30 June 2023

Statement on principal adverse impacts of investment decisions on sustainability factors

Financial market participant: Anthos Fund & Asset Management B.V. (LEI: 724500604XSTP9D0NU75)

1. Summary

Anthos Fund & Asset Management B.V. ('Anthos'; LEI: 724500604XSTP9D0NU75) considers principal adverse impacts of its investment decisions on sustainability factors. This statement is the consolidated statement on principal adverse impacts on sustainability factors of Anthos. The statement covers the reference period from 1 January 2023 to 31 December 2023.

Assets under management include the assets held within the investment funds for which Anthos has been appointed as the investment manager as well as the assets held within the Anthos client mandates. The 2023 impact data of the PAI indicators that we currently monitor is stated in tables 1-4 of this statement. For each PAI indicator for which we obtained data, we disclose which percentage of our assets under management this data covers. The tables also include the actions we have taken and any actions planned for the next reference period.

We understand that the PAI indicators are beneficial for obtaining insights into the unintended impacts of our investments, and they are instrumental in our discussions with external investment managers and clients. However, as a fund of funds, we also recognize the difficulties in obtaining comprehensive data for certain categories of assets, particularly in private markets and absolute returns strategies (incl. hedge funds, insurance linked, macro strategies, etc.).

In 2023, we engaged with the managers in private markets (mainly with our impact managers) to obtain more PAI metrics. We also reviewed our methodology to aggregate data and were able to improve the coverage of the data reported.

2. Description of the principal adverse impacts on sustainability factors

To measure how investment decisions negatively impact sustainability factors, Anthos reports on 18 mandatory and 3 optional principal adverse impact (PAI) indicators relating to greenhouse gas emissions, biodiversity, water, waste, and social indicators applicable to companies, sovereigns and supranational organizations, and real estate assets. These indicators are set out in the tables below.

Anthos is an AIFMD licensed fund manager that is also authorized to provide individual portfolio management services and investment advice. As fund of fund manager we invest in segregated mandates and investment funds managed by external investment managers, so we and our clients benefit from the expertise of some of the world's leading investment managers across various asset classes. This also means that our impact is usually indirect, through the investment funds that we invest in. To consolidate this PAI Statement, we rely on external parties to share data with Anthos. This 'look-through' portfolio data can be obtained from the external investment manager directly or from 3rd party data provider like MSCI or Sustainalytics. Where possible, we use the insights from this data as basis to engage with the external investment managers, or we engage with managers to obtain further data where relevant.

Methodological changes applied to the data below
In 2023, Anthos obtained extensive sustainability data on a look-through level, including PAI data . Over 2023, we joined several working groups to align on best practices to work with this new data, and align with latest regulatory guidance on how to consolidate and report best this data. As a result, we updated our methodology to report PAI data in the table below which led to the following methodological changes.

A. Changes in the assets included in the denominator (total assets in scope):
In 2022, we assessed 100% of our investment portfolio for all Principal Adverse Impacts (PAIs). This year, we refined our approach by including only the relevant investment categories (eligible instruments), for each specific PAI.

For example, if a PAI pertains to companies, we did not include the non-eligible investments, such as real estate, in the assessment. With this, we ensure that only applicable investments are considered for each PAI metric, providing a more accurate and meaningful number for our portfolio's impact.

This provides a higher coverage of the metric, and a fairer representation of the negative impact for the reader.

B. Change in primary sources uses:
In 2022, we used the PAI data reported by our external fund managers as a primary source. Where no data was available, we would rely on data from 3rd party data providers. In 2023, we relied firstly on data provided by a 3rd party data provider as those are deemed more consistent for listed assets, as they are calculated using the same methodology, and provide a larger coverage. For private assets, we are still reliant on data provided by our external managers.

Table 1 - Indicators applicable to investments in investee companies

Adverse sustainability indicator	Metric	Impact 2023	Impact 2022	Comment	Actions taken, and actions planned and targets set for the next reference period
1. GHG emissions	Scope 1 GHG emissions (tCO2e)	121,774	96,722	In 2023, we were able to improve the coverage of our emissions and we now include the estimated emissions from our private equity and real estate portfolios. The total GHG emissions increased due to higher coverage and increase in AuM, but in intensity, Anthos' footprint decreased in 2023.	**General approach:** Anthos is committed to achieve Net-0 emissions by 2040 for our investments emissions. We expect to achieve this through our selection of managers that have a serious understanding of climate risks and have a robust approach on climate, our engagement strategy and our monitoring of exclusions. See section 3.3 our climate commitments and exclusion policy, climate action strategy and engagement practices. **Actions taken over 2023** • Our overall footprint remains below benchmark and stable compared to last year. • We kept working on increasing the coverage of climate related data to support our portfolio managers with better monitoring of the environmental impact of their portfolio. We note that GHG accounting remains a challenge for private markets, which is why we still rely on estimated data. **Actions planned for 2024:** - In 2024, we expect to keep on delivering on our Net-0 ambition, by keeping an open-dialogue with our external managers on climate related issues, and investing in strategies that have expertise and integrate climate related risks and impacts. We expect to increase the coverage of climate related
	Scope 2 GHG emissions (tCO2e)	35,007	25,952		
	Scope 3 GHG emissions (tCO2e)	1,328,983	1,029,068		
	Total GHG emissions (tCO2e)	1,485,764	1,151,742		
2. Carbon footprint	Carbon footprint (tCO2e/EURm)	355	397		
3. GHG intensity of investee companies	GHG intensity of investee companies (tCO2e/EURm)	835	1,062		
4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector (% involved)	0,8% Coverage: 68,4%	1.1% Coverage: 45,5%	In 2023, we were able to improve the coverage from 45% to 68%. Most of the coverage is driven by our equity investments, and our fixed income investment grade investments. While we get little response on PAI reporting from our Private equity funds[1], we manually monitor our exposure to fossil fuels and confirm we have no exposure to companies active in the fossil fuel.	

[1] Our Private equity funds do not have the obligation to report to SFDR.

					data for the real estate portfolio.
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 (%)	34,2% Coverage: 93,3%	20,3%[2] Coverage: 38,8%	The increase in the negative impact is mainly driven here by a significant increase in the coverage of the data point (from ~ 40% to ~90%).	
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	0,2 Coverage: 54,3%	1.2 Coverage: 25,0%	The significant decrease in the 2023 metric compared to 2022 can be attributed to the methodological changes, as well as the inherently high variability associated with low numbers, where even minor changes can lead to relatively substantial fluctuations. This natural volatility makes large	

[2] This is a 2022 restated data. In 2023, we report the share in non-renewable energy consumption and production on an aggregated level to obtain a higher coverage. The majority of non-listed investment funds have reported this data on an aggregated level. To report a split between production and consumption would result in excluding a significant proportion of the impact from our portfolio. We therefore restate the 2022 data point in order for the data to be comparable this year.

	(GWh/EURm)			percentage differences between consecutive years more likely and not necessarily indicative of a long-term trend or significant underlying issue.	
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 (% involved)	1.2% Coverage: 68,5%	5.6% Coverage: 45,2%	The significant decrease in the 2023 metric compared to 2022 can be attributed to the methodological changes, as well as the inherently high variability associated with low numbers, where even minor changes can lead to relatively substantial fluctuations. This natural volatility makes large percentage differences between consecutive years more likely and not necessarily indicative of a long-term trend or significant underlying issue.	**General approach:** We have formulated our position on the topic of biodiversity in our ESG positions and Exclusion policy (e.g controversies). Our engagement service provider engages on our behalf on the topic of biodiversity loss with our underlying companies. **Actions taken over 2023:** - Started investigating available biodiversity data for our current portfolios. Engaged with a few external managers to investigate potential investment opportunities contributing to the biodiversity impact theme. **<u>Actions planned for 2024</u>**: We aim to integrate further the topic of biodiversity within our work on climate. This means keeping on exploring robust data sources to inform on the biodiversity footprint of our investments, and keep exploring investment opportunities contributing to combat biodiversity loss.
8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average (t/EURm)	3.3 Coverage: 41.9%	1.0 Coverage: 1.2%	The increased negative impact is directly linked here to the increase in coverage of the data point going from ~1% to ~42%.	
9. Hazardous waste and	Tonnes of hazardous waste and	2.2[3]	3.7	Data for this metric is very limited and may affect the	

[3] We utilized Sustainalytics data to measure the impact metric "Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR." However, in instances where Sustainalytics only provided waste data without corresponding EVIC (Enterprise Value Including Cash) data, the waste per million EUR metric was not available. To address this and enhance our data coverage, we supplemented the missing EVIC data where possible from other sources and estimated the calculations ourselves.

radioactive waste ratio	radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average (t/EURm)	Coverage: 32.0%	Coverage: 38.6%	reliability of the number shown.	
10. Violations of UN Global Compact principles and 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 (% involved)	0,2% Coverage: 68.4%	2.0% Coverage: 46.5%	The significant decrease in the 2023 metric compared to 2022 can be attributed to the methodological changes, as well as the inherently high variability associated with low numbers, where even minor changes can lead to relatively substantial fluctuations. This natural volatility makes large percentage differences between consecutive years more likely and not necessarily indicative of a long-term trend or significant underlying issue..	**<u>General approach:</u>** Human Dignity is one of our core values and have formulated our position in our Human Rights Policy. See section 3.3 our commitments to human rights, exclusion policy, and engagement practices. **<u>Actions taken in 2023:</u>** - <u>Published our first Human Rights policy</u> - <u>Conducted a workshop to identify our firm's salience issues.</u> - <u>Engaged with our managers on how they identify, manage and mitigate</u> their negative impact in line with the OECD guidelines and the UN Global compact. **<u>Actions planned for 2024:</u>** - Engage with our external managers on the actions taken to mitigate the harm of the few companies in our portfolios that are flagged for violations of human rights. - Follow the engagement conducted by Sustainalytics on Global Standards. - Continued work on tools and data to better integrate human rights assessment in our processes
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	23,6% Coverage: 68.2%	52.2% Coverage: 43.4%	The significant decrease in the 2023 metric compared to 2022 can be attributed to the methodological changes.	

	Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (% involved)				
12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies (%)	2.0% Coverage: 42.5%	10.8% Coverage: 3.4%	The coverage of this data point increased from ~3,5% to ~43% due to the changes in the methodology compared to last year. However, we caution the reader that this metric is a ratio and not an absolute negative impact. On average, the companies that report a metric for this PAI have an average of 16,8%. The number reported is the share of our investment in those investee companies applied to the negative impact metric reported.	**<u>General approach:</u>** As part of our due diligence and engagement process, we assess the DE&I policy, commitments and reporting of our external investment managers and engage on the topic. We don't exclude poor performers as we are still in the learning stage on the topic, but we are discussing it with our external investment managers. **Actions taken in 2023:** - We engaged with all our external impact investment manager in private markets to discuss on how to start measuring this negative impact. Overall we observe that the gender pay gap metric has a low coverage in both listed and private assets.
13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as	9,8% Coverage: 67.6%	33.4% Coverage: 44.8%	The coverage of this data point increased from ~45% to ~67,6% due to the changes in the methodology compared to last year. However, we caution the reader that this metric is a	

	a percentage of all board members (% female)			ratio and not an absolute negative impact. On average, the companies that report a metric for this PAI have an average of 33%. The number reported is the share of our investment in those investee companies applied to the negative impact metric reported.	
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 (% involved)	0.0% Coverage: 68.5%	0.3% Coverage: 46.6%	The metric reported for 2023 is not completely 0 but it is not shown as it is rounded to 2 decimals after 0. It should be noted that Anthos adopts a more stringent definition for controversial weapons, and that we monitor our exposure to our exclusion list. In 2023, we reported ~0,4% of our listed equity and fixed income assets exposed to 'controversial weapons' such as depleted uranium, nuclear weapons and white phosphorus.	**General approach:** Anthos' exclusion policy stipulates that we should aim to have less than 5% exposure to controversial weapons through pooled funds and 0% through segregated mandates. We exclude companies that have any involvement in controversial weapons, when this is possible. Most of the time it is not possible due to the fact that we invest indirectly in companies, through external investment managers, but we do then engage with the external investment manager prior to investing or during the investment period. We also aim to select managers with an exclusion policy aligned with ours. For a large part of our investment funds the regulation prevents them to invest in cluster weapons, for the other types of controversial weapons we report exposure annually in our Responsible Investment Report.

Table 2 - Indicators applicable to investments in sovereigns and supranationals

Metric		Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
15. GHG intensity	GHG intensity of investee countries (tCO2/EURm)	181[4] Coverage: 95.0%	138[5] Coverage: 11.2%	Over 2022, we followed the PCAF methodology to estimate the GHG emissions of investee countries. We were able to estimate data for a coverage of >95% at year end. Please also note that the investments in sovereigns/supranationals represent roughly 16% of our total assets under management at year end. We refer to the disclosures in Table 1 for more information about our Net Zero Commitment and the actions taken.	
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	Absolute : 1 Relative: 0,06%[6] Coverage: 85.1%	Absolute: 1 Relative: 1.7% Coverage: 10.8%	The number of countries is unchanged compared to 2022. The country reported under this PAI is Ukraine[7].	**General approach:** At the moment we exclude investments where possible in countries that have sanctions from the EU/UN based on arms embargo against the central government, according to our data provider.

[4] We report an estimated value at 31.12.2023 for this PAI indicator.
[5] We reported an estimated value at 31.12.2022 for this PAI indicator.
[6] The absolute number is the number of investee countries subject to social violations. The relative number is the number of investee countries as a percentage of the total number of investee countries.
[7] Transnational conflicts are reported within this PAI metric, therefore our exposure to Ukrainian bonds are reported due to the on-going conflict between Russia and Ukraine.

Table 3 – Indicators applicable to investments in real estate assets

Metric		Impact 2023	Impact 2022	Actions taken, and actions planned and targets set for the next reference period
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 (% involved)	0.00% Coverage: 43.0%	0.00% Coverage: ~50%	**General approach:** As we mainly invest in 'traditional' real estate assets such as offices, residential buildings, retail buildings, etc, we inherently incorporate this indicator in our investment strategy. **Actions taken in 2023:** Over 2023, 43% of our external real estate investment managers reported no involvement with the extraction, storage, transport or manufacture of fossil fuels (vs. ~50% in 2022).
18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets (%)	14.1%[8] Coverage: 33.9%	0.0% Coverage:	**General approach:** We recognize that climate risk (physical and transition risks) threaten real estate asset cashflows as well as the future value of the assets themselves. Climate change is therefore one of the portfolio's most material financial risk and opportunity and, therefore, integration of climate-related issues into our investment-decision making is critical to delivering sustainable, long-term returns. **Actions taken in 2023:** In 2023 we saw our managers move from establishing commitments and targets to implementing ESG initiatives, and we see this reflected in their progression against targets at the fund and asset level, as well as their improved ESG data transparency. We also saw ESG initiatives moving from one-off initiatives to structural sustainable development practices, with increased take up of sustainable development principles through the investment lifecycle and asset management as 'business as usual'. The systematic implementation of emissions and natural resource-related initiatives saw managers' increase the percentage of their energy consumption from renewable sources, reducing their GHG emissions footprint, reducing their water consumption and the proportion of waste diverted from landfill. **Actions planned for 2024:** In 2024, we plan to further focus on our most material risk and opportunity, climate change and decarbonisation, as we roll out climate strategies for each of our funds, coupled with a focus on creating social value within the communities in which we invest and their associated supply chains.

Other indicators for principal adverse impacts on sustainability factors

Table 4 - Indicators applicable to investments in investee companies

Adverse impact on sustainability factors (qualitative or quantitative)	Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
7. Incidents of discrimination	Number of incidents of discrimination reported in investee companies expressed as a weighted average (number of incidents)	0.7 Coverage: 68.4%	1.2 Coverage: 42.6%	We were able to improve the coverage of the data by improving our methodology to aggregate this data point. Most of the coverage is driven by our listed equity assets.	**<u>General approach:</u>** We have selected those additional metrics in relation to our human rights commitment and starting to collect more look-through data on human rights impact. We don't use this data in our processes yet but monitor how this data evolves year on year. Anthos expects its external investment managers to manage the topic of human rights and mitigate the potential harm of its investments on human rights. Please refer to section 3.3. **<u>Actions taken in 2023:</u>** - <u>Published our first Human Rights policy</u> - <u>Conducted a workshop to identify our firm's salience issues.</u> **<u>Actions planned for 2024:</u>** - Engage with our external managers on the actions taken to mitigate the harm of the few companies in our
9. Lack of a human rights policy	Share of investments in entities without a human rights policy (%)	8.04% Coverage: 68.2%	9.13% Coverage: 39.1%		
10. Lack of due diligence	Share of investments in entities without a due diligence process to identify, prevent, mitigate and address adverse human rights impacts (%)	11.11% Coverage: 68.3%	28.21% Coverage: 42.8%	The significant decrease in the 2023 metric compared to 2022 can be attributed to the methodological changes.	

					portfolios that are flagged for violations of human rights. - Follow the engagement conducted by Sustainalytics on Global Standards. - Continued work on tools and data to better integrate human rights assessment in our processes

3. Description of policies to identify and prioritize principal adverse impacts on sustainability factors

3.1 Policies

Our Responsible Investment (RI) policy, describes Anthos' approach to responsible investment (RI). It explains the processes and beliefs that guide us in meeting our clients' needs and values, and how we integrate these values into our investment decisions. The RI policy applies to every asset category and to all assets under management (AUM), including all assets managed on behalf of third-parties. We strive to implement the policy consistently, but deviations in relation to the policy's scope may apply in the following areas:

1. Our select, like-minded clients accept Anthos RI policy as a baseline but may have additional requirements which can be different than described in the RI policy.
2. Legacy portfolios of new clients. These will undergo a transition period before they become part of the reporting and the full requirements of the RI policy.
3. Assets managed by external asset managers. While Anthos outlines what it expects of its external managers in this policy, and expects external managers to implement and monitor the key principles of this policy for the assets they manage, exceptions may arise. Data availability, look through possibility and engagement may not be possible for all AUM (some absolute return strategies, ETFs, legacy or private market investments that are winding down).

We look at ESG from the perspective of risk and opportunities in the portfolio and impact on the world. Stemming from our values, in discussion with our stakeholders and in reflection of our commitment to international standards, we have identified sustainability, human dignity and good corporate governance practices as core focus themes from a risk, opportunities and an impact perspective. These broad themes guide our expectations of the external investment managers and companies we invest in, aligned with the international norms and conventions. We describe these in more detail in our ESG Positions paper and Exclusions Policy.

3.2 Responsibility for the implementation of the policies

The Anthos board of directors has oversight of the RI policy and is ultimately accountable for how Anthos' implements the RI policy. The latest version of the RI policy was approved by the Anthos board of directors on 24 November 2023. Anthos' RI Director is responsible for driving RI strategy and maintaining our responsible investment and impact tools, alongside our investment teams. Our investment teams are responsible for integrating sustainability and ESG into their investment decisions, while our Responsible Investment team and Investment & Strategy Research team make sure they get input and guidance on best practices for sustainability, ESG integration and stewardship. The Risk, Compliance and Operations departments support the RI implementation in our systems infrastructure and processes.

3.3 Methodologies to select PAI indicators and to identify and assess PAIs

Identification of most important PAIs:

Anthos is a values-based, responsible investor is guided by our commitment to three fundamental values: Sustainability, human dignity, and good corporate citizenship.

We expanded on those themes as part of our 2022 materiality assessment where we sought to understand the themes that should have a priority according to our stakeholders. Based on this assessment, the following themes from the double materiality perspectives of ESG risks/ opportunity and stakeholder impact of our portfolio, most relevant for the PAIs, were identified:

1. Climate Change:
2. Good corporate governance:
3. Human Rights & labour practices:

Financial inclusion & decent work, and Biodiversity are also important themes that we tackle as part of our continuous work on Human rights and Climate Action.

Action levers as a fund of fund:

The way we implement our ESG positions and the delivery of our sustainability outcomes, to minimize the negative and maximize the positive impact of all assets covered under the RI policy, is based on:

1. Excluding products and activities that do not align with our values and violate international norms;
2. Integrating ESG considerations into our investment decision-making from both a risk and an opportunities perspective;
3. Engaging with external investment managers and companies to improve their approach and manage their impact (both positive and negative);
4. Investing in and selecting products, services or business activities that can have a positive impact or that align with the SDGs and related themes.

These approaches all have their merits in various parts of the investment universe, and the extent to which they are applied may vary depending on the asset class.

Below we describe our approach to tackling the three themes that were prioritized as material from both risk and impact perspective:

4. CLIMATE CHANGE:

We primarily use PAI indicators #1 to #4 in our climate tools for the moment.

Anthos has committed to a net zero 2040 pathway, aligned with the Paris agreement and we have set the following net-zero ambition targets:

1. To be net-zero across all investments by 2040.
2. 25% reduction in emissions by 2025, based on 2019 baseline.
3. 50% reduction in emissions for each asset class by 2030, based on 2030 baseline.

Anthos also excludes (in segregated mandates) and closely monitors and reports exposures (in pooled funds) to products and processes with inherent negative impacts on our Climate Net Zero 2040 ambition: thermal coal[9], oil sands[10] and arctic drilling [11](exploration of oil & gas)

[9] Companies with >=10% of revenues from products involved with coal extraction and power generation
[10] Companies with >=5% of revenues from products involved with extraction of oil sands
[11] Companies with >=5% of revenues from products involved with arctic drilling

Our climate approach is extensively detailed in our previous TCFD reports and RI reports.

5. GOOD CORPORATE GOVERNANCE:

Based on a review of the practices implemented by the industry and our external managers, the most common metrics used to report on this topic is PAI #10 on Violations of OECD and UNGC guidelines.
We describe more about our position on governance in our ESG Positions paper.

6. HUMAN RIGHTS & LABOUR PRACTICES:

To monitor this topic, we mainly use the PAI indicators #10, #11 and #14 as stated in table 1. Of the 46 optional PAI indicators, three optional PAI indicators are chosen to bring Anthos a complementary point of view on our value 'human dignity':

- Lack of a human rights policy
- Incidents of discrimination
- Lack of due diligence

Our efforts on human rights are supported by our Human Rights Statement , which includes a plan from 2022 to 2025 and the steps we believe we should take, and the Human rights policy which outlies the salient issues and the integration efforts.

Anthos also excludes (in segregated mandates) and closely monitors and reports exposures (in pooled funds) to companies that violate international norms and are involved with controversial weapons[12] , conventional weapons[13], global standards after failed engagement[14] , sovereign bonds of countries with EU/UN sanctions[15].

We report on our exposure to the following activities included in our ESG Positions paper, Exclusions Policy in our RI report annually.

Methodology and Associated Margin of Error

We disclose the principal adverse impacts of our investment decisions on sustainability factors. Our methodology for assessing these impacts is based on industry-standard metrics and data sources. However, it is important to acknowledge the associated margin of error within these methodologies to provide a clear understanding of the reliability and limitations of our data.

Our PAI is calculated using data provided by external investment managers and third-party data providers. As the data is provided by different parties, variations in estimation methods, assumptions and reporting periods can result in discrepancies.

The margins of error mentioned above reflect the inherent uncertainties and limitations in our current methodologies. While we strive to use the best available data and practices, certain factors beyond our control can impact the accuracy of our assessments.

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[12] Companies with any revenue coming from Nuclear weapons, Biological and chemical weapons, depleted uranium, anti-personnel mines, cluster weapons, white phosphorous
[13] Companies with >=5% of revenues coming from small arms and military contracting
[14] Companies that have been assessed by Sustainalytics as violating OECD guidelines for MNEs, UN Guiding principles on Business and human rights, UN Global Compact
[15] Countries with an arm embargo as assessed by Sustainalytics where sanctions can be considered 'against the government'

We are committed to continuous improvement in our methodologies and data accuracy. We regularly review and update our practices to reduce these margins of error and enhance the reliability of our PAI disclosures.

3.4 Data sources

Scope	Theme	PAI indicator	Asset class	Data source
Companies	Climate related indicators	1. GHG emissions	All	MSCI
		2. Carbon footprint	All	MSCI
		3. GHG intensity of investee companies	All	MSCI
		4. Exposure to companies active in the fossil fuel sector	All	Sustainalytics / Anthos RFI
		5. Share of non-renewable energy consumption and production	All	Sustainalytics / Anthos RFI
		6. Energy consumption intensity per high impact climate sector	All	Sustainalytics / Anthos RFI
	Other environmental related indicators	7. Activities negatively affecting biodiversity-sensitive areas	All	Sustainalytics / Anthos RFI
		8. Emissions to water	All	Sustainalytics / Anthos RFI
		9. Hazardous waste and radioactive waste ratio	All	Sustainalytics / Anthos RFI
	Social and employee, respect for human rights, anti-corruption, and anti-bribery matters	10. Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises	All	Sustainalytics / Anthos RFI

		11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	All	Sustainalytics / Anthos RFI
		12. Unadjusted gender pay gap	All	Sustainalytics / Anthos RFI
		13. Board gender diversity	All	Sustainalytics / Anthos RFI
		14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	All	Sustainalytics / Anthos RFI
Sovereigns	Climate related indicators	15. GHG intensity	Fixed Income	EDGAR/World Bank
	Social and employee, respect for human rights, anti-corruption, and anti-bribery matters	16. Investee countries subject to social violations	Fixed Income	Sustainalytics / Anthos RFI
Real Estate	Climate related indicators	17. Exposure to fossil fuels through real estate assets	Real Estate	Anthos RFI
		18. Exposure to energy-inefficient real estate assets	Real Estate	Anthos RFI

3.5 Efforts to obtain PAI indicator data

Anthos does not invest in companies directly. As a fund of fund, we rely on our external investment managers and external data providers to obtain data on principal adverse impacts.

Where external data providers like MSCI and Sustainalytics both provide reliable data for listed investments, only limited data is available for private markets. Over the course of 2024, we reached out to all our external investment managers to request them to report on their SFDR related data, including PAI indicator data. We believe that it is our duty to engage with managers to better monitor their negative impact. In some cases, we advised some of our managers to not report data in case of poor data quality and to prioritize resources and time on developing a more robust approach to tackle certain negative impacts.
Where we did not receive PAI indicator data, we have not made estimates of this data, except in the GHG emissions for our direct investments in sovereigns. In tables 1-4 the percentages of assets under management that each PAI indicator data covers are disclosed.

4. Engagement policies

4.1 Stewardship Policy

Anthos' Stewardship policy is part of its RI Policy and applies to all our assets under management. We see engaging with the fund managers across all our asset classes as a crucial part of our monitoring process after selection and initial funding, and a tool to being a force for good.

As a fund of fund manager, Anthos invests in segregated mandates and investment funds managed by external investment managers, and we rely on these external investment managers for engagement and voting. However, we believe we also need to address active ownership through additional engagement activities, either via a service provider or, where possible, directly. This enhances investor stewardship and the pursuit of responsible investment. Our, which applies to all our asset classes, provides more detailed information on our approach, including our client and stakeholder engagement.

We have high expectations of our external investment managers and incorporate ESG considerations into the entire external investment manager due diligence and relationship lifecycle. We expect our external investment managers to be signatories of the Principles for Responsible Investment (PRI) and to support the Principles of the European Fund and Asset Management Association (EFAMA) Stewardship Code or a similar guidance, which clearly outlines engagement and voting good practices for direct investors.

Internally, engagement is carried out by Anthos's portfolio managers, who assess the ESG integration capacity and quality of the external investment managers of the investment funds we invest in. We also engage via an external engagement service provider that engages on our clients' behalf, even when we do not appear as shareholders at the companies in question. In this way we give our voice to the pool of like-minded investors wanting meaningful change.
As of now, not all PAI indicators are systematically used in engagement conversations with external investment managers. Over 2023, we primarily focus on the PAIs that are related to our exclusion list such as exposure to fossil fuels, weapons and global standards violators.

In addition to Anthos' own proprietary engagements, our external engagement provider engages with more than 300 companies on human and labour rights and on environmental and business ethics issues, both on our behalf and on behalf of other investors.

4.2 Adaption of the engagement policies

PAI data are still a new data set, we are still learning how to analyze this data and to best discuss it with our external managers. Where there is no reduction of the principal adverse impact over more than one period, we use the insights in engagement conversations. Where engagement is not conclusive, we refer to our escalation process described in our RI policy.

5. References to international standards

5.1 OECD Guidelines, UN Guiding Principles on Business and Human Rights, UN Global Compact

Link to sustainability indicators:
Please see Table 1, PAI indicators #10-11.

Methodology and data used:
We aim to adhere to international initiatives and guidance, such as the OECD Guidelines for Institutional Investors, the UN Guiding Principles on Business and Human Rights, and the UN Global Compact, while also continuing to take steps to strengthen our due diligence and our monitoring of and engagement with these standards.

Monitoring of our financial products against our exclusion list occurs through live monitoring dashboards for our listed investments. Relevant data sources include the Sustainalytics Global Standards Screening and Controversy screening. We aim to have 0% exposure to companies that are flagged as Global Standards violators, but place a 5% threshold for our exposure through pooled funds.
We find that PAI#11 is informative, yet we do not place thresholds on this metric.

For non-listed assets, we usually inquire about those PAI metrics in DD and perform a yearly monitoring to confirm there is little to no exposure.

5.2 Paris Agreement

Link to sustainability indicators:
Please see Table 1, PAI indicators #1-6 (Greenhouse Gas emissions).

Methodology and data used:
Anthos has committed to the Dutch Climate Agreement, which means reporting on carbon emissions and setting reduction targets in line with the Paris Agreement. We have also committed to net-zero GHG emissions in our portfolios by 2040. We have set a climate pathway per asset class to achieve this ambition.

We have published 2 TCFD reports, and have now integrated our TCFD disclosures into our annual RI reporting, set out near-term reduction targets for 2030 and are monitoring other forward-looking indicators: engagement, % of companies with (SBTi) climate targets in the underlying portfolios, implied temperature rise of the portfolio and what % of the portfolio is invested in companies that provide solutions to tackle climate challenges. We also rely on the Climate 'value at risk' analysis (CVAR analysis provided by MSCI) to provide a forward-looking, return-based valuation assessment for measuring climate-related risks and opportunities for the investments in our portfolios.

For our operations, Scope 1 and Scope 2 we already started offsetting our emissions, and are looking into reduction strategies and possibilities. We align with our broader organization and the SBTi target for 2030 in terms of operating emissions.

Engagement on climate strategy and transparency with our external investment managers and underlying companies is an important element of the targets that we set as a fund of fund manager.

As mentioned in the section before, we mainly use PAI indicators #1 to #4, as stated in Table 1, to monitor our progress against our reduction targets. Relevant data sources include MSCI.