

No consideration of adverse impacts of investment decisions on sustainability factors

This Principal Adverse Impact Statement ("PAI Statement") is published subject to 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 (the "SFDR") article 4.

Selected Alternatives Management ApS ("Selected Alternatives") has decided not to consider the adverse impacts of investment decisions on sustainability factors, since the preparation and maintenance of the documentation is deemed disproportional to the size of Selected Alternatives investment activities.

Selected Alternatives is strongly committed to considering sustainability risks as part of our investment activities on a product-level when relevant for specific investment products.

Adverse impacts on sustainability factors refers to the investment's negative impacts on environmental, social and employee matters, respect for human rights, anti-corruption and antibribery matters.

Annex I of Commission Delegated Regulation (EU) 2022/1288 supplementing the SFDR (the "RTS") includes a template "principal adverse sustainability impacts statement" with adverse sustainability impact indicators that an entity considering principal adverse impacts shall consider, report, and set targets in relation to.

The decision not to consider adverse impacts of investment decisions on entity level is the consequence of an analysis, where Selected Alternatives, due to the size of the organization, finds that it may damage Selected Alternatives' profitability with a negative impact to its investors within the current scope of the managed funds' investment strategies as of today without reducing any potential adverse impacts on sustainability factors.

When Selected Alternatives manages more funds that are either promoting environmental or social characteristics (SFDR Article 8) or has sustainability as its investment objectives (SFDR Article 9) or when a proportionality assessment shows that consideration of adverse impacts of investment decisions on sustainability factors would be beneficial for investors, this decision will be reassessed.