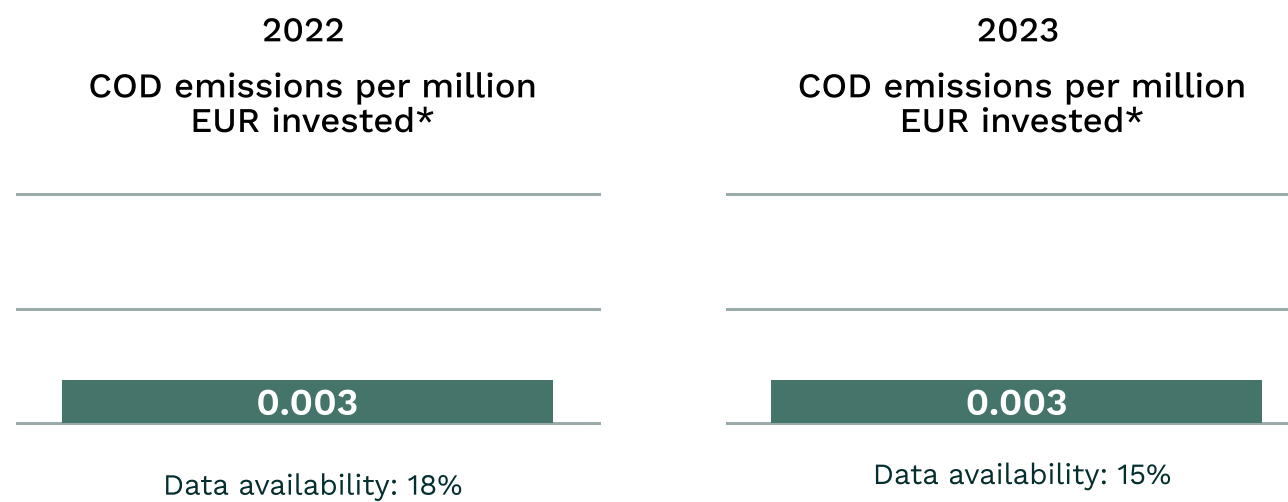


Share of companies with sites/operations located in or near biodiversity-sensitive areas where activities of those investee companies negatively affect those areas

Water



08 Toxic emissions to water



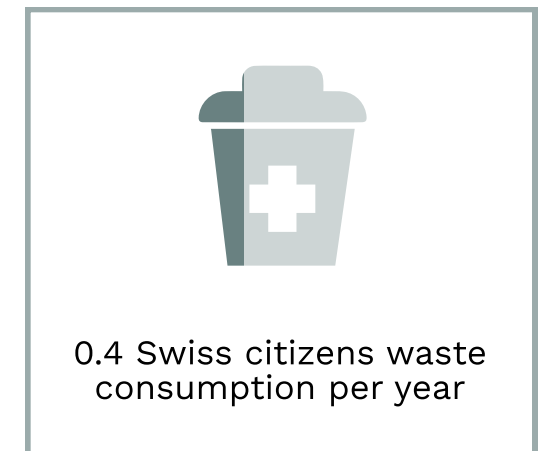
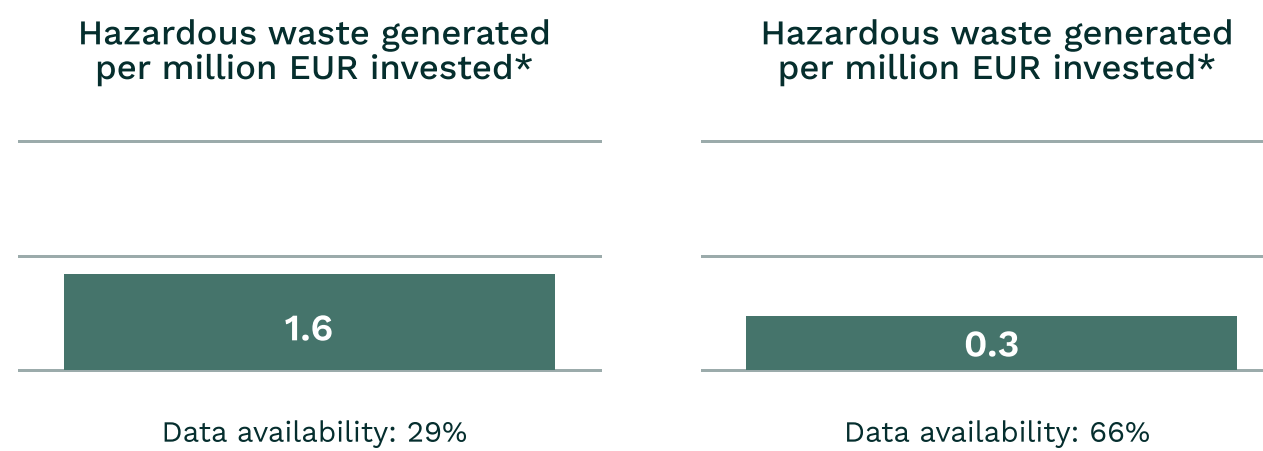
*Tonnes of chemical oxygen demand (COD) emissions to water generated by companies per million EUR invested (expressed as a weighted average)

Chemical oxygen demand (COD) emissions is used as an indicator of organic pollution in surface wastewaters or wastewater treatment plants. COD is an indicative measure of the amount of oxygen required to chemically oxidize the organic materials and inorganic nutrients present in water.

Waste



09 Hazardous waste ratio

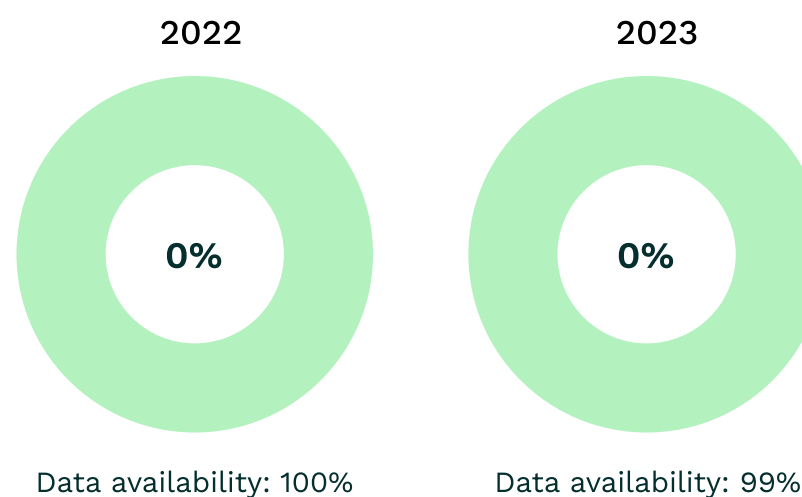


*Tonnes of hazardous waste generated by companies per million EUR invested, expressed as a weighted average

Social & employee matters



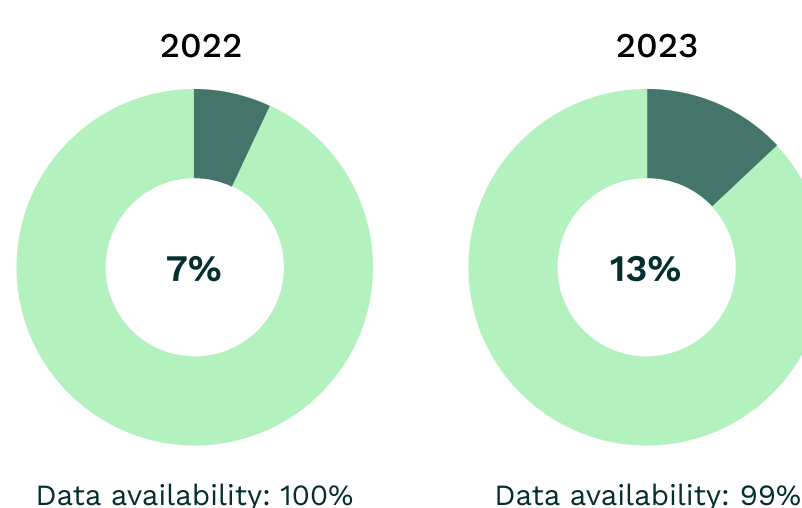
10 Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises



Share of investments in 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 the OECD Guidelines for Multinational Enterprises



Share of investments in companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations

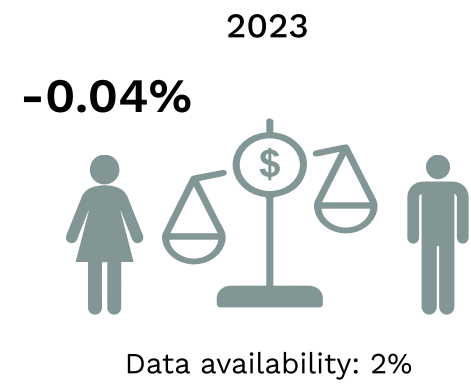
Explanation:

The change in the indicator Lack Processes UNGC/OECD Guidelines is explained by investments in four specific companies in our portfolio: Energiedienst Holding AG and LEM Holding SA -both added to the portfolio during Q4 2023- together with Stadler Rail and Coltene. These companies still lack policies to address violations and monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises.



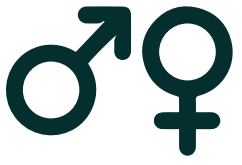
12 Unadjusted gender pay gap

2022
no data
available

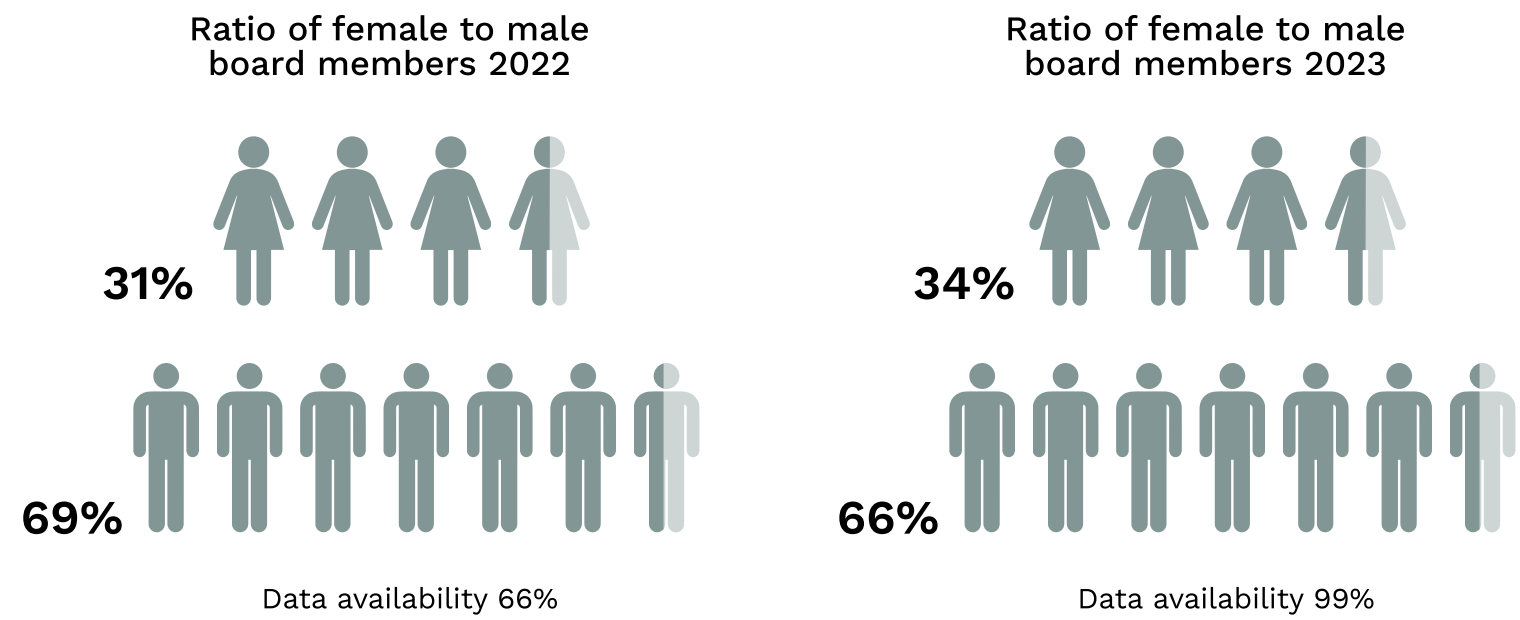


Women earn on average 0.04% less than men.

The unadjusted gender pay gap represents the average difference in pay between all men and women employees within the companies invested. The data availability of this indicator is very low and therefore the value is not meaningful.



13 Board gender diversity

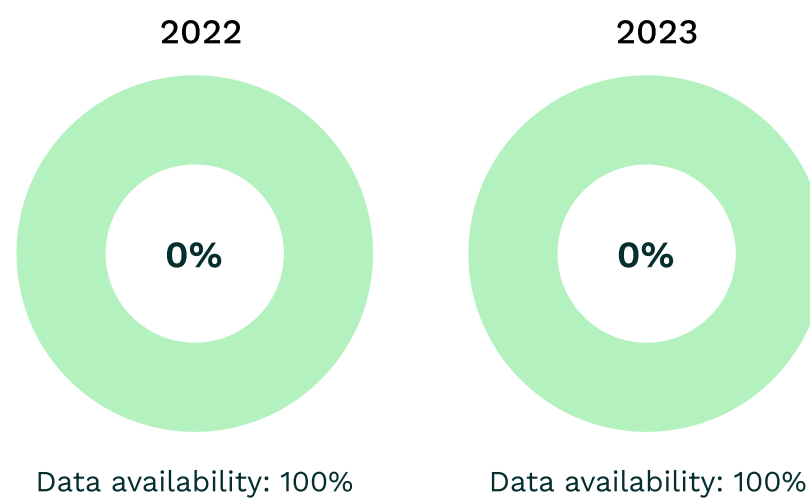


Explanation:

As part of our active ownership strategy, Gender Equality belongs to our focus engagement themes. We started to address this topic by exercising our voting rights at AGMs. Please refer to our Active Ownership Engagement Policy for more details.

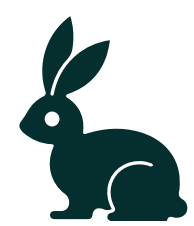


14 Exposure to controversial weapons

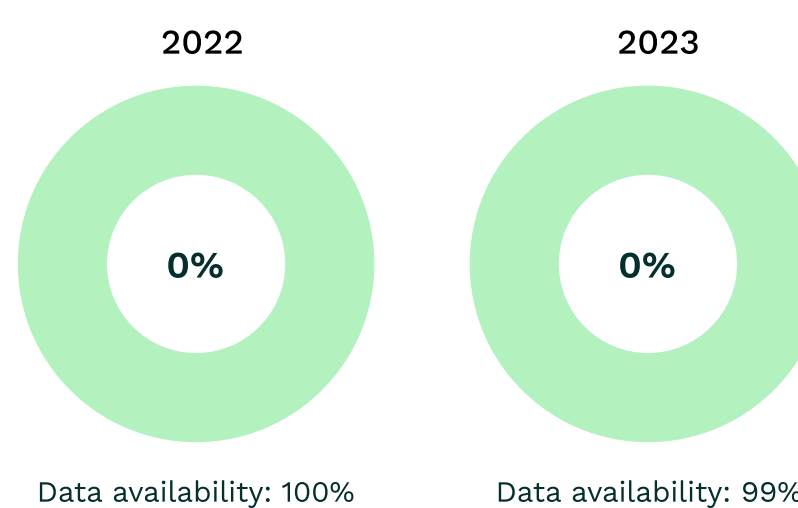


Share of investments in companies involved in the manufacture or selling of controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)

Natural species & protected areas



15 Share of companies with controversies affecting threatened species



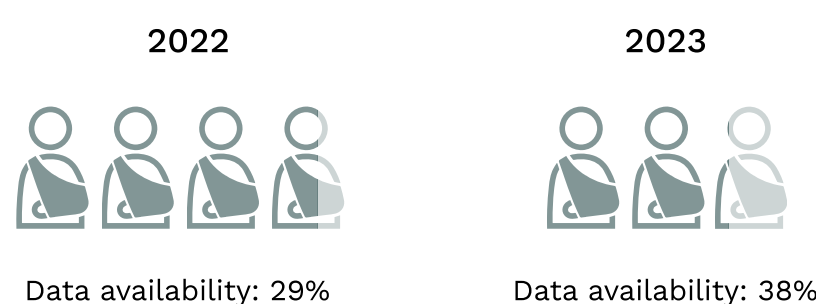
Share of investments in companies whose operations affect threatened species

'Threatened species' means endangered species (flora and fauna) listed in the European Red List or the IUCN (International Union for Conservation of Nature) Red List.

Rate of accident

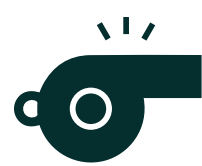


16 Rate of accidents in investee companies expressed as a weighted average



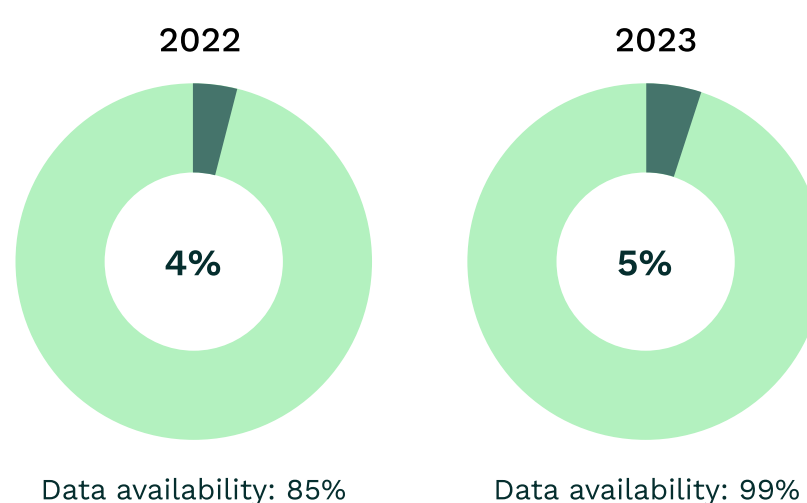
2.1 accidents for 1000 employees working full time for a year

Insufficient whistleblower protection



17

Share of investments in entities without policies on the protection of whistleblowers



Disclosure of confidential hotline/
protection of whistleblowers

Actions taken & planned, and targets set for the next reference period

Our radicant SDG Impact Solution Fund - Swiss Sustainable Equities invests in companies providing solutions to reach the Sustainable Development Goals. Through our SDG-aligned investment methodology, we focus on products and services and strive to ensure that all holdings have a net positive contribution to the SDGs.

Please note that below the reported PAIs, we have included an explanation at a minimum for those showing a significant negative change when compared from year to year. As our fund was launched in 2022, we start by observing the negative effect of our investments on sustainability factors, and then will define our targets to tackle those areas where progress is most needed.

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This data is sourced from ISS ESG Institutional Services and radicant. The data availability is not always 100% since many entities do not disclose information on the indicators required for Principal Adverse Impact reporting.

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