REGULATION (EU) 2019/2088 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
of 27 November 2019 on sustainability-related disclosures in the financial services sector
Regulatory Technical Standards, ANNEX I – Template principal adverse sustainability impacts statement

Table 1

Statement on principal adverse impacts of investment decisions on sustainability factors

Financial market participant : SEB Prime Solutions – CARN Latitude, LEI: 529900VDHDDS140TH186

Summary

SEB Prime Solutions - Carn Latitude, LEI 529900VDHDDS140TH186 considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of the fund.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January to 31 December 2024.

Carn Capital is an independent investment organization. The firm deploys a fundamental equity strategy investing in sustainable companies in the Nordics. Carn Capital manages one fund, Carn Latitude, with a concentrated portfolio and long-term holdings.

Carn Latitude is a sub-fund of the umbrella SEB Prime Solutions.

The Sub-fund considers Principal Adverse Impacts by integrating ESG criteria into investment decisions, aligning with SFDR requirements. Investments are assessed against 14 mandatory PAI indicators, including GHG emissions, biodiversity impact, and governance risks. A screening process excludes companies with significant sustainability concerns, while a sector-based scoring model ranks investments based on ESG performance. Identified risks are addressed through divestment, engagement, or shareholder influence, ensuring the portfolio minimizes adverse sustainability impacts.

The fund will seek to reduce the principal adverse impacts on sustainability factors over time as more reliable data becomes available.

2023 quantitative data are unavailable; 2024 is the first year of numerical reporting. Comparative figures will be provided from 2025 onward.

The statement is available at www.carncapital.no/PAI-Statement-2024

Carn Capital, 30 June 2025

Description of the principal adverse impacts on sustainability factors

Indicators applicable to investments in investee companies						
Adverse sustainability indicator		**Metric**	**Impact 2024**	**Impact 2023**	**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	N/A	N/A	Data coverage 0 % in 2024.	Carn Latitude currently tracks total portfolio GHG emissions but lacks a scope split. We aim to source scope-level data as soon as it becomes available
		Scope 2 GHG emissions	N/A	N/A	Data coverage 0 % in 2024.	Carn Latitude currently tracks total portfolio GHG emissions but lacks a scope split. We aim to source scope-level data as soon as it becomes available
		Scope 3 GHG emissions	N/A	N/A	Data coverage 0 % in 2024.	Carn Latitude currently tracks total portfolio GHG

						emissions but lacks a scope split. We aim to source scope-level data as soon as it becomes available
		Total GHG emissions	1500 t CO_2e	N/A	Ownership-weighted total for 100 % of AUM; scope split unavailable.	Carn Latitude currently tracks total portfolio GHG emissions but lacks a scope split. We aim to source scope-level data as soon as it becomes available
	2. Carbon footprint	Carbon footprint	62 t CO_2e / USD mn invested	N/A	Some inputs are still estimated.	Continue improving raw-data quality through direct issuer engagement.
	3. GHG intensity of investee companies	GHG intensity of investee companies	259 t CO_2e / USD mn revenue	N/A	Portfolio-weighted average intensity (Scope-unsplit) from reported figures.	Monitor changes and engage with companies that show rising or high intensities relative to peers.
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	N/A	Screening excludes issuers with significant fossil-fuel revenue.	Maintain current exclusion criteria and portfolio screening.
	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	27.1%	N/A	Weighted average share of non-renewable energy in investee energy mixes. Indicator built from	Raise the topic of renewable-energy strategies during company engagements and request fuller disclosure.

		compared to renewable energy sources, expressed as a percentage of total energy sources			available energy-mix disclosures; some issuers do not yet publish detailed figures.	
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million USD of revenue of investee companies, per high impact climate sector	4.1 GWh / USD mn revenue	N/A	Value derived from holdings that report energy use; data gaps remain for several service-sector names. Per USD mn revenue (source data reported in USD).	Request additional disclosure and incorporate new data in subsequent calculations.
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	No holding reports operations in or near areas with negative biodiversity impact.	Biodiversity screening in pre-trade due-diligence and periodic portfolio reviews.
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million USD invested, expressed as a weighted average	16.7 t/ USD mn invested	N/A	Figure reflects data from water-intensive holdings; many issuers have yet to disclose water-emissions metrics. Unit:	Engage with investees to improve water-emissions reporting and assess any material risks identified.

					tonnes per USD mn (source data reported in USD).	
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million USD invested, expressed as a weighted average	0.2 t/ USD mn invested	N/A	Weighted average based on manufacturing holdings that publish hazardous-waste data; disclosure elsewhere is limited. Unit: tonnes per USD mn (source data reported in USD).	Encourage adoption of standard waste metrics and expand disclosure across the portfolio.
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	External controversy screening shows no current breaches.	Verify policy updates regularly and follow up promptly if future controversies arise.

	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	0%	N/A	External controversy screening identifies no current breaches among portfolio companies.	Verify policy updates regularly and address any emerging gaps through engagement.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	7.4%	N/A	Average gap calculated from companies that publish the metric; several issuers do not yet disclose.	Encourage remaining issuers to provide transparent gender-pay data and methodology in company dialogues.
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	44.6%	N/A	Portfolio-weighted share of female board members across all holdings.	Raise diversity expectations in engagement conversations and monitor progress.
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions,	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0%	N/A	Strict exclusion criteria result in zero exposure to controversial-weapons activities.	Uphold the exclusion list and ongoing third-party screening to ensure continued compliance.

	chemical weapons and biological weapons)					
Indicators applicable to investments in sovereigns and supranationals						
Adverse sustainability indicator		**Metric**	**Impact 2024**	**Impact 2023**	**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	Not relevant as Carn has no investments in sovereigns and supranationals.	N/A
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	Not relevant as Carn has no investments in sovereigns and supranationals.	N/A

Indicators applicable to investments in real estate assets						
Adverse sustainability indicator		**Metric**	**Impact 2024**	**Impact 2023**	**Explanation**	**Actions taken, and actions planned and targets set for the next reference period**
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	The fund does not invest directly in physical real estate assets. No building-level data is available; these indicators are therefore 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	The fund does not invest directly in physical real estate assets. No building-level data is available; these indicators are therefore not applicable.	
Other indicators for principal adverse impacts on sustainability factors						

CARN Latitude reports on PAI 2.4 “Investments in companies without carbon-emission-reduction initiatives” because it provides an early warning of transition risk and portfolio mis-alignment with the Paris Agreement. As of 31 Dec 2024, only one holding (5.3 % of AUM) lacks a quantitative, time-bound greenhouse-gas-reduction target; all other portfolio companies have published Paris-aligned or SBTi-validated goals.

CARN Latitude monitors PAI 3.6 – “Insufficient whistle-blower protection” to ensure investee companies safeguard persons who raise concerns.

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

Carn Latitude identifies and prioritises principal adverse impacts (PAIs) through an internally developed model that draws on data disclosed in each investee’s most recent annual or sustainability report. The model captures the 14 mandatory SFDR indicators and, for broader coverage, two voluntary ones, Table 2 indicator 2.4 (*investments in companies without carbon-emission-reduction initiatives*) and Table 3 indicator 6.1 (*insufficient whistle-blower protection*). Before any investment is considered, the issuer is screened against Carn’s exclusion list, which mirrors the PAI topics to remove companies with severe sustainability concerns. Remaining holdings are benchmarked within their sector and assigned a sustainability score from –3 to +3 (0 = neutral). Missing datapoints are recorded as “n/a” and flagged for future follow-up. Indicators showing weak or deteriorating performance alert the investment team, which may respond with dialogue, portfolio adjustment or, if already excluded, non-investment. The indicator set, scoring logic and underlying data are reviewed on a regular basis to keep the PAI assessment up to date.

Engagement policies

Active Ownership

In addition to being an active investor, CARN is a responsible and active owner. As such, we aim to follow closely to companies in which we are, via our fund Latitude, a shareholder. We also engage in dialogue with the management of portfolio companies to better understand their strategies, risk management and growth prospects and to bring up issues related to capital structure and strategy, accounting practices, sustainability topics and corporate governance.

References to international standards

Carn Latitude’s PAI assessment is anchored in well-recognised frameworks. Data interpretation and exclusion criteria refer to the United Nations Sustainable Development Goals, the UN Global Compact principles, and the OECD Guidelines for Multinational Enterprises, all of which are explicitly reflected in the mandatory PAI indicators we track (e.g., indicators on UNGC violations and OECD compliance). These standards guide how we evaluate environmental impacts, social conditions and corporate-governance practices across the portfolio.

Historical comparison

No prior quantitative data available. 2024 is the first year in which CARN Latitude calculated PAIs numerically. Comparative figures will be provided from 2025 onward.

Table 2

Additional climate and other environment-related indicators

Adverse sustainability impact	Adverse impact on sustainability factors (qualitative or quantitative)	Metric	Impact (2024)	Impact (2023)	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						
Emissions	4. 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	5.3%	N/A	One holding, representing 5.3% of AUM, has announced a net-zero ambition but has not yet published any quantitative, time-bound greenhouse-gas-reduction target. Under the ESAs' guidance, it is therefore classified as lacking a carbon-reduction initiative. All	Carn Latitude monitors this exposure as part of its regular portfolio-risk review and will decide during 2025 whether to retain, reduce or reallocate the position.

					remaining holdings have science-based or Paris-aligned targets.	

Table 3

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

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
Adverse sustainability impact	**Adverse impact on sustainability factors (qualitative or quantitative)**	**Metric**	**Impact (2024)**	**Impact (2023)**	**Explanation**	**Actions taken, and actions planned, and targets set for the next reference period**
Indicators applicable to investments in investee companies						
Social and employee matters	6. Insufficient whistleblower protection	Share of investments in entities without policies on the protection of whistleblowers	0%	N/A	All portfolio companies disclose a formal whistle-blower channel or policy that includes non-retaliation safeguards.	No immediate remedial action required. CARN Latitude will continue to screen new holdings for whistle-blower protection and will reassess.