

ANNEX I
 Template principal adverse sustainability impacts statement
 Table 1
 Statement on principal adverse impacts of investment decisions on sustainability factors

Product name: Nordic Impact Evergreen K/S
Legal entity identifier: CVR 45386414

Description of the principal adverse impacts on sustainability factors

Indicators applicable to investments in investee companies

Adverse sustainability indicator	Metric	Impact [2024]	Impact [2023] (revised)	Explanation	Actions taken, and actions planned and targets set for the next reference period	
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	502.21	433.04	100% of portfolio companies covered. Using PCAF methodology for calculating GHG emissions, and basing each company's energy consumption on either reported energy consumption, or average energy consumption for a small enterprise in East Africa. Note: It appears that PCAF emission factors are disproportionately high for the African region, when compared to Europe.	The Fund has become a PCAF member to align GHG emissions reporting with international standards. The Fund will continue to engage with PCAF to further enhance the estimation methodologies to improve relevance for the NIF portfolio, e.g. with an East Africa focus and distinguishing between sustainable and conventional agricultural practices.
		Scope 2 GHG emissions	8.91	5.49	Scope 2 emissions have been calculated in the same way as Scope 1	As above
		Scope 3 GHG emissions	N/A	N/A	Scope 3 emissions data not available for any of the companies invested in. There are limitations on data available from unlisted MSMEs in East Africa, with the PCAF-database not being sufficient for the scope of our investments	NIF will continue to contribute to scope 3 emission estimations to enable such reporting in the future.
		Total GHG emissions	511.12	438.53	Aggregated sum of Scope1 and Scope 2	Once Scope 3 emissions are available, NIF will extend the total emissions by them
	2. Carbon footprint	Carbon footprint	40.94	46.81	100% of portfolio companies covered. Using PCAF methodology for calculating GHG emissions, and basing each company's energy consumption either on its provided energy consumption or on average energy consumption for a small enterprise in East Africa.	As above
	3. GHG intensity of investee companies	GHG intensity of investee companies	128.04	154.26	As above	As above
4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	0%	NIF does not invest in companies active in the fossil fuel sector.	N/A	
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 compared to renewable energy sources, expressed as a percentage of total energy sources	16%	7%	Estimated based on portfolio companies' data, as well as energy grid data for region of investment, with majority of change driven by new investments in previously not covered regions	NIF will work with portfolio companies to collect relevant data for the next reporting period.	
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	0.0044 GWh / MEUR	0.0062 GWh / MEUR	Estimated based on portfolio companies' data, as well as average data for SMEs in East Africa with a small office for those missing.	NIF will work with portfolio companies to collect relevant data for the next reporting period.	
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	0%	0%	NIF does not invest in companies negatively affecting biodiversity-sensitive areas.	N/A
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.00 t / MEUR	0.00 t / MEUR	NIF does not invest in companies that emit to water.	N/A
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	0	0	NIF does not invest in companies with hazardous waste.	N/A

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS

Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (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	0%	0%	NIF does not invest in companies that violate the UNGC principles	N/A
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	75%	67%	Given the early stage of many portfolio companies, governance and compliance frameworks are often limited to foundational elements. The observed gap primarily reflects a lack of established structures rather than deliberate non-compliance. We expect this gap to close as companies mature and formalize their internal policies and processes	NIF will work with investee companies to improve governance and compliance structures
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	73%	63%	It reflects underlying structural and role-based imbalances within investee companies, rather than direct pay discrimination.	As data coverage improves and companies grow, we will support efforts to collect role-adjusted figures and encourage gender equality through transparent HR practices and aim to help companies find suitable female FTE to decrease the gap
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	51%	59%	Currently calculated as an average of the female to male ratio in each investee company.	NIF will collect and report the ratio as a percentage of all board members for the next reporting period.
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0%	0%	NIF does not invest in companies involved in the manufacturing or selling of weapons of any kind	N/A

Indicators applicable to investments in sovereigns and supranationals

Adverse sustainability indicator	Metric	Impact [2024]	Impact [2023] (revised)	Explanation	Actions taken, and actions planned and targets set for the next reference period	
Environmental	15. GHG intensity	GHG intensity of investee countries	N/A	N/A	N/A	NIF has not invested in sovereigns and supranationals so this indicator is not applicable.
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	N/A	N/A	N/A	NIF has not invested in sovereigns and supranationals so this indicator is not applicable.

Indicators applicable to investments in real estate assets

Adverse sustainability indicator	Metric	Impact [2024]	Impact [2023] (revised)	Explanation	Actions taken, and actions planned and targets set for the next reference period
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Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	N/A	N/A	N/A	NIF has not invested in sovereigns and supranationals so this indicator is not applicable.
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	N/A	N/A	N/A	NIF has not invested in sovereigns and supranationals so this indicator is not applicable.

Description of policies to identify and prioritise principal adverse impacts on sustainability factors

The Fund applies an exclusion list aligned with international standards and assesses potential adverse impacts of each investment opportunity to assess sustainability risks and identify appropriate mitigation measures to actively promote the avoidance of harm to environmental and/or social sustainable investment objectives.

The Fund has started to measure and monitor indicators for adverse impacts as outlined in Table 1 of Annex I and selected indicators in Tables 2 and 3 of Annex I. The Fund incorporates these indicators in the annual portfolio review. The Fund is not – at this point in time – exposed to or significantly contributing to any of the adverse impacts outlined in Annex I.

The Fund is committed to improve reporting on PAIs by working with portfolio companies to increase maturity and ability to report on the provided PAIs.

The Fund considers the risk of principle adverse impacts on sustainability factors as part of the investment process and due diligence as well as during the investment period. The Fund measures and monitors the mandatory and selected voluntary PAIs.

Engagement policies

The Fund constantly interacts with its portfolio companies to learn from them and improve their approach towards sustainability.

An extensive review is performed annually, in accordance with NIF's sustainability reporting process. Each portfolio company is assessed on environmental, social and other sustainability indicators to make sure they continue to contribute to the Fund's sustainability objective, that they do not significantly harm any objective, and that they are actively mitigating any adverse sustainability impacts. As part of the annual reporting process, NIF also works with each portfolio company on improvement plans and actions to be taken to improve their sustainability impact.

References to international standards

Nordic Impact Funds aligns its sustainability investment policies with relevant international standards. We adhere to the following internationally recognized standards for impact management and reporting:

- Sustainable Development Goals
- IFC Operating Principles for Impact Management
- Impact Norms (by Impact Frontiers, formerly IMP)
- IRIS (by the Global Impact Investing Network)
- IFC performance standards
- IFC Exclusion list
- UN PRI (United Nations Principles for Responsible Investment)
- EU Taxonomy
- 2X Global (inc. 2X Challenge Criteria)

Historical comparison

NIF 2023 reporting