

**POLICY ON THE INTEGRATION OF SUSTAINABILITY RISKS
(SFDR ARTICLE 3, 4 AND 6)**

KIRK KAPITAL FONDSMÆGLERSELSKAB A/S

Content

1.	Policy on the integration of sustainability risks.....	1
2.	Definitions	1
3.	Integration of sustainability risks.....	1
4.	Controls.....	2
5.	Reporting.....	2
6.	Changes.....	2
7.	Adoption.....	2
8.	History.....	2

1. Policy on the integration of sustainability risks

The aim of this policy is to describe the integration of sustainability risk into the investment decision-making and investment advice at Kirk Kapital Fondsmæglerselskab A/S (“Kirk Kapital”).

This policy will be available on our webpage <https://kirkkapital.dk>.

2. Definitions

The EU’s Sustainable Finance Disclosure Regulation (2019/2088) (“SFDR”) requires financial market participants and financial advisers to publish on their websites information about their policies on the integration of sustainability risks into their investment decision-making and investment advice.

Sustainability risks are defined in Article 2 (22) of the SFDR as an environmental, social or governance (“ESG”) event or condition which, if it occurs, could cause an actual or potential material negative impact on the value of an investment.

At Kirk Kapital, we believe environmental events such as the consequences of climate change including but not limited to air pollution, rising sea levels, and loss of biodiversity could have a material negative impact on the value of our clients’ investments. Further, social events such as human rights violations, the use of child labor, inequality, and discrimination and governance events such as corruption, conflicts of interests, and tax matters could also have a material negative impact on the value of our clients’ investments. We will seek to identify and mitigate these sustainability risks throughout the investment process as out-lined below.

3. Integration of sustainability risks

Kirk Kapital integrates sustainability risks into our investment process through our ESG Compass, as outlined in our Responsible Investment Policy. The ESG Compass is applied as a minimum baseline across all clients, while specific client preferences are integrated in accordance with documented sustainability preferences

Applying our ESG Compass as outlined in our Responsible Investment Policy, we will integrate sustainability risks through the investment process as follows:

- **Screening:** We assess ESG factors in our liquid equity investments through ESG screening, including evaluation of ESG scores, environmental footprint, and SFDR classification alignment. This provides insight into the sustainability profile of our investments and helps monitor potential ESG risks.
- **ESG Integration & Alignment:** We ask our external managers to identify material ESG factors applying recognized and relevant ESG frameworks and standards. Due to our reliance on external managers, we do not directly identify or manage investment-level sustainability risks, but we assess how managers approach these risks through due diligence and ongoing monitoring. We generally expect our external managers to apply materiality in their ESG assessment, as this helps identify ESG factors with the potential to materially affect investment performance.

- **Active Ownership & Engagement:** We aim to be an active owner and engage in critical and material ESG matters through ongoing monitoring of their non-financial performance. In addition, we conduct an annual review through our **ESG Questionnaire**, which allows us to assess the ability of our external managers to align with our RI Policy and engage where deemed necessary.

Kirk Kapital will apply the Responsible Investment Policy to all investments and will always be able to provide information on the perceived sustainability risks of investments to clients upon request. We focus on integrating sustainability risks through pre-investment, due diligence, and post-investment.

4. **Controls**

It is the responsibility of the executive management and investment team that:

- The policy is implemented and adhered to

5. **Reporting**

The board of directors will regularly and at least once yearly receive reporting relating to Kirk Kapital's adherence to the Policy on Sustainability Risks.

The board of directors at Kirk Kapital will be informed about breaches of the policy. The chairman of the board is committed to discussing such breaches at the next board meeting with the other board members.

6. **Changes**

It is the board of directors alone who has the authorisation to approve changes to the Policy on Sustainability Risk.

7. **Adoption**

The Policy on Sustainability Risks has been adopted at the board meeting on April 29th 2024.

The board of directors will review the Policy on Sustainability Risks when deemed relevant and at least once per year.

8. **History**

Version	Legal basis	Approved	Changes
V1	Sustainable Finance Disclosure Regulation (2019/2088)	By the Board of Directors on 24 th April 2023	New policy

V2	Sustainable Finance Disclosure Regulation (2019/2088)	By the Board of Directors on 29 th April 2024	Changes to the policy
V3	Sustainable Finance Disclosure Regulation (2019/2088)	By the Board of Directors on 29 th April 2025	Annual update
V4	Sustainable Finance Disclosure Regulation (2019/2088)	By the Board of Directors on 21 st April 2026	Annual review, minor adjustments