



Brussels, 31.10.2022  
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ANNEXES 1 to 4

## ANNEXES

*to the*

**COMMISSION DELEGATED REGULATION (EU) .../...**

**amending and correcting the regulatory technical standards laid down in Delegated Regulation (EU) 2022/1288 as regards the content and presentation of information in relation to disclosures in precontractual documents and periodic reports for financial products investing in environmentally sustainable economic activities**

**Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

**Product name:** Carnegie Investment Fund - Global Stock Picking Fund  
**Legal entity identifier:** 529900BEFRRJ3LJD5434

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input type="radio"/> <b>Yes</b>	<input type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> <b>No</b>
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ___%	<input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 50.12% of sustainable investments <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The overarching ESG Strategy for the Sub-Fund is to over time reduce green house gas emissions. At the end of 2023 the green house gas emissions in the Sub-Fund were 27.67 mtCO2e, including Scope 1, 2 and 3, where Scope 3 is being newly implemented and therefore lacks coverage and can include estimates.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

The social part of the sustainability focus is secondary to the environmental focus and includes screening for violations against UN Global Compact Principles. The Sub-Fund promotes social characteristics through investments in the healthcare sector. By end of period there was 0 investments that had a red flag (violations) and 9 investments with an orange flag (watch list) according to MSCI ESG, our ESG data provider.

The environmental characteristics promoted by this financial product with regards to the EU Taxonomy classification system:

- Climate change mitigation

The negative impact of investments on sustainability factors (Principal Adverse Impact/PAI) is taken into consideration as an integrated part of the investment process where focus is mostly on the PAI indicators related to greenhouse gas emissions, i.e. PAI number 1-6.

● ***How did the sustainability indicators perform?***

Sector indicators	During the period the composition of the Sub-Fund has changed so that a larger part of the Sub-Fund is invested in companies that are directly related to climate change mitigation. Furthermore, the Sub-Fund composition has shifted and now includes more small and medium-sized companies, where a larger part of the business is related to the climate change mitigation
Activity-based exclusion criterias	0% investments with exposure to Fossil Fuel, Tobacco, Weapons, Gaming, Alcohol, Adult Entertainment. Two transitional investments with fossil fuel exposure has been made, Energias de Portugal and Brookfield Renewable Partners, which represents 3.33% of the Sub-Funds value.
Violations against UN Global Compact principles	0 investments.
Sustainable investments according to SFDR definition	50.12% of Sub-Fund value is invested in sustainable companies.
Taxonomy alignment (reported and estimated)	19.91% of investments total revenue are taxonomy aligned.  5.61% of investments using a pass/fail-approach where pass requires a revenue taxonomy alignment at 100% of total revenue.

● ***...and compared to previous periods?***

As this is the first reporting period for the Sub-Fund there is no comparison to any previous period.

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The objective is to over long-time maintain or increase the sustainable investments in line with the SFDR article 2 (17) definition of sustainable investments and the taxonomy aligned revenue. Another objective is, to over long-time maintain or reduce the sustainability risks measured as Principal Adverse Impact (PAI) indicators. Over time this is expected to, among, others, lead to lower emissions of greenhouse gases for society through promoting businesses that are active in this field, and support the development of better social standards.

Carnegie and data vendor MSCI ESG has interpreted the SFDR definition of a sustainable investment if it generates 20% or more of its revenues from activities with positive contribution towards environmental or social objectives, meets the “good governance” as well as the “do no significant harm” (DNSH) criteria. It is a pass/fail approach.

The Investment Manager contributed to decreasing the greenhouse gas emissions, and promote the EU Taxonomy Climate change mitigation by investing in three categories of companies, related to climate change mitigation. The first category is enabling technologies, focusing on new products, solutions and services that enable the energy transition and other areas related to climate change mitigation. The second category is companies with existing products, solutions and services that are required to make the energy transition a reality. The third category is companies that are in the forefront of the transition driven by climate change mitigation, e.g. through internally adopting the best technologies and solutions.

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

The sustainable investments meet the DNSH criteria through passing a screening of:

- No exposure to controversial weapons
- Maximum 1% of company’s revenue from Thermal Coal
- No exposure to Tobacco Producer
- Maximum 5% of company’s revenue from tobacco
- overall company flag (calculated by MSCI ESG) should not be red (indicates that a company is directly involved in one or more very severe controversies that has not yet been remediated) or orange (indicates that a company has either settled most of the stakeholders’ concerns related to its involvement to a very severe controversy or continues to be

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

involved in a very severe controversy related to its business partners or directly involved in one or more severe cases.)

— — — *How were the indicators for adverse impacts on sustainability factors taken into account?*

The indicators for adverse impact on sustainability factors have been taken into account during 2023. The indicators were taken into account through quarterly follow-ups on the mandatory PAI indicators not only for the sustainable investments, but for the whole Sub-Fund. The Investment Manager will strive to lower the Sub-Fund sustainability risk. Consideration to mandatory PAI will also be a part of the investment decision.

The sustainable investments meet the following PAI indicators as these are included in the DNSH criteria:

- PAI no 4: Exposure to companies active in the fossil fuel sector
- PAI no 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- PAI no 14: Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)

— — — *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Sub-Fund is screened for violation against UN Global Compact, but not for violations against OECD Guidelines for Multinational Enterprises.

0 investment violates (red flag) the UN Global Compact, but 9 investments received an orange flag by our data provider. These investments includes: BNP Paribas, Bank of America, JP Morgan Chase & Co, Unitedhealth Group, Apple, Eramet, Roche Holding AG, Tesla and Abbvie.

As PAI number 10 includes both UN Global Compact and OECD Guidelines for Multinational Enterprises, the Investment Manager will monitor the development quarterly together with the monitoring of all PAI's and may act if a substantial increase is observed.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



## How did this financial product consider principal adverse impacts on sustainability factors?

The Principle Adverse Impact (PAI) indicators for the total Sub-Fund were at end of period:

Adverse Sustainability Indicator	Metric	Impact	Coverage
<b>GREENHOUSE GAS EMISSIONS</b>			
1. GHG Emissions	Scope 1 GHG emissions	3,230.27 tCO2e	98.96%
	Scope 2 GHG emissions	888.16 tCO2e	98.96%
	Scope 3 GHG emissions	23,553.60 tCO2e	98.96%
	Total GHG emissions	27,672.03 tCO2e	98.96%
2. Carbon Footprint	Carbon Footprint	355.69	98.96%
		tCO2e/Invested MEUR	
3. GHG Intensity of Investee companies	GHG Intensity of Investee companies	680.17	95.91%
4. Exposure to companies active in the fossil fuel sector	Share of Investments in companies active in the fossil fuel sector	3.33%	98.96%
5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and production	60.68%	67.20%
	Agriculture, Forestry and Fishing	N/A	79.23%
6. Energy consumption intensity per high impact climate sector	Mining and Quarrying	3.95 Gwh/MEUR revenue	79.23%
	Manufacturing	0.29 Gwh/MEUR revenue	79.23%
	Electricity, Gas, Steam and Air Conditioning Supply	1.30 Gwh/MEUR revenue	79.23%
	Water Supply; Sewerage, Waste Management and Remediation Activities	N/A	79.23%
	Construction	N/A	79.23%
	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	N/A	79.23%
	Transportation and Storage	N/A	79.23%
	Real Estate Activities	N/A	79.23%
<b>BIODIVERSITY</b>			
7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas	0%	98.96%

WATER			
8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.00	4.06%
WASTE			
9. Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	0.37 t/invested MEUR	38.81%
SOCIAL AND EMPLOYEE MATTERS			
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.00%	100%
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	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 Guidelines for Multinational Enterprises	50.30%	98.96%
12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	6.86%	10.65%
13. Board gender diversity	Average ratio of female to male board members in investee companies	34.14%	98.96%
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0	100%
ADDITIONAL CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS			
Adverse Sustainability Indicator	Metric	Impact	Coverage
EMISSIONS			
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	33.72%	95.91%
ENERGY PERFORMANCE			
5. Breakdown of energy consumption by type of non-renewable sources of energy	Breakdown of energy consumption by type of non-renewable sources of energy (Coal)	0%	26.92%
	Breakdown of energy consumption by type of non-renewable sources of energy (Lignite)	0%	26.92%
	Breakdown of energy consumption by type of non-renewable sources of energy (Natural Gas)	0.14%	26.92%
	Breakdown of energy consumption by type of non-renewable sources of energy (Oil & Gas)	0%	26.92%
	Breakdown of energy consumption by type of non-renewable sources of energy (Nuclear)	0%	26.92%
	Breakdown of energy consumption by type of non-renewable sources of energy (Fossil Fuel)	0%	26.92%
	Breakdown of energy consumption by type of non-renewable sources of energy (Other Non-Renewable)	97.73%	26.92%



## What were the top investments of this financial product?

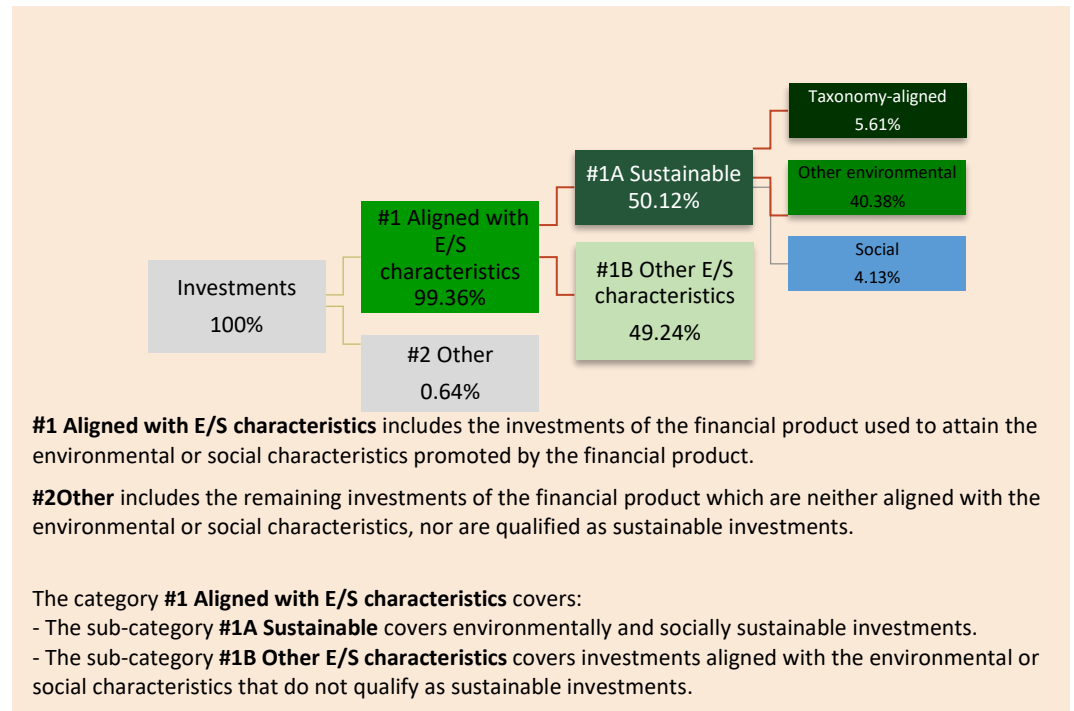
The largest investments at the end of the period were:

Largest investments	Sector	% Assets	Country
MICROSOFT CORPORATION	Technology	6.81%	US
INFINEON TECHNOLOGIES AG	Technology	4.34%	Germany
NEXANS	Industrials	3.92%	France
ALPHABET INC CLASS A	Communication	3.70%	US
TAIWAN SEMICONDUCTOR MANUFACTURING	Technology	3.66%	Taiwan
UNITEDHEALT GROUP INC	Health Care	2.95%	US
ABBVIE INC.	Health Care	2.86%	US
ADVANCED MICRO DEVICES INC	Technology	2.79%	US
CHARLES SCHWAB CORPORATION	Financials	2.55%	US
NVIDIA CORP	Technology	2.43%	US
BROOKFIELD RENEWABLE PARTNERS L.P.	Energy	2.24%	Bermudas
BANK OF AMERICA CORPORATION	Financials	2.16%	US
DARLING INGREDIENTS INC.	Consumer Staples	2.13%	US
ERAMET	Materials	2.08%	France
NEXTERA ENERGY PARTNES PLC	Utilities	2.07%	US

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: December 2023

## What was the proportion of sustainability-related investments?

### ● What was the asset allocation?



**Asset allocation** describes the share of investments in specific assets.



● ***In which economic sectors were the investments made?***

The investments have been done in the following sectors:

<b>Sector</b>	<b>Weight</b>
<b>Communications</b>	<b>3.70%</b>
Internet Media & Services	3.70%
<b>Consumer Discretionary</b>	<b>5.33%</b>
Apparel & Textile Products	1.65%
Automotive	3.68%
<b>Consumer Staples</b>	<b>3.92%</b>
Beverages	1.78%
Food	2.13%
<b>Energy</b>	<b>9.07%</b>
Renewable Energy	9.07%
<b>Financials</b>	<b>10.13%</b>
Banking	5.65%
Financial Services	2.55%
Insurance	1.94%
<b>Health Care</b>	<b>11.02%</b>
Biotech & Pharma	6.08%
Health Care Facilities & Svcs	2.95%
Medical Equipment & Devices	1.98%
<b>Industrials</b>	<b>13.46%</b>
<b>Industrial Products</b>	<b>9.08%</b>
Electrical Equipment	3.92%
Industrial Intermediate Prod	1.92%
Machinery	3.25%
<b>Industrial Services</b>	<b>4.37%</b>
Engineering & Construction	2.87%
Industrial Support Services	1.50%
<b>Materials</b>	<b>6.02%</b>
Metals & Mining	4.78%
Steel	1.23%
<b>Real Estate</b>	<b>1.88%</b>
Real Estate	1.88%
<b>Technology</b>	<b>31.29%</b>
<b>Software &amp; Tech Services</b>	<b>10.65%</b>
Software	9.04%
Technology Services	1.60%
<b>Tech Hardware &amp; Semiconductors</b>	<b>20.65%</b>
Semiconductors	16.10%
Technology Hardware	4.55%
<b>Utilities</b>	<b>3.55%</b>
Electric Utilities	3.55%
<b>Cash</b>	<b>0.64%</b>



## To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

At present, listed companies have generally not started to report at which extent their businesses are compatible with the EU-taxonomy. Thus, there is only estimated data available. Carnegie has assessed that this estimated data can be considered reliable enough to be used to determine whether companies are contributing to an environmental goal as defined in the regulation and on that basis can be deemed a sustainable investment. However, Carnegie cannot determine with sufficient certainty individual investment's exact compatibility with the EU-taxonomy. Below information is based on data provided by our data provider.

Reported and estimated taxonomy aligned revenue in % of total investments with E/S characteristics was by end of period 19.91%.

With a pass/fail approach, the share of taxonomy aligned investments is 5.61%. The Investment Manager has assessed that 100% of revenue (reported or estimated) shall be taxonomy aligned to be considered a taxonomy aligned investment, i.e. get a "pass".

Reporting on taxonomy alignment will develop as the EU framework evolves and more accurate data is made available by companies.

The companies outside the EU do not have to comply with EU Taxonomy, which affects these holdings and will lower the taxonomy alignment measures

### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

- Yes:
- In fossil gas  In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

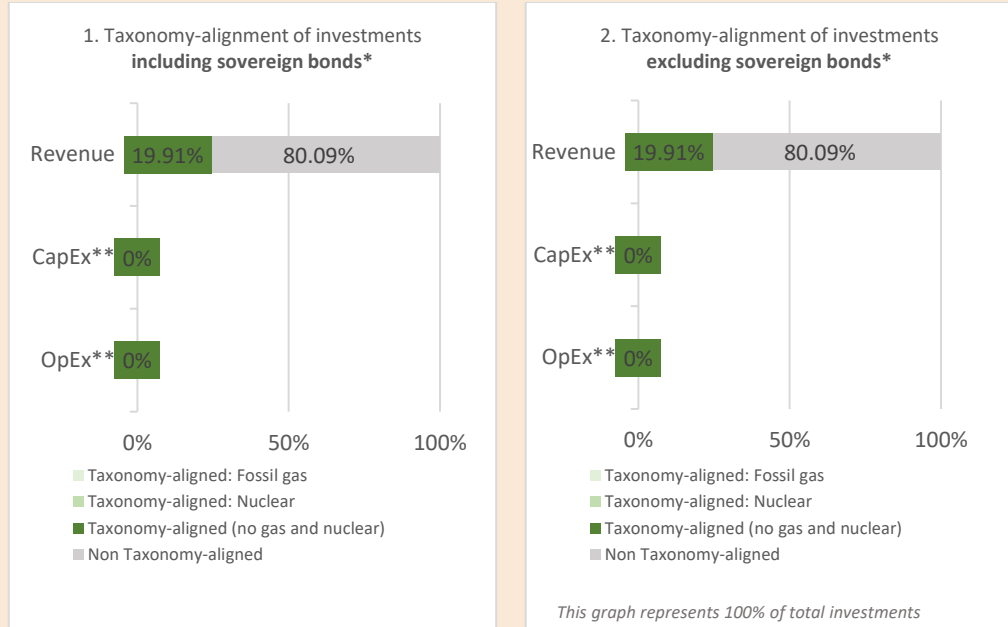
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

**The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

\*\* At present, it is not possible to calculate:

- The actual taxonomy-aligned CapEx and taxonomy-aligned OpEx
- The actual expose in fossil gas and nuclear energy related activities that comply with the EU Taxonomy as data is scarce and therefore not reliable.

● **What was the share of investments made in transitional and enabling activities?**

The Sub-Fund has not committed to a minimum share of investments in transitional and enabling activities.

Taxonomy aligned investments, also passing the Climate Transition Test, meaning investing in transitional activities, was by end of period 20.22% of the Sub-Fund.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

As this is the first reporting period for the Sub-Fund there is no comparison to any previous period.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



### **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

As the taxonomy classification system is newly implemented, the sustainable investments could not only be invested in the taxonomy align companies due to need of diversification, amongst other prioritizations.

By end of period, the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 40.38% of total investments. The categorization of which investments meet the environmental and social objective respectively has been made by the Investment Manager with a qualitative approach as our data provider not yet include this information in their data set.



### **What was the share of socially sustainable investments?**

This share was 4.13% off total investments by end of period as the Investment Manager had focus on the environment during the period.

The categorization of which investments meet the environmental and social objective respectively has been made by the Investment Manager with a qualitative approach as our data provider not yet include this information in their data set. All healthcare related investments are regarded as Social, while the other investments are regarded environmental.



### **What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

This includes cash for managing liquidity, which there are no minimum environmental or social safeguards on.



### **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The Sub-Fund has been screened when investing and throughout the investment period for the ESG indicators set up for the Sub-Fund, including exclusions and minimum shares of sustainable investments and taxonomy alignment respectively.

The Investment Manager has not been active in impacting the companies invested in as the Sub-Funds ownership in these multinational companies has been minimal.

The focus for investment selection is companies with E/S characteristics, rather than to be an active owner impacting companies to be more sustainable.



## How did this financial product perform compared to the reference benchmark?

The Sub-Fund does not use a benchmark that is aligned with the Sub-Fund's E/S characteristics.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the reference benchmark differ from a broad market index?***  
Not applicable
- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***  
Not applicable
- ***How did this financial product perform compared with the reference benchmark?***  
Not applicable
- ***How did this financial product perform compared with the broad market index?***  
Not applicable