

# Statement on principal adverse impacts of investment decisions on sustainability factors 2025

## Financial market participant

Rhenman & Partners Asset Management AB  
LEI 549300QQHB16SFVBAB63

## Summary

Rhenman & Partners Asset Management, LEI 549300QQHB16SFVBAB63 ("Rhepa"), who manages Rhenman Healthcare Equity L/S, considers principal adverse impacts of its investment decisions on sustainability factors. This is the consolidated principal adverse sustainability impacts statement of Rhenman & Partners Asset Management.

This principal adverse impacts statement covers the reference period from 1 January to 31 December 2025.

Rhepa's overall objective is to create good long-term risk-adjusted returns on the assets under management. Based on the investment team's extensive and deep sector knowledge and experience of the healthcare industry, as well as external sources such as analyst reports, we have identified the sustainability factors and principal adverse impacts which are specifically relevant and material for the healthcare sector.

Rhepa has identified (1) water usage as the optional environmental indicator and (2) lack of anti-corruption and anti-bribery policies as the optional social indicator.

Given the fund's investment strategy and thematic focus, indicators 1.15-1.18 (related to investments in Sovereigns and Real Estate) have been deemed not applicable.

Rhepa's approach to integrating sustainability and minimizing the principal adverse impacts of our investment decisions is only applied to the long equity positions in the fund and comprises three main strategies, (1) inclusion, (2) exclusion and (3) ongoing dialogue. Short positions have not been included as there is still a lack of sustainability data for a large part of the type of short investments Rhepa makes. Rhepa will continue to follow developments and intend to adapt the calculation methods over time, not least based on future guidance from European authorities that is expected to be implemented in the coming years.

There were no major changes to the firm's responsible investing guidelines during the year. Rhepa's proprietary pre-trade analysis tool was, however, developed, providing a more streamlined process and enhanced overview of the investments team's insights where data may be lacking.

The data reported in this statement is based on the Fund's long equity positions only. Short positions have not been included. Data from Clarity.AI has been used to calculate the impacts included in this report and comprises both reported data as well as estimates. This is Rhepa's fourth statement on principal adverse impacts, comparing impacts during the reference periods 2022, 2023, 2025 with impacts 2025.

Data downloaded from Clarity.AI on 16 June 2026.

**Table 1: Description of principal adverse sustainability impacts**

Indicators applicable to investments in investee companies

Adverse sustainability indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, 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	1169.0 tCO <sub>2</sub> e	1578.1 tCO <sub>2</sub> e	1708.0 tCO <sub>2</sub> e	1569.5 tCO <sub>2</sub> e	Coverage 97.8% Estimated 41.7% Reported 58.3%	<p>We expect all companies to work with their emissions and to have an action plan on how to minimize them. Rhenman &amp; Partners invests solely in the healthcare sector and therefore does not invest in fossil intense companies. We also expect companies to work actively on finding ways to utilize renewable energy to a larger extent going forward. If Rhenman &amp; Partners is made aware of a specific case where a company is acting contrary to these expectations, Rhenman &amp; Partners shall evaluate whether an active dialogue should be initiated to influence the company in a positive direction or if not, whether a divestment should be considered.</p> <p>M3 – GHG intensity among investee companies (per EUR m invested) varied significantly across the four reporting periods, while the portfolio's absolute emissions remained more stable. Our assessment is that these variations are mainly attributed to changes in portfolio composition, especially depending on the proportion of companies with little or no revenue. Many companies in this sub-sector are still in the testing phase, where absolute GHG emissions are typically limited and revenues remain very low or even zero.</p> <p>No specific actions during the year.</p>
		Scope 2 GHG emissions	1179.0 tCO <sub>2</sub> e	1644.5 tCO <sub>2</sub> e	2130.3 tCO <sub>2</sub> e	1520.9 tCO <sub>2</sub> e	Coverage 97.8% Estimated 41.7% Reported 58.3%	
		Scope 3 GHG emissions	50311.0 tCO <sub>2</sub> e	44651.1 tCO <sub>2</sub> e	48386.9 tCO <sub>2</sub> e	81137.5 tCO <sub>2</sub> e	Coverage 97.4% Estimated 53.5% Reported 46.6%	
		Total GHG emissions	53970.0 tCO <sub>2</sub> e	51382.1 tCO <sub>2</sub> e	52225.2 tons CO <sub>2</sub> e	84805.4 tCO <sub>2</sub> e	Coverage 97.4% Estimated 53.5% Reported 46.6%	
	2. Carbon footprint	Carbon footprint	54.2 tCO <sub>2</sub> e / EUR m invested	43.5 tCO <sub>2</sub> e / EUR m invested	52.8 tCO <sub>2</sub> e / EUR m invested	81.0 tCO <sub>2</sub> e / EUR m invested	Coverage 97.4% Estimated 52.6% Reported 47.4%	
	3. GHG intensity of investee companies	GHG intensity of investee companies	417.8 tCO <sub>2</sub> e / EUR m invested	1192.0 tCO <sub>2</sub> e / EUR m revenue	131.0 tCO <sub>2</sub> e / EUR m revenue	132.6 tCO <sub>2</sub> e / EUR m revenue	Coverage 97.4% Estimated 52.6% Reported 47.4%	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	0%	0%	0%	Coverage 99.6% Estimated 0% Reported 100%	
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	Consumption: 63.5%	Consumption: 66.7%	Consumption: 72.7%	Consumption: 82.3%	Coverage 67.1% Estimated 2.5% Reported 97.5%	<p>We expect all companies to work with their emissions and to have an action plan on how to minimize them. We also expect companies to work actively on finding ways to utilize renewable energy to a larger extent going forward.</p> <p>If Rhenman &amp; Partners is made aware of a specific case where a company is acting contrary to these expectations, Rhenman &amp; Partners shall evaluate whether an active dialogue should be initiated to influence the company in a positive direction or if not, whether a divestment should be considered.</p>	
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	Total: 0.045 GWh / EUR m revenue	Total: 0.047 GWh / EUR m revenue Sector C: 0.0468 GWh / EUR m revenue	Total: 0.046 GWh / EUR m revenue Sector C: 0.046 GWh / EUR m revenue	Total: 0.18 GWh / EUR m revenue Sector C: 0.18GWh / EUR m revenue	Coverage 95.24% Estimated 48.47% Reported 51.53%  Coverage 95.24% Estimated 48.47% Reported 51.53%	No specific actions during the year beyond ordinary exclusions.	

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, actions planned and targets set for the next reference period
		<i>Cont.</i> Climate and other environment-related indicators						
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%	1.45 %	0.61 %	0 %	Coverage 100%  Clarity AI leverages NLP models to identify breaches for this PAI. All controversies considered a potential violation by NLP models are later reviewed by Clarity AI's analysts.	Rhepa expects companies to be aware of actual and potential negative impacts on biodiversity and actively work on finding ways to minimize such impacts.  No specific actions during the year.
Water	8. Emissions to water	Tons of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.0002 tons / EUR m invested	0.0001 tons / EUR m invested	0.0003 tons / EUR m invested	0.0008 tons / EUR m invested	Coverage 7.5% Estimated 77% Reported 92.3%	Emissions to water are an important aspect within the healthcare sector (and in the pharmaceutical sub-sector in particular).  We expect all companies to work with their emissions and negative effects on the sea, lakes and other water courses. We also expect them to have an action plan on how to minimize them.  If Rhepa is made aware of a specific case where a company is acting contrary to these expectations, Rhenman & Partners shall evaluate whether an active dialogue should be initiated to influence the company in a positive direction or if not, whether a divestment should be considered. No specific actions during the year.
Waste	9. Hazardous waste ratio	Tons of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	0.12 tons / EUR m invested	0.15 tons / EUR m invested	0.11 tons / EUR m invested	0.11 tons / EUR m invested	Coverage 97.8% Estimated 60.1% Reported 39.9%	Hazardous waste is an important aspect within the healthcare sector..  Rhepa expects companies to actively work on ways to minimize and responsibly manage hazardous waste generated.  If Rhepa is made aware of a specific case where a company is acting contrary to these expectations, Rhenman & Partners shall evaluate whether an active dialogue should be initiated to influence the company in a positive direction or if not, whether a divestment should be considered. No specific actions during the year.

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, actions planned and targets set for the next reference period
	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	1.7%	2.18%	6.15%	10.1%	Coverage 100%  Clarity AI leverages NLP models to identify breaches for this PAI. All controversies considered a potential violation by NLP models are later reviewed by Clarity analysts.	Rhepa expects all companies to act in line with the principles and expectations outlined in the UNGC and OECDs guidelines.  If Rhepa is made aware of a specific case where a company is in a serious or systematic way acting contrary to these guidelines and expectations, Rhenman & Partners shall evaluate whether an active dialogue should be initiated to influence the company in a positive direction or if not, whether a divestment should be considered.  No specific actions during the year.
	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	0.7%	1.9%	2.1%	0.5%	Coverage 98.5% Estimated 0% Reported 100%	
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	6.6%	7.2%	7.3%	5.5%	Coverage 35.9% Estimated 0% Reported 100%	
	13. Board gender diversity	Average ratio of female to male board members in investee companies	36.2%	35.4%	34.5%	31.4%	Coverage 98.7% Estimated 0% Reported 100%	
	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%	0%	0%	Coverage 99.6% Estimated 0% Reported 100%	

## Indicators applicable to investments in sovereigns and supranationals

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
Environmental	15. GHG intensity	GHG intensity of investee countries	NA	NA	NA	NA	Rhepa does not make this type of investment.	NA
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	NA	NA	NA	NA	Rhepa does not make this type of investment.	NA

## Indicators applicable to investments in real estate assets

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	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	NA	NA	NA	NA	Rhepa does not make this type of investment.	NA
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	NA	NA	NA	NA	Rhepa does not make this type of investment.	NA

**Table 2 and 3: Additional indicators**

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, actions planned and targets set for the next reference period
		Additional climate and other environment-related indicators						
Water, waste and material emissions	6. Water usage and recycling	<p>1. Average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies</p> <p>2. Weighted average percentage of water recycled and reused by investee companies</p>	<p>1: 113.3 m<sup>3</sup> / EUR m invested</p> <p>2: 0.3%</p>	<p>1: 74.7 m<sup>3</sup> / EUR m invested</p> <p>2: 0.2%</p>	<p>1: 73.6 m<sup>3</sup> / EUR m invested</p> <p>2: 0.1%</p>	<p>1: 91.79 m<sup>3</sup> / EUR m invested</p> <p>2: 0.1%</p>	<p>1: Coverage 96.5% Estimated 62.3% Reported 37.7%</p> <p>2: Coverage 17.9% Estimated 0% Reported 100%</p>	<p>Rhepa has identified water usage as particularly relevant for the healthcare sector and expects companies with water intense production processes and companies within other water intense areas of the healthcare sector to actively work on finding ways to make their water consumption and recycling more efficient.</p> <p>If Rhepa is made aware of a specific case where a company is acting contrary to these expectations, Rhenman &amp; Partners shall evaluate whether an active dialogue should be initiated to influence the company in a positive direction or if not, whether a divestment should be considered. No specific actions during the year.</p>
		Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters						
Anti-corruption and anti-bribery	15. Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and antibribery consistent with the United Nations Convention against Corruption	13%	0.4%	2.6%	1.3%	<p>Coverage 99.2% Estimated 0% Reported 100%</p>	<p>Rhepa has identified "lack of anti-corruption and anti-bribery policies" as particularly important within the healthcare sector where a high level of competition around large contracts may involve an extra level of risk of corruption and bribery.</p> <p>We expect companies to have relevant policies in place and work in line with these policies to minimize the risk of corruption and bribery.</p> <p>If Rhepa is made aware of a specific case where a company is acting contrary to these expectations, Rhenman &amp; Partners shall evaluate whether an active dialogue should be initiated to influence the company in a positive direction or if not, whether a divestment should be considered. No specific actions during the year.</p>

## Description of policies to identify and prioritise principal adverse sustainability impacts

Rhepa's updated Guidelines for Responsible Investment was initially adopted in June 2023. These guidelines include more detailed descriptions of enhanced strategies and tools for integrating sustainability factors and considering principal adverse impacts. The guidelines came into force during Q3 2023, and includes an additional level of pre- and post-trade investment analysis. The guidelines are reviewed annually and updated as necessary. The latest update of the guidelines was made in December 2025 and is available on Rhepa's website <https://rhepa.se/en/hallbarhet/>. Rhepa's CEO is responsible for ensuring its implementation and the Head of Communications and Sustainability along with the investment team is responsible for adhering to it in the investment process.

We have identified the sustainability factors and principal adverse impacts which are specifically relevant and material for the healthcare sector based on the investment team's extensive and deep sector knowledge and experience as well as external sources. The factors and specific risks that are considered most material and that may have a significant impact on the potential investment are considered for all potential and existing long investments in equities. The PAI indicators are reviewed in Rhepa's pre-trade analysis and potential outliers will be investigated further. The conclusions of the PAI-review may impact Rhepa's investment decision.

Rhepa's summary of the most relevant sustainability factors in the healthcare sector, and its respective sub-sectors, can be found in Appendix 1 of our Guidelines for Responsible Investment. This list is reviewed annually and updated as necessary. Rhepa's approach to sustainability is only applied to the long equity positions in the fund and comprises three main strategies **(1) inclusion** – we choose to invest in companies we deem manage their material sustainability factors and risks in a satisfactory way, **(2) exclusion** – we invest solely in the healthcare sector which means that the fund's strategy by nature excludes companies with a core business within a number of sectors which we deem harmful to the environment and/or the society, including (1) conventional weapons, (2) commercial gambling operations, (3) tobacco, (4) fossil fuels, (5) pornography and (6) alcoholic beverages. Rhepa also excludes all companies with any involvement in the production or distribution of controversial weapons. We confirm that companies in the fund do not generate more than 5% of their revenues from these sectors through any non-core business activities and **(3) ongoing dialogue** – although we do not exercise voting rights at general meetings we are in constant dialogue with companies both pre- and post investing to have a good understanding of the companies' current situation, outlook and general market environment and may include dialogue on sustainability matters in general or discussions around specific principal adverse impacts.

### Data sources

All data reported in this statement is based on the Fund's long equity positions only. Short positions have not been included as there is still a lack of sustainability data for a large part of the type of short investments Rhepa makes. Rhepa will continue to follow developments and intend to adapt the calculation methods over time, not least based on future guidance from European authorities that is expected to be implemented in the coming years. Therefore, the coverage data included in the column 'Explanation' only reflect coverage of the equities in the long book.

The data used to calculate the impacts included in this report has been compiled using Clarity.AI (downloaded on 16 June 2026) and comprises both reported data as well as estimates. Clarity AI's SFDR PAI solution leverages reported and estimated data from a variety of sources, including CDP, EU/UN/US sanction lists, EU non cooperative jurisdiction list, Global Rights Index, which are augmented with proprietary NLP algorithms. Impacts have been calculated as the average of the four quarters of 2025.

Given the fund's investment strategy and thematic focus, indicators 1.15-1.18 (relating to investments in Sovereigns and Real Estate) have been deemed as non-applicable and will not be reported on.

### Margins of error in the selected methods

Although the availability of data has improved for some companies and indicators, it is important to note that the coverage for certain indicators continues to remain low. Total coverage data for each indicator has been calculated as a percentage of the total portfolio and is reported in the column "Explanation" in the table above. The split between reported and estimated data relates only to the portion of the portfolio for which data coverage is available. Coverage figures reflect equity positions in the long portfolio only. It should also be noted that any estimates used are subject to inherent uncertainties and may therefore understate or overstate the actual adverse impacts.

## Engagement policies

Rhenman & Partners are engaged in a continuous dialogue with companies within (or under review for) the portfolio and this forms a central part of the investment process. This dialogue revolves around the company's current situation, outlook and general market environment but can also include questions around sustainability and a company's principal adverse impacts. Conclusions feed into the portfolio management team's analysis and investment decisions. If Rhenman & Partners is made aware of a specific case where a company is acting contrary to our expectations in relation to environmental or social issues, Rhenman & Partners will also evaluate whether an active dialogue should be initiated to influence the company in a positive direction or if not, whether a divestment should be considered.

However, in light of the EU's Shareholder Rights Directive II (SRD II) and the holding structure of Rhenman & Partners, Rhenman & Partners does not exercise voting rights at general meetings.

## References to international standards

Rhenman & Partners Asset Management is, since 2019, a UNPRI signatory and we have taken the PRI's six principles into consideration when structuring our operations and investment process in support of responsible investment.

Rhenman & Partners also expects all companies to act in line with the principles and expectations of the UN Global Compact and OECDs guidelines for Multinational Enterprises.

### The main PAI indicators for this are:

- 1.10 Violations of UNGC principles and OECD Guidelines for Multinational Enterprises
- 1.11 Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises
- 3.15 Lack of anti-corruption and anti-bribery policies (additional indicator from Table 3)

Rhepa's target is that indicator 1.10 should be 0% of the portfolio and that indicators 1.10 and 3.15 should trend towards 0% over time.

All the indicators mentioned above are calculated in the same way and with the same sources as the other indicators in the table.

## Historical comparison

This is Rhepa's fourth statement on principal adverse impacts. Historical comparisons, comparing impacts during the reference periods 2022, 2023 and 2024 with impacts 2025, are provided in the tables above.