



Statement on principal adverse impacts of investment decisions on sustainability factors

Introduction

This statement has been prepared by Íslandsbanki hf. for the purpose of meeting the disclosure requirements in Article 4 of 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 ("SFDR") and as further described in Article 11 of the Commission Delegated Regulation (EU) 2022/1288 ("SFDR Delegated Regulation").

This statement fulfils the SFDR Article 4 requirement by providing the information on how Íslandsbanki considers PAI on sustainability factors in the investment advice. Íslandsbanki acts as a Financial Market Participant for discretionary portfolio management. The majority of this has been outsourced to its subsidiary Íslandssjóðir hf.

Consideration of PAI

At this time, the relevant principle adverse indicator are not considered due to lack of data availability. We will work to enhance data coverage and calculation capabilities to enable monitoring of the principle adverse indicators.

Selection of indicators

Íslandsbanki's Sustainability Policy creates a comprehensive framework for its activities in the area of sustainability, including responsible investments. The policy identifies two core areas of interest, climate action, and diversity and inclusion. At this time, the relevant principle adverse indicator are not considered due to lack of data availability. We will work to enhance data coverage and calculation capabilities to enable monitoring of the principle adverse indicators.

Identification and assessment of PAI

Principle adverse impact assessment is currently not integrated in our active ownership and engagement policies and processes. We do have active ownership and engagement in terms of sustainability but at this time we are unable to integrate principle adverse impact due to lack of data availability. We will strive towards integrating them when we have reached an adequate level of data availability and accessibility.

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