

Sustainability information, Investment funds

SUSTAINABILITY INFORMATION, CATELLA'S FUNDS

Fund:	Catella Avkastnings- fond	Catella Småbolags- fond	Catella Sverige Aktiv Hållbarhet	Catella Sverige Hållbart Beta
SUSTAINABILITY INFORMATION:				
- Sustainability aspects considered in the management of the fund.	X	X	X	X
- Sustainability aspects not considered in the management of the fund.	–	–	–	–
SUSTAINABILITY ASPECTS CONSIDERED IN THE MANAGEMENT OF THE FUND:				
- Environmental aspects	X	X	X	X
- Social aspects	X	X	X	X
- Corporate governance aspects	X	X	X	X
- Other sustainability aspects	–	–	–	–
METHODS APPLIED IN SUSTAINABILITY EFFORTS:				
THE FUND CHOOSES				
- Sustainability aspects crucial to the manager's choice of companies.	–	–	X	–
- The fund manager considers sustainability issues.	X	X	–	–
OTHER:				
- Other method applied by the fund to choose.	–	–	–	–
THE FUND EXCLUDES				
PRODUCTS AND SERVICES:				
- Cluster bombs, anti-personnel mines	X	X	X	X
- Chemical and biological weapons	X	X	X	X
- Nuclear weapons	X	X	X	X
- Weapons and/or defence materiel	X	X	X	X
- Alcohol	X	X	X	X
- Tobacco	X	X	X	X
- Commercial gambling activities	X	X	X	X
- Pornography	X	X	X	X
- Fossil fuels (oil, gas, coal)	X	X	X	X
- Coal	X	X	X	X
- Uranium	–	–	–	–
- Genetically modified organisms (GMOs)	–	–	–	–
- Other	–	–	–	–
INTERNATIONAL NORMS:				
- The fund avoids investing in all identified companies that do not comply with international norms.	X	X	X	X
- Companies in which the fund does not identify a willingness to change or which the fund judges will not deal with problems within an acceptable timeframe are rejected for investment.	–	–	–	–
COUNTRIES:				
- For sustainability reasons the fund does not invest in companies involved with certain countries/fixed income securities issued by certain nations.	–	–	–	–
OTHER:				
THE FUND MANAGEMENT COMPANY INFLUENCES				
The fund management company exercises its shareholder rights to influence companies on sustainability issues.				
The fund management company maintains contact with companies in order to influence them in a more sustainable direction.*				
- Influences companies independently	X	X	X	X
- Influences companies in cooperation with other investors	–	X	X	X
- Votes at general meetings	–	X	X	X
- Participates in nomination committees to influence the composition of the board	–	X	X	X
- other company influences	X	–	–	–

Sustainability information

Sustainability aspects are taken into account in all funds. The basic approach is the same for all funds, but the emphasis is on different areas depending on the product's profile.

- We avoid buying shares or fixed income instruments in companies that produce goods and services that are questionable from a sustainability perspective. On the other hand, we may take short positions in these companies in the absolute return mandate as we believe this is consistent with our process and philosophy towards sustainability.

- We use third-party assessment of the company's sustainability efforts to detect risks and initiate corporate dialogue with the aim of improving transparency in sustainability reporting.

- For Catella Sverige Aktiv Hållbarhet we choose companies with a business model that contributes positively to enhanced sustainability (see below).

Chosen

All our funds take into account sustainability aspects based on the circumstances of the product. Sustainability aspects are only crucial for Catella Sverige Aktiv Hållbarhet, where we actively seek investment in companies for which sustainability is an important and decisive driving force for sales and growth. In addition, we set a higher requirement that the fund's overall rating (based on third-party assessment) should not be below the market's rating.

Rejected

We set a clear sustainability limit for all our funds and completely avoid companies that produce tobacco, alcohol, commercial gambling, pornography and coal, that are strongly associated with harmful health effects, are highly addictive, or have clear and well documented negative environmental effects. Furthermore, we exclude all production and distribution of weapons. On the other hand, we may take short positions in these companies in the absolute return mandate as we believe this is consistent with our process and philosophy towards sustainability. The world is dependent on fossil fuels for both heating and transport. Alternative sources of energy are on the rise, but there is still some way to go before people can manage without fossil fuels. We have chosen to take another step for all mandates that are not absolute return mandates and also exclude fossil fuels. For absolute mandates we do not exclude investments in the energy sector. On the other hand, we set higher demands for this and sell companies with documented high sustainability risks associated with their business. In addition, we work actively in dialogue with companies that we consider to be lagging behind in their sustainability efforts. We have no exclusion policy for Catella Sverige Index and Catella Balanserad.

International norms

For all our funds, we draw a clear limit for companies that violate international norms and conventions. We undertake to immediately sell a company flagged by our external supplier of screening and sustainability ratings.

The fund management company influences

We focus our influence efforts on the portfolio companies where we have a larger shareholding. The purpose is to safeguard the interests of unitholders and contribute to long-term healthy development. We also work towards increased overall transparency and reporting on sustainability. We do this in a couple different ways independently, as well as in collaboration with other investors:

- The company's fund managers engage in ongoing dialogue with the senior executives of the portfolio companies regarding their sustainability efforts as an integral part of the fundamental analysis.

- We participate selectively in nomination committee work, the duties of which include proposing directors and the chairman of the board for election at annual general meetings, and as an ultimate method of influence we can exercise the voting rights of the funds at these meetings.

- We participate selectively in ownership dialogue specifically relating to sustainability.

* The fund management company exercises its ownership to influence companies with regard to sustainability issues. Note that these efforts are conducted in relation to the fund management company's entire holdings and not specifically on behalf of this individual fund.