

Table 1

Statement on principal adverse impacts of investment decisions on sustainability factors**Financial market participant:** Priveq V and Priveq VI**Summary**

The present statement is the consolidated statement on principal adverse impacts on sustainability factors of the funds Priveq V and Priveq VI, hereafter referred to as “Priveq”. Priveq considers principal adverse impacts of its investment decisions on sustainability factors as part of its investment processes. Priveq considers all mandatory PAI indicators, along with four voluntary indicators. To identify and mitigate these impacts, Priveq applies a combination of approaches, including the integration of ESG throughout the investment process and ongoing engagement with portfolio companies, primarily through active participation on their boards of directors. These efforts aim to ensure that sustainability risks and adverse impacts are continuously monitored and addressed.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January 2024 to 31 December 2024. Hence Priveq VII, with start date January 1st, 2025, is not included in this report.

Reporting year 2025 will be the first year reflecting a comparison to a previous year.

Description of the principal adverse impacts on sustainability factors

The mandatory indicators defined by the SFDR are presented in Table 1 below. For each of these indicators, Priveq has provided information outlining the actions we have taken, as well as the measures we have set to mitigate or reduce the identified principal adverse impacts.

We have reported the principal adverse impacts of our investments, measured using these indicators, for the reference period from 1 January to 31 December 2024. This information will be disclosed on an annual basis.

Indicators applicable to investments in investee companies						
Adverse sustainability indicator		Metric	2024	Impact [year n-1]	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	865 tCO2e	n/a	n/a	Priveq will continue to support and collaborate with its portfolio companies to identify and disclose their greenhouse gas emissions and establish clear targets for reducing those emissions.
		Scope 2 GHG emissions	564 tCO2e			
		Scope 3 GHG emissions	38,522 tCO2e			
		Total GHG emissions	39,952 tCO2e			
	2. Carbon footprint	Carbon footprint	113.5 tCO2e/MEUR	n/a	n/a	
	3. GHG intensity of investee companies	GHG intensity of investee companies	58.8 tCO2e/MEUR	n/a	n/a	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	n/a	n/a	
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy	46%	n/a	n/a	Not representative of the full portfolio, based on reported data only. Monitor on

		production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources				an annual basis. Feedback given to relevant companies.
	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	Manufacturing 0.118 GWh/MEUR; Wholesale and retail trade 0.005 GWh/MEUR; Transportation and Storage 0.012 GWh/MEUR	n/a	n/a	Monitor on an annual basis.
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%	n/a	n/a	Monitor on an annual basis.
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0	n/a	n/a	Monitor on an annual basis.

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	0.48 t/MEUR	n/a	n/a	Monitor on an annual basis.
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%	n/a	n/a	Monitor on an annual basis.
	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	26%	n/a	n/a	<p>Monitor on an annual basis.</p> <p>Recommendation to officially join UN Global Compact.</p> <p>All portfolio companies are required to implement external whistleblower systems.</p>

	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	14%	n/a	n/a	Monitor on an annual basis.
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	26%	n/a	n/a	Monitor on an annual basis. Focus to promote and increase gender representation on the Board of directors.
	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%	n/a	n/a	Priveq do not invest in such companies. Industry included in exclusion criteria.

Table 2

Additional climate and other environment-related indicators

Adverse sustainability indicator		Metric	2024	Impact [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period
Indicators applicable to investments in investee companies						
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
	1. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	73%	n/a	n/a	Monitor on an annual basis. Promote the development of climate strategies aligned with the Paris Agreement.

Table 3

Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters

Adverse sustainability indicator		Metric	2024	Impact [year n-1]	Explanation	Actions taken, and actions planned and targets set for the next reference period
Indicators applicable to investments in investee companies						
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
Social and employee matters	1. Insufficient whistleblower protection	Share of investments in entities without policies on the protection of whistleblowers	0%	n/a	n/a	Monitor on an annual basis. All portfolio companies are required to implement external whistleblower systems.
	2. Lack of a supplier code of conduct	Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour)	7%	n/a	n/a	Monitor on an annual basis. Portfolio companies are required to implement a supplier code of conduct towards its major suppliers.

Anti-corruption and anti-bribery	3. Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption	7%	n/a	n/a	Monitor on an annual basis. All portfolio companies are required to implement anti-corruption and anti-bribery policies.
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Description of policies to identify and prioritise principal adverse impacts on sustainability factors

Priveq applies a structured process to identify and mitigate Principal Adverse Impacts throughout the investment lifecycle. This begins with a thorough integration of sustainability considerations during the investment process. Priveq has implemented sector-based exclusions, avoiding investments in industries with a high risk of adverse impacts, such as weapons, gambling, tobacco, alcohol, recreational drugs, and pornography. Each potential investment is evaluated using a ESG checklist that assesses the industry, geographical context, and the ESG maturity of the company. This includes reviewing business practices, employee rights, environmental impact, and anti-corruption measures. In most cases, the initial screening is followed by an external ESG due diligence conducted by independent experts. This process further evaluates the sustainability performance and maturity of the target company. Through this structured approach, Priveq is able to identify and manage potential PAIs effectively.

Once an investment is made, Priveq exercises active ownership to address identified PAIs. These impacts are monitored and reported annually through the annual sustainability reporting framework. During the ownership phase, Priveq sets clear goals for growth, profitability, investment returns, risk levels, ownership duration, and ESG performance. The ESG requirements are aligned with Priveq's ESG roadmap, which begins with the implementation of governance documents based on the UN Global Compact Principles. Priveq also supports portfolio companies in developing tailored ESG strategies, conducting risk assessments, and integrating sustainability into their core business operations. These strategies include clearly defined short- and long-term goals, supported by actionable plans. To further align with PAI indicators, Priveq encourages all portfolio companies to adopt a climate action plan, which includes calculating their carbon footprint (scope 1-3) and setting measurable climate targets.

Data inputs and limitations

The data for the PAI indicators has been gathered by the respective investee companies with the help of an online reporting tool chosen by Priveq, and aggregated by Priveq to show a holistic picture of the current status. As the Fund invests in smaller companies which might not have the necessary processes in place to obtain high quality ESG data, there is a risk that the data input from the portfolio companies hold some elements of error due to the used measuring techniques by the portfolio companies, or a failure of collecting all relevant data. To limit this risk, Priveq has created a process of internal correction to identify irregularities in data and act on these. Priveq initiated the collection process five years ago and has since analysed the data every year to find irregularities. When found, these have been communicated with the investee companies to find out how to improve the data collection. Additionally, Priveq is arranging webinars with sustainability experts for the portfolio companies to further improve the reporting standards. When new indicators are introduced, these are subject to scrutinised controls to limit the errors.

Description of actions taken and actions planned to avoid or reduce PAIs identified

Priveq uses a digital reporting tool to collect data on the indicators from portfolio companies. Annually, Priveq performs a more thorough review of the collected indicator data. Following this review, the most crucial indicators in need of attention are identified. For these indicators, Priveq analyses and puts together an action plan as to what actions should be taken in order to improve their performance. The action plan is partly communicated to external stakeholders through the PAI reporting, and also to the portfolio companies to the extent that they are affected or expected to be part of the actions to be taken.

Engagement policies

Priveq has implemented ESG guidelines for all portfolio companies which outline the expectations of them as investee companies. These guidelines include an expectation that portfolio companies should have certain steering documents in place, but also covers the topic of monitoring. Priveq requires our portfolio companies to disclose sustainability data to Priveq on a regular basis, including data points related to the PAI indicators. Should no reduction of the principal adverse impacts occur over more than one period reported on, Priveq initiates a discussion with the portfolio company at hand to understand:

- *Why no improvement has been achieved,*
- *What can be done to turn the trend*

Priveq will together with the portfolio company draft an action plan aimed at achieving a positive change for the next reporting period.

In addition to the ESG guidelines, Priveq requires the portfolio companies to create and implement additional policies to work with principal adverse impacts. These are:

- *Code of conduct:* The code of conduct should be based on the UN Global Compact's 10 principles including human rights, work environment, environmental impact and anti-corruption.
- *Supplier code of conduct:* This supplier code of conduct should also be based on the UN Global Compact's 10 principles.
- *A whistleblower function:* A process for handling whistleblowing matters should be in place.

The engagement policies seek to uphold a minimum standard for our portfolio companies within their respective areas, and also guide the companies in their work for improvement. Improvement is then measured by the annually gathered sustainability indicators. Should the engagement policies fail in their effort to help the companies improve on the principal adverse impacts over more than one period reported on, Priveq will make sure to analyse the result. Where the policies are identified as being a cause of the improvement failure, we will aim to improve them. Regardless of the development of the indicators, Priveq conducts an annual review of its policies to ensure they remain up to date, reflect the latest regulatory developments, and incorporate relevant new research or best practices that could strengthen the policies further.

References to international standards

Priveq is a signatory of Principles for Responsible Investments and is also a member of the industry organisations Invest Europe and the Swedish Private Equity & Venture Capital Association, to which codes of conduct Priveq has committed to adhere to. The alignment to these standards is measured by the indicators 10 and 11, as these show how well we as owners have incorporated ESG issues into our investment analysis processes, and also managed to incorporate these issues into our ownership policies. This data is collected through the digital reporting tool described above, wherein the portfolio companies report the required data.

Priveq is committed to follow the UN Declaration of Human Rights and the Conventions of the International Labour Organisation. In line with this, we are committed to not make investment that significantly conflicts with the UN Global Compact's 10 principles, which cover key areas such as environmental responsibility, human rights, labour standards, and anti-corruption. The 10 principles of the UN Global Compact are also embedded in Priveq's Code of Conduct.

Priveq does currently not consider forward-looking climate scenarios. While forward-looking climate scenarios are not deemed irrelevant, Priveq is currently analysing the possibility of using such scenarios.

Historical comparison

The earliest historical comparison will be provided in June 2026.