1. Summary

SRLEV N.V. (LEI 724500ZTKJYJMWVLWJ82) ("**SRLEV**") considers principal adverse impacts of its investment decisions on sustainability factors as part of its investment due diligence process and procedures.

The present statement is the consolidated statement on principal adverse impacts on sustainability factors of SRLEV pursuant to article 4 of the Sustainable Finance Disclosure Regulation (EU) 2019/2088. This statement covers the reference period of 1 January 2023 to 31 December 2023 and a historical comparison with the reference period of 1 January 2022 to 31 December 2022.

SRLEV considers the principal adverse impacts on sustainability factors (PAI) in the sustainable investment policies that apply. The basis hereof is that all companies and countries, in which investments are made, as a minimum comply with a set of socio-ethical principles related to impacts on humans, society and the environment. These principles are based on a broad range of international treaties, conventions and best practice guidelines, including the UN Global Compact, the UN Guiding Principles on Business & Human Rights and the OECD Guidelines for Multinational Enterprises. If companies or countries are found to structurally violate one or more of these principles by having a severe adverse impact, such entities will be excluded from investment. Also, the adaptive capacity of companies to prepare themselves for the transition towards a more sustainable society is assessed. This is done for seven material sustainability drivers, that could cause an adverse impact. The material drivers that we consider are: climate change, biodiversity loss, water scarcity, chemical emissions, waste, social and community issues, human capital, and organizational behaviour, which include governance issues.

For all issuers (entities issuing securities such as shares or bonds) in scope of (potential) investment, it is determined if they are operating within the required transition pathways for each material driver, such as to limit global warming to 1.5°C. Issuers that are far removed from the required transition pathways, and demonstrably lacking the capacity and the will to adapt, are excluded from investment. Our engagement efforts focus on companies that need to and still have the capacity to reduce their adverse impact on sustainability factors in line with these pathways.

Several instruments are used to identify sustainability risks and opportunities and seek to minimise adverse sustainability impacts within our remaining investment universe, including screening, exclusion, ESG integration, allocation of capital to sustainable investments (selection), stress tests and the use of engagement and voting programs. SRLEV works with third parties and external fund managers to perform the data collection and execution of the applicable sustainable investment policy.

The availability of data, sourced from Sustainalytics, MSCI, Cardano and other sources remains a challenge but is expected to improve over time as investee companies will increasingly be either obligated or voluntarily follow the disclosure requirements under the CSRD. Nevertheless, with the combination of reported and estimated data, a first comparison is possible for certain metrics and asset types between the two reference periods. The carbon footprint and GHG intensity for scope 1 and 2 emissions have decreased, partly due to investee companies decreasing the share of energy consumption from non-renewable energy sources as a percentage of total energy consumption. Scope 3 GHG emissions increased, in part due to higher availability and accuracy of data. Certain other indicators show a positive development, with

investee companies increasingly adopting policies and actions to decrease its environmental footprint, while adhering to social standards.

2. Description of principal adverse impacts of investment decisions on sustainability factors

SRLEV considers principal adverse impacts of its investment decisions on sustainability factors. Sustainability factors are ecological, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters. SRLEV considers these factors in its sustainable investment policies. These aim to stimulate companies and countries to contribute to the solution(s) for the challenges that we face. SRLEV is a life insurance company offering various types of life insurance and pension schemes. SRLEV is a subsidiary of Athora Netherlands N.V. This holding company has overarching policies that apply to all its subsidiaries. More information on applicable sustainable investment policies can be found on the website athora.nl.

This consolidated statement relates to the investments made for SRLEV's own account, excluding mortgages, and investments made for the account of policy holders in respect of pension schemes and life insurance products (unit linked portfolios). This consolidated reporting does not include investments for which we do not have sufficient relevant data yet, such as the real estate portfolio, private (equity & debt) investments and collateralized loans of SRLEV's own account and the unit linked portfolios managed by e.g. ASN, Blackrock and Columbia Threadneedle. This means that for this reporting statement the data for approximately 75% of all SRLEV's investments is in scope. It is intended to also include the remaining 25% of investments in future PAI-statements as data becomes available.

This statement covers the reference period of 1 January 2023 to 31 December 2023 and a historical comparison with the period of 1 January to 31 December 2022. The reported impact per indicator is an average of impacts as per 31 March, 30 June, 30 September and 31 December of each reference period. The data coverage of the PAI metrics is not full. As noted above, and varies from year to year, thereby limiting the comparability from one year to the next.

The reported impact for the indicators GHG emissions, Carbon footprint and GHG intensity of investee companies in the below overview is based on reported and estimated data from MSCI about carbon scope 1, 2 and 3 emissions, enterprise value and sales revenues. The reported impact for all the other indicators is based on data from Sustainalytics. For most of these other indicators, the coverage of the reported data is relatively low, because only a small number of companies reported on these matters. We expect that the reporting coverage will increase over time and that we gradually can base our statement on more reported data.

Table 1: Description of the principal adverse impacts on sustainability factors

Adverse Sustainability indicator	Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
Indicators applicable to investments in investee companies (as stated in Annex I, Table 1, Commission Delegated Act (EU) 2022/1288)					
Climate and other environment related indicators					
1. GHG emissions (ton co2e)	1.1 Scope 1 GHG emissions	661.211	660.774	Within the relevant data set total GHG emissions have increased in 2023 compared to 2022. This is in part due to a result from	SRLEV aims to reach net-zero greenhouse gas emissions through its investments at the latest by 2050, with an intermediate target to reach a greenhouse gas
	1.2 Scope 2 GHG emissions	198.872	203.462		
	1.3 Scope 3 GHG emissions	7.577.666	5.204.784		

Adverse Sustainability indicator	Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
	1.4 Total GHG emissions scope 1 & 2	860.083	864.236	increased availability of data for scope 3 GHG emissions.	reduction of 50% in 2030 and 75% in 2040 compared to 2019. The targets are in line with the IPCC's 1.5^0 trajectory with limited overshoot, for which it is necessary to achieve a net-zero portfolio by 2050.

SRLEV's climate strategy is built on the following mitigation measures: (1) reduce greenhouse gas emissions of issuers through active stewardship; (2) invest in solutions that reduce greenhouse gas emissions, increase low-carbon energy supply or that avoid or that capture and store greenhouse gas emissions; and (3) divest from issuers that are non-adaptive to the transition required for a net-zero economy.

Active stewardship

Through engagement and proxy voting, SRLEV encourages investee companies to set climate targets and formulate time bound decarbonisation strategies. The climate strategy indicates priority sectors and how progress is monitored. These activities will continue in 2024. Through the Dutch Climate Coalition, oil and gas companies are urged to prove that their activities are in line with the Paris Climate Agreement. In addition, Cardano on behalf of SRLEV participates in engagement as part of the Climate Action 100+ programme and is involved in several other collaborative investor initiatives focusing on the low-carbon transition, such as the ShareAction program engaging the Chemicals sector. |
| | 1.5 Total GHG emissions scope 1, 2 & 3 | 8.437.749 | 6.069.020 | | |
| 2. Carbon footprint (ton CO2e/m€) | 2.1 Carbon footprint - Total emissions scope 1 & 2 | 34 | 55 | Carbon footprint is the measure of GHG emissions scaled by an investee company's size.

Within the relevant data set the carbon footprint has shown a downward trend, both for GHG emissions on scope 1 and 2 as well as scope 3. | |
| | 2.2 Carbon footprint - Total emissions scope 1, 2 & 3 | 270 | 350 | | |
| 3. GHG intensity of investee companies (ton CO2e/m€) | 3.1 GHG intensity of investee companies - scope 1 & 2 | 49 | 70 | The GHG intensity is the measure of GHG emissions scaled by a company's revenue. It performs a similar function to the carbon footprint but it normalises for revenue growth.

Within the relevant data set the GHG intensity for scope 1 & 2 decreased from 659 ton CO2e in 2023 to 603 ton CO2e in 2022.

Within the relevant data set the GHG intensity for scope 3 has increased, showing the absolute increase in GHG emissions is not only a result of increased availability of carbon data, but also of higher reported emissions. | |
| | 3.2 GHG intensity of investee companies - scope 1, 2 & 3 | 659 | 603 | | |
| 4. Exposure to companies active in the fossil fuel sector (%) | 4.1 Share of investments in the companies active in the fossil fuel sector | 4% | 4% | The impact has been determined in relation to investments in companies for which data was either estimated or reported (75% in 2023).

Within the relevant data set the exposure to companies in the fossil fuel sector remained at 4%. | SRLEV expects its investee companies to take responsibility for their impact on climate change. If they fail to show that they are implementing transition strategies in line with The Paris Agreement we may hold the board accountable by voting against relevant director elections.

Investment in solutions

In its investments, SRLEV and/or the fund managers it has selected, search for issuers providing |
| 5. Share of non-renewable energy consumption and production (%) | 5.1 Share of energy consumption from non-renewable energy sources as a percentage of total energy consumption | 58% | 62% | The impact for metric 5.1 and 5.2 have been determined in relation to investments in companies for which data was reported (respectively 68% and 45% in 2023).

Within the relevant data set the dependency of investee companies on non-renewable energy sources (5.1) has decreased from 62% in 2022 to 58% in 2023.

Within the relevant data set the dependency of energy producing | |
| | 5.2 Share of energy production from non-renewable energy sources as a percentage of total energy production | 18% | 15% | | |

Adverse Sustainability indicator	Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
				companies on now-renewable energy sources (5.2) increased from 15% in 2022 to 18% in 2023.	solutions that prevent climate change. These may be technological solutions that reduce or reverse the greenhouse gas emissions of existing processes, or the development of new, climate-friendly or climate-positive products. For this, SRLEV and/or the fund managers that it has selected, monitor the green-to-brown ratio of its investments and its investments in EU Taxonomy aligned activities.
6. Energy consumption intensity per high impact climate (GWh/m€)	6.1 Energy Consumption Intensity: Agriculture, Forestry & Fishing	1,7	5,6	This indicator shows the energy consumption in gigawatt hour (GWh) per million euro of revenue of investee companies, per high impact climate sector.	
	6.2 Energy Consumption Intensity: Construction	0,1	0,1	The impact has been determined on the basis of data reported by companies. Although investee companies are increasingly reporting the energy consumption intensities, the data coverage is too low, for most of the indicators around 1%, to make comparisons between reference periods.	**Divestments**
	6.3 Energy Consumption Intensity: Electricity, Gas, Steam & Air Conditioning Supply	3,0	7,4		SRLEV carefully screens if and how issuers prepare for the low-carbon transition. The applicable sustainable investment policy defines principles that lead to exclusion of the most environmentally impactful fossil fuel activities such as thermal coal, coal-fired power plants, as well as unconventional exploration such as shale oil and gas, tar sands and deep sea and arctic drilling. On top of this, for the greenhouse gas intensive activities, SRLEV assesses companies' exposure to risks related to the transition towards a low-carbon economy and their capacity to manage these risks. Laggards that show insufficient capacity to make the transition in time, will also be excluded from investment.
	6.4 Energy Consumption Intensity: Manufacturing	0,4	0,5		
	6.5 Energy Consumption Intensity: Mining & Quarrying	0,9	9,5		
	6.6 Energy Consumption Intensity: Real Estate Activities	0,5	0,7		
	6.7 Energy Consumption Intensity: Transportation & Storage	1,1	1,4		
	6.8 Energy Consumption Intensity: Water Supply, Sewerage, Waste Management & Remediation Activities	0,7	0,9		
	6.9 Energy Consumption Intensity: Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles	0,1	0,4		
7. Activities negatively affecting biodiversity-sensitive areas (%)	7.1 Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas	4%	4%	The impact has been determined on the basis of data reported by companies (68% in 2023). Within the relevant data set the share of investments in investee companies sites/operations has remained stable at 4%.	The investments funds part of SRLEV's unit linked portfolio aim not to be involved in deforestation by 2030 and to reverse the trend of biodiversity loss. For this SRLEV instructs its fund manager to participate in several stewardship programmes to urge companies to reduce their direct and indirect impact on biodiversity and to encourage authorities to better protect biodiversity. Related stewardship programmes focus on deforestation, plastics pollution and use of plant protection measures. In addition, companies with severe impacts on biodiversity that lack the targets and strategies to reduce this impact may be excluded.

Adverse Sustainability indicator	Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
8. Emissions to water (tonnes of emissions/m€)[1]	8.1 Tonnes of emissions to water per million EUR invested[1]	0,0	0,4	The impact has been determined on the basis of data reported by companies (0,4% in 2023).

The limited number of investee companies that do report the emissions to water, show a decrease in emissions to water from 0,4 to 0,0001 ton. | The unit linked funds of SRLEV aim to be water-neutral by 2030. For this, SRLEV via its fund manager considers which companies are active in water scarce areas, which companies are active in water polluting activities and whether they consider their impacts of their activities. To reach this target, through active stewardship companies in the priority sectors are encouraged to set targets and formulate water management strategies. In addition, companies may be excluded if they lack proper water management strategies. In 2024, SRLEV will increase its effort to identify companies highly exposed to water pollution. |
| **9. Hazardous waste and radioactive waste (tonnes of hazardous waste/m€)** | 9.1 Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested | 1,5 | 12,5 | The impact has been determined on the basis of data reported by companies or estimated (62% in 2023).

This indicator identifies companies which cause significant adverse impacts via hazardous and radioactive waste. In 2023, the available data shows a lower volume of hazardous waste and radioactive waste generated compared to 2022. This is a result from a divestment from a company active in the metal mining sector with high hazardous and radioactive waste from its activities. | The unit linked funds of SRLEV aim to move towards a situation with zero waste generation associated with its investments by 2050. Special attention is given to stewardship with plastics and packaging companies to reduce their plastics waste and use, as well as the use of hazardous chemicals. In addition, companies are screened on their waste management strategies. Those causing severe risks for the portfolios due to lagging waste management practices may be excluded from investment. |
| **Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters** | | | | | |
| **10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (%)** | 10.1 Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises | 0% | 0% | No violations of investee companies were identified in either reference periods. | As described in the applicable sustainable investment policy SRLEV wants to ensure that the companies it invests in act in accordance with the United Nations Global Compact (UNGC) principles, the UN Guiding Principles on Business & Human Rights, the OECD Guidelines for Multinational Enterprises and the standards of the International Labour Organization (ILO). Existing and potential investee companies are actively investigated on whether they act in accordance with these international agreements. For those that are not compliant, it is first investigated whether the violations can be mitigated through active |
| **11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (%)** | 11.1 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 | 43% | 63% | The impact has been determined on the basis of data reported by companies (68% in 2023).

Available data points to a reduction in investments in companies not having the necessary processes and compliance mechanisms to monitor compliance with UN Global Compact principles and | |

Adverse Sustainability indicator	Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
	Guidelines for Multinational Enterprises			OECD Guidelines for Multinational Enterprises. Although companies increasingly report on how the monitor compliance with UNGC and OECD guidelines, it still represents almost half of the investee companies covered by the indicator.	stewardship or whether immediate exclusion and/or divestment is necessary to prevent exposure to controversies related to human rights, labour rights and severe controversies. Every year, several ongoing UNGC related engagements are evaluated after which it is decided whether sufficient progress is made or whether the companies should be excluded from investment.
12. Unadjusted gender pay gap (%)[1]	12.1 Average unadjusted gender pay gap of investee companies	25%	30%	The impact has been determined on the basis of data reported by companies, which is low (3% in 2023) due to the fact that most companies are obliged to report on this (yet).

The limited number of investee companies that do report on gender payment, show a decrease in the pay gap from 30% in 2022 to 25% in 2023. | In SRLEV's vision, good governance implies that investee companies mind employee wellbeing, social injustice and gender equality. Proxy voting can be used as a tool for this purpose which might result in voting against (proposals by) boards that insufficiently consider such aspects. Moreover, engagements will also be aimed at equality in terms of gender and payment. |
| 13. Board gender diversity (% female) | 13.1 Average ratio of female to male board members in investee companies, expressed as a percentage of all board members | 36% | 40% | The impact has been determined on the basis of data reported by companies (60% in 2023).

The investee companies report in both years a ratio of approximately one third of female to male board members. | |
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) (%)	14.1 Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0%	0%	No violations of investee companies were identified in both reference periods.	As part of the fundamental investment principles, SRLEV does not invest in companies involved in the production, development, sale, or distribution of controversial weapons or related services or components that are specialised. If companies are involved in such activities, they will be excluded.
Indicators applicable to investments in sovereigns and supranationals					
15. GHG intensity (ton $CO_2e/m€$)[1]	15.1 GHG intensity of investee countries	227	224	The GHG intensity of investee countries has increased slightly to 226,6 ton CO_2e per million euro invested in 2023 compared to 2022.	As part of due diligence of sovereigns and supranationals, SRLEV carefully considers how sovereigns deal with the environmental and social challenges they are confronted with. Sovereigns that violate international treaties on human rights, violate principles of good governance or do not sufficiently well manage their natural resources may be excluded from investment. Through engagement with a small number of governments and by supporting
16. Investee countries subject to social violations (number)	16.1 Number of investee countries subject to social violations, as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	2	1	Within the relevant data set, two investee countries have reported social violations, namely Ukraine and Ecuador. Both countries have been assessed against the principles of the sustainability policy and remain investable.	

Adverse Sustainability indicator	Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
					environment and climate related conventions by multilateral organisations such as the UN or EU, efforts are made to create a level playing field.
Indicators applicable to investments in real estate assets (as listed in Annex I, Tables 2 and 3 Delegated Commission Regulation (EU) 2022/1288)					
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	n/a	SRLEV expects to report on these indicators as per the year 2024.
18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate asset	n/a	n/a	n/a	SRLEV expects to report on these indicators as per the year 2024.
Additional indicators (between bracket is the number as stated in Annex I, Tables 2 and 3 respectively, Commission Delegated Act (EU) 2022/1288)					
19. (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	28%	43%	The impact has been determined on the basis of data reported by companies (68% in 2023). Within the relevant data set the percentage of companies without carbon emission reduction initiatives has decreased from 43% to 28%.	We refer to the description for indicators 1 to 6 above
20. (7) Investments in companies without water management policies	Share of investments in investee companies without water management policies	12%	13%	The impact has been determined on the basis of data reported by companies (68% in 2023). The percentage of companies without water management policies has reduced slightly from 13% in 2022 to 12% in 2023.	We refer to the description for indicator 8 above.
21. (15) Investments in companies without a policy to address deforestation	Share of investments in companies without a policy to address deforestation	68%	54%	The impact has been determined on the basis of data reported by companies (68% in 2023). Within the relevant data set the percentage of companies without deforestation policies increased from 54% in 2022 to 68% in 2023.	We refer to the description for indicator 7 above.
22. (8) Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding	477	210	The impact has been determined on the basis of data reported by companies (15% in 2022 and 33% in 2023). The reported ratio is relatively high due to outliers in certain industries, such as automotive, and emerging markets.	We refer to the description for indicator 12 and 13 above in the first part of this table.

Adverse Sustainability indicator	Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
	the highest-compensated individual)				

[1] Indicators with relatively low data coverage (less than 25% of issuers in portfolio reported on the indicator)

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

The basis of the sustainable investment policy applicable to the own account and unit linked portfolios (consisting of funds managed by Cardano) is that all companies and countries, in which investments are made, as a minimum comply with fundamental investment principles. All investment decisions should comply with this set of socio-ethical principles related to impacts on humans, society and the environment. If companies or countries are found to structurally violate one or more of these principles by having a severe adverse impact, such entities will be excluded from investment. The overall responsibility for compliance with the (new) overarching sustainability strategy of which sustainable investments form an important aspect, lies with the Executive Board of SRLEV's holding company Athora Netherlands N.V. The responsibility for the oversight on, annual review of and execution of the sustainable investment strategy in respect of the SRLEV's own account and the unit linked portfolios as well as the performance of sustainability risk management is allocated to individual executive board members.

Secondly, the adaptive capacity of companies to prepare themselves for the transition towards a more sustainable society is assessed where possible. This is done for seven material sustainability drivers, that show how companies respond to social and market changes caused by the sustainability transition. These drivers are used to assess the sustainability risks and opportunities and the potential adverse impacts of entities. We identify the following drivers in the overview below and have indicated which of the abovementioned PAI indicators relate to those drivers:

Material driver	PAI indicator
Fossil fuels use	1: GHG emissions 2: Carbon footprint 3: GHG intensity of investee companies 4. Exposure to companies active in the fossil fuel sector 5. Share of non-renewable energy consumption and production 6. Energy consumption intensity per high impact climate 15. GHG intensity 19. Investments in companies without carbon emission reduction initiatives.
Land use	7. Activities negatively affecting biodiversity sensitive areas 21. Investments in companies without a policy to address deforestation.
Water use	7. Activities negatively affecting biodiversity sensitive areas 8. Emissions to water 21. Investments in companies without a policy to address deforestation.
Chemicals and waste management	7. Activities negatively affecting biodiversity sensitive areas 9. Hazardous waste and radioactive waste.
Social capital management	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principals and OECD Guidelines for Multinational Enterprises 12. Unadjusted gender pay gap 16. Investee countries subject to social violations.

Human capital management	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises 12. Unadjusted gender pay gap.
Organisational behaviour and integrity	13. Board gender diversity 14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

In addition to the mandatory PAI indicators SRLEV has selected several additional indicators based on alignment with the overall sustainability strategy and sustainable investment policy of the company.

SRLEV uses several instruments to identify sustainability risks and opportunities and minimise adverse sustainability impacts within our remaining investment universe, including: screening, exclusion, ESG integration, allocation of capital to sustainable investments (selection), stress tests and the use of engagement and voting programmes. SRLEV uses third parties to assist with data collection and to execute its policy and also works with third party asset managers. All these asset managers have their own way of investing and their own policy on how to integrate sustainability risks and opportunities into their investment processes. SRLEV applies its sustainable investment policy in assessing the investment funds and its fund managers.

Screening: For all companies and sovereigns in the investable universe it is assessed to what extent these issuers comply with the fundamental investment principles and their adaptive capacity according to the material sustainability drivers. SRLEV believes that entities will be better prepared for the future if they take sustainability related risks into account and minimise their adverse impact. This is measured through the assessment procedure. In addition, SRLEV believes that entities will be better prepared for the future if they also contribute actively to the Sustainable Development Goals (SDGs) of the United Nations (UN). That is why part of the screening process is also addresses positive contribution to the SDGs and on selecting investments that add ecological and/or social value. For the actively managed portfolios this enables the selection of companies that score highly on these aspects.

The screening is based on a large number of quantitative and qualitative indicators and research by Cardano. The PAI indicators 10, 11 and 16, related to compliance to international norms and standards, are at the basis of the fundamental investment principles. The other PAI indicators are considered when assessing the adaptive capacity of companies.

For the screening, various data and benchmarking sources are used for analysis and reporting. The main data sources and their applications are:

- MSCI data: screening of companies for their compliance with the applicable sustainable investment policy.
- Sustainalytics data: tracking engagements and reporting on the SFDR Principal Adverse Indicators and Taxonomy Alignment (using both reported as well as estimated data).
- Data from Urgewald: monitoring the expansion plans for coal-fired power plants.
- Access to Medicines Foundation benchmark data: tracking the progress of engagements at pharmaceutical companies.
- Equileap data: analyzing gender equality issues.
- CDP data (Carbon Disclosure Project): source for carbon, water and land data.
- Satelligence data: monitoring on biodiversity commitments and activities to reduce deforestation.

- "Transition Pathway Initiative" data: monitoring the extent to which a company operates in line with the Paris Agreement.
- TRACE data: monitoring raw material supply chains and potential deforestation risks.

The sustainability analysts of SRLEV's sustainability partner and manager of unit linked funds, Cardano, meet regularly with the various data providers to discuss their quality control procedures, estimation models and limits to the use of estimates by data providers when reported data is not available, missing information and how to integrate additional insights into their assessments to ensure better quality and accuracy of their assessments. Cardano's ESG models and ESG database are also checked by an internal and an external auditor. Decisions to exclude a company are never based solely on quantitative data sources, but are always combined with fundamental analysis by a sustainability analyst to monitor the reliability of data usage. Sustainability analysts compare different data sources and supplement them with their own research to validate the data.

ESG integration: We integrate ESG criteria into the investment process, which is demonstrated in a relative company ESG score. We also apply such scores to countries. The higher the score, the lower the risk. The score also reflects on how a company or country is performing. The themes of climate (CO_2 emissions), water and land are specifically taken into account.

Engagement: Engagement means entering into a dialogue with a company to influence its behaviour. It can be conducted either as a response to specific incidents or proactively to address solutions that would steer companies towards SRLEV's acceptable investment universe. SRLEV uses third party service providers to conduct hundreds of engagement conversations each year with the aim for companies and countries to score better within the sustainability investment framework. Clear targets are set and milestones are formulated during an engagement process, in order to monitor change. If our climate strategy does not lead to the required emissions reduction, the strategy and associated actions will be adjusted with, for example, stricter exclusion criteria.

Voting: As a shareholder, SRLEV via a third party service provider votes in principle at all shareholders' meetings. When necessary, via our asset managers we submit resolutions, which can be on specific sustainability-related subjects such as the inclusion of sustainability performance as a driver for (higher) remuneration. Such resolutions might be filed independently or forces can be joined with others (co-filing) when this may benefit the result.

4. Engagement policies

SRLEV is an active owner, pursuing change in the real economy and stimulating companies to operate within the planetary boundaries and social foundations, leading to reducing its adverse impacts, corresponding with a higher category in the Sustainable Investment Framework. We exercise active ownership through our external managers and/or service providers, who conduct voting and engagement with underlying companies and with policy makers, NGOs and investor working groups.

We view engagement as a means to enter into a dialogue with a company to influence its behaviour. It can be conducted either as a response to a specific incident that has had an adverse sustainability impact, or done proactively to steer companies towards the 'safe and

just, or 'positive' impact zones within our framework. Individual engagement dialogues with companies may be conducted, but also collaborative engagements jointly with other parties, which can be just as effective.

During an engagement process, clear targets are set and milestones are formulated in order to monitor change related to the related material drivers that are linked to the adverse impacts on sustainable factors considered by SRLEV. Engagements focus on encouraging companies to take advantage or sustainability-related opportunities, while also addressing the challenges of staying within the planetary boundaries and building social foundations. Engagements can relate to creating innovation opportunities, creating circular production processes, or taking a sustainability leadership role as company. This can apply to all PAI indicators.

For the engagements that are conducted in response to an incident or due to insufficient adaptive capacity, the companies should improve sufficiently over the course of the engagement to be reincluded in the investment universe. Unsuccessful engagements with companies that are associated with significant adverse sustainability impacts may lead to exclusion.

Beyond direct engagement with investee companies, active collaboration takes place with other external organisations to put our investment beliefs into practice and to realise sustainability related goals.

5. References to international standards

The applicable fundamental investment principles for companies are minimum standards that consist of ethical, social and environmental principles that are fundamental for good citizenship and good corporate governance. These principles are based on a broad range of international treaties, conventions and best practice guidelines, including the UN Global Compact, the UN Guiding Principles on Business & Human Rights and the OECD Guidelines for Multinational Enterprises. Companies that do not comply with Athora Netherland's fundamental investment principles are therefore not eligible for investment. These violations are detected by using controversy scores provided by our data supplier MSCI which indicate a violation of the above-mentioned international standards. These mechanisms especially take into account PAI indicators 10, 11 and 16.

SRLEV incorporates the guidelines set out by the Taskforce on Climate-related Financial Disclosure (TCFD) for the preparation of its climate disclosures. For the unit linked portfolios targets have been set to achieve net-zero greenhouse gas emissions by 2050 in line with the Intergovernmental Panel on Climate Change (IPCC) 1.5°C pathway. This assumes an average annual carbon emission reduction of 7% in line with the IPCC's 1.5°C trajectory with limited overshoot. TCFD related disclosures especially take into account PAI indicators 1 to 6 and 15. We refer to paragraph 3 under 'Screening' for the description of the data sources and methodology used to assess alignment with the Paris Agreement.

6. Historical comparison

The historical comparison is made between time periods 2022 and 2023 and set out in table 1. The historical comparison will be extended over time to include up to five reference periods.

SRLEV N.V. uses the Zwitserleven and Reaal brands and trade names. Zwitserleven PPI N.V. also uses the brand and trade name Zwitserleven and has issued its own principal adverse impacts statement.

This principal adverse impact statement is not marketing material. This statement has been prepared as carefully as possible, but has not been verified by an independent party, and no opinion or assurance has been given regarding this information. The data concerning the investments has been provided by a third party service provider, that also relies on external data providers, who may use different models and may have access to inaccurate or incomplete data, leading to the use of estimates. Calculation methods are used for non-financial indicators and other non-financial data, which may lead to measurement errors or uncertainties. Non-financial indicators do not always have a standardized meaning and may differ from indicators with the same or similar names used by other companies.