

Summary of the main negative impacts of investment decisions on sustainability factors

Financial market participant Nordic Equities Kapitalförvaltning AB, 5493009FXP8PJJZFEQ18

Summary

Nordic Equities Kapitalförvaltning AB, 5493009FXP8PJJZFEQ18 (“Nordeq”) takes into account the principal adverse impacts of its investment decisions on sustainability factors.

This report on the principal adverse impacts on sustainability factors covers the reference period from 1 January 2024 to 31 December 2024.

In this report, “funds” refers to the funds managed by Nordeq: Nordic Equities Strategy, Nordic Equities Sweden, Nordic Equities Select, Nordic Equities Global Stars and Nordic Equities Our World. Furthermore, Nordeq also manages a mandate on a discretionary basis. Nordeq takes into account the principal adverse impacts on sustainability factors by measuring and assessing the negative effects of its investments on sustainable development. The assessment and work on the listed indicators are described in Nordeq’s policy for the integration of sustainability risks / due diligence.

The report is based on the company’s policy on sustainability risks, which complies with the technical standards of the SFDR (Regulation 2022/1288/EU).

Nordeq identifies and analyses sustainability risks related to potential investments based on probability and impact. The analysis is conducted internally and is based on data collected from Sustainalytics as well as dialogue with the companies. Investment decisions take into account the risk of sustainability risks materialising and their potential impact on the value of the investment.

Nordeq assesses that there are certain limitations regarding the data collected, given the lack of relevant sustainability data for reporting in accordance with Regulation 2019/2088/EU (the Disclosure Regulation) and applicable delegated acts. The implementation of the Corporate Sustainability Reporting Directive and accounting standards from the European Financial Reporting Advisory Group is necessary to be able to provide information on reliable quantitative indicators. Furthermore, these regulations only apply to companies domiciled within the EU/EEA, which is why there may continue to be a lack of data from portfolio companies domiciled outside the EU/EEA.

Nordeq also considers that there are certain limitations to the verification of the data collected, as there are currently neither common accounting standards for sustainability reporting nor requirements for sustainability data to be audited by a third party. There may also be some delay in data availability, which means that the information on which Nordeq bases its assessments may have changed.

Description of the main negative impacts on sustainability factors

Indicators applicable to investments in investment properties

Indicator of negative impacts on sustainable development	Measure	Impacts in 2025	Impacts in 2024	Explanation	Measures taken, and planned measures and targets for the next reference period
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CLIMATE-RELATED INDICATORS AND OTHER ENVIRONMENTAL INDICATORS

Greenhouse gas emissions	1. Greenhouse gas emissions	Scope 1 greenhouse gas emissions	607.225 kilotonnes of carbon dioxide equivalent ()	941.15 kilotonnes of carbon dioxide equivalents	<p>Coverage: 94.96%</p> <p>Nordeq has not taken into account the main negative impacts on the funds' cash positions. The importance of cash has been taken into account when measuring the indicator.</p>	<p>Nordeq's funds promote reduced greenhouse gas emissions through their investment strategies.</p> <p>Nordeq chooses to invest in companies that have committed to climate-related targets consistent with the 2030 Agenda or the Paris Agreement. At least 50% of the investments in Nordeq's funds are made in such companies.</p> <p>As the sector composition varies among the companies included in Nordeq's funds, the companies have different starting points on their journeys towards net-zero emissions, which is why Nordeq does not set quantitative interim emission targets in tonnes for the next reporting period.</p>
		Scope 2 greenhouse gas emissions	483.445 kilotonnes of carbon dioxide equivalents	830,6625 kilotonnes of carbon dioxide equivalents	<p>Coverage: 94.96%</p> <p>Nordeq has not taken into account any significant negative impacts on the funds' cash positions. The importance of cash has been taken into account when measuring the indicator.</p>	<p>Nordeq's funds promote reduced greenhouse gas emissions through their investment strategies.</p> <p>Nordeq chooses to invest in companies that have committed to climate-related targets consistent with the 2030 Agenda or the Paris Agreement. At least 50% of the investments in Nordeq's funds are made in such companies.</p> <p>As the sector composition varies among the companies included in Nordeq's funds, the companies have different starting points on their journeys towards net-zero emissions, which is why Nordeq does not set quantitative interim emission targets in tonnes for the next reporting period.</p>

		Scope 3 greenhouse gas emissions	104,961.9675 kilotonnes of carbon dioxide equivalents	101,194.195 kilotonnes of carbon dioxide equivalents	<p>Coverage rate: 94.96%</p> <p>Nordeq has not taken into account any significant negative impacts on the funds' cash positions. The weight of the cash has been taken into account when measuring the indicator.</p>	<p>Nordeq's funds promote reduced greenhouse gas emissions through their investment strategies.</p> <p>Nordeq chooses to invest in companies that have committed to climate-related targets consistent with the 2030 Agenda or the Paris Agreement. At least 50% of the investments in Nordeq's funds are made in such companies.</p> <p>As the sector composition varies among the companies included in Nordeq's funds, the companies have different starting points on their journeys towards net-zero emissions; therefore, Nordeq does not set quantitative interim emission targets in tonnes for the next reporting period.</p>
		Total greenhouse gas emissions	78,197.0525 kilotonnes of carbon dioxide equivalents	102,877.115 kilotonnes of carbon dioxide equivalents	<p>Coverage: 94.96%</p> <p>Nordeq has not taken into account any significant negative impacts on the funds' cash positions. The importance of cash has been taken into account when measuring the indicator.</p>	<p>Nordeq's funds promote reduced greenhouse gas emissions through their investment strategies.</p> <p>Nordeq chooses to invest in companies that have committed to climate-related targets consistent with the 2030 Agenda or the Paris Agreement. At least 50% of the investments in Nordeq's funds are made in such companies.</p> <p>As the sector composition varies among the companies included in Nordeq's funds, the companies have different starting points on their journeys towards net-zero emissions, which is why Nordeq does not set quantitative interim emission targets in tonnes for the next reference period.</p>

	2. Carbon footprint	Carbon footprint	639.6 tonnes of carbon dioxide equivalents per million euros invested	596.32 tonnes of carbon dioxide equivalents per million euros invested	<p>Coverage: 95.35%</p> <p>Nordeq has not taken into account the main negative impacts on the funds' cash positions. The importance of cash has been taken into account when measuring the indicator.</p>	<p>Nordeq's funds promote reduced greenhouse gas emissions through their investment strategies.</p> <p>Nordeq chooses to invest in companies that have committed to climate-related targets consistent with the 2030 Agenda or the Paris Agreement. At least 50% of the investments in Nordeq's funds are made in such companies.</p> <p>As the sectoral composition varies among the companies included in Nordeq's funds, the companies have different starting points on their journeys towards net-zero emissions; therefore, Nordeq does not set quantitative interim emission targets in tonnes for the next reference period.</p>
	3. The investment target's greenhouse gas intensity	Greenhouse gas intensity of the investment	1,518.15 tonnes of carbon dioxide equivalents per million euros invested	2,141.945 tonnes of carbon dioxide equivalents per million euros invested	<p>Coverage ratio: 95.35%</p> <p>Nordeq has not taken into account any significant negative impacts on the funds' cash positions. The importance of cash has been taken into account when measuring the indicator.</p>	<p>Nordeq's funds promote reduced greenhouse gas emissions through their investment strategies.</p> <p>Nordeq chooses to invest in companies that have committed to climate-related targets consistent with the 2030 Agenda or the Paris Agreement. At least 50% of the investments in Nordeq's funds are made in such companies.</p> <p>As the sector composition varies among the companies included in Nordeq's funds, the companies have different starting points on their journeys towards net-zero emissions, which is why Nordeq does not set quantitative interim emission targets in tonnes for the next reference period.</p>

	4. Exposure to companies operating in the fossil fuel sector	Proportion of investments in companies operating in the fossil fuel sector	1.24%	1.75%	Coverage: 95.35% Nordeq has not taken into account any significant negative consequences for the funds' cash positions. The importance of cash has been taken into account when measuring the indicator.	In accordance with Nordeq's investment policy, Nordeq does not make any direct investments in companies operating in the fossil fuel sector.
	5. Share of non-renewable energy consumption and energy production	The investment target's share of non-renewable energy consumption and non-renewable energy production from non-renewable energy sources compared with renewable energy sources, expressed as a percentage of total energy sources	43.71% and 18.835%	51.48% and 18.95%	Coverage ratio: 56.39% Nordeq has not taken into account any significant negative impacts on the funds' cash positions. The weighting of the cash has been taken into account when measuring the indicator.	Nordeq's funds promote reduced greenhouse gas emissions through their investment strategies. Nordeq's ambition is for its portfolio companies to use non-fossil energy sources. Given that Nordeq's portfolio companies do not yet report on the use of fossil and non-fossil energy sources in a sufficiently manner, Nordeq will not set any targets for this indicator for the next reporting period.
	6. Energy consumption intensity by sector with significant climate impact	Energy consumption in GWh per million euros of revenue from investment properties, by sector with a significant climate impact	Agriculture, forestry and fishing (GWh/EURm): 0.00 Construction (GWh/EURm): 0.0225 Electricity, gas, heating and cooling supply	Agriculture, forestry and fishing (GWh/EURm): 0.00 Construction (GWh/EURm): 0.02 Electricity, gas, heating and cooling supply (GWh/EURm): 2.85 Manufacturing (GWh/EURm): 0.09	Coverage ratio: 51.2% Nordeq has not taken into account any significant negative impacts on the funds' cash positions. The importance of cash has been taken into account when	Nordeq's funds promote reduced greenhouse gas emissions through their investment strategies. Given the lack of access to reliable and relevant data, Nordeq will not set any quantitative targets for the indicator for the next reporting period.

			<p>(GWh/EURm): 2.71</p> <p>Manufacturing (GWh/EURm): 0.075</p> <p>Mining (GWh/EURm): 0.0</p> <p>Real estate activities (GWh/EURm): 0.0</p> <p>Transport and storage (GWh/EURm): 0.07</p> <p>Water supply, sewage treatment, waste management and remediation (GWh/EURm): 0.55</p> <p>Wholesale and retail trade, repair of motor vehicles and motorcycles (GWh/EURm): 0.07</p>	<p>Mining (GWh/EURm): 0.0</p> <p>Real estate activities (GWh/EURm): 0.15</p> <p>Transport and storage (GWh/EURm): 0.40</p> <p>Water supply, sewage treatment, waste management and remediation (GWh/EURm): 0.71</p> <p>Retail trade, repair of motor vehicles and motorcycles (GWh/EURm): 0.06</p>	measuring the indicator.	
Biodiversity	7. Activities that negatively impact areas with sensitive biodiversity	Proportion of investments in investments with sites/projects located in or near areas of sensitive biodiversity where the investments' operations have a negative impact on these areas	0.38%	0.60%	<p>Coverage: 95.35%</p> <p>Nordeq has not taken into account the main negative consequences for the funds' cash positions. The importance of cash has been taken into account when</p>	<p>Nordeq takes into account activities that negatively impact areas with sensitive biodiversity.</p> <p>Portfolio companies identified as non-compliant with regard to one or more indicators may be subject to further analysis, and Nordeq may take action in accordance with Nordeq's management policy.</p>

					measuring the indicator.	Given the limited historical availability of reliable and relevant data, Nordeq will not set any quantitative targets for the indicator during the next reporting period. Instead, the company intends to analyse the trend over a longer period before setting targets.
Water	8. Water discharge	Tonnes of emissions to water generated by investment projects per million euros invested, expressed as a weighted average	0.00 tonnes per million euros invested	0.00 tonnes per million euros invested	Coverage: 0% Nordeq has not taken into account the main negative impacts on the funds' cash positions. The importance of cash has been taken into account when measuring the indicator.	Nordeq takes emissions to water into account. Portfolio companies identified as non-compliant with regard to one or more indicators may be subject to further analysis, and Nordeq may take action in accordance with Nordeq's management policy. Given the lack of access to reliable and relevant data, Nordeq will not set any quantitative targets for the indicator for the next reporting period.
Waste	9. Hazardous waste and radioactive waste	Tonnes of hazardous and radioactive waste generated by investment projects per million euros invested, expressed as a weighted average	0.155 tonnes per million euros invested	0.22 tonnes per million euros invested	Coverage: 94.96% Nordeq has not taken into account the main negative impacts on the funds' cash positions. The importance of cash has been taken into account when measuring the indicator.	Nordeq takes hazardous waste and radioactive waste into account. Portfolio companies identified as non-compliant with regard to one or more indicators may be subject to further analysis, and Nordeq may take action in accordance with Nordeq's management policy. Given the limited historical availability of reliable and relevant data, Nordeq will not set any quantitative targets for the indicator during the next reporting period. Instead, the company intends to analyse the trend over a longer period before setting targets.

INDICATORS FOR SOCIAL CONDITIONS AND EMPLOYEE ISSUES, RESPECT FOR HUMAN RIGHTS AND ISSUES RELATING TO THE FIGHT AGAINST
CORRUPTION AND BRIBERY

Social conditions and personnel issues	10. Violations of the UN Global Compact and the OECD Guidelines for Multinational Enterprises	Proportion of investments in investments that have been involved in breaches of the UN Global Compact or the OECD Guidelines for Multinational Enterprises	0%	0%	Coverage: 95.35% Nordeq has not taken into account any significant negative consequences for the funds' cash positions. The importance of cash has been taken into account when measuring the indicator.	The portfolio companies in Nordeq's funds adhere to good governance practices, and Nordeq therefore does not invest in portfolio companies that violate the UN Global Compact and the OECD Guidelines for Multinational Enterprises.
	11. No processes or compliance mechanisms to monitor compliance with the UN Global Compact and the OECD Guidelines for Multinational Enterprises	Proportion of investments in investees without strategies to monitor compliance with the UN Global Compact or the OECD Guidelines for Multinational Enterprises or mechanisms for handling complaints regarding breaches of the UN Global Compact or the OECD Guidelines for Multinational Enterprises	46.4575%	30.96%	Coverage rate: 95.35%. The calculation is based on a strict interpretation of the indicator, whereby companies must have coverage for all aspects of the UNGC principles and the OECD Guidelines, including grievance mechanisms. Many companies are therefore excluded despite having strong policies in certain areas. Nordeq has not taken into account any significant negative	Nordeq monitors developments in underlying data reporting and assesses how the portfolio is affected The portfolio companies in Nordeq's funds adhere to best practice in corporate governance and corporate social responsibility (. Nordeq therefore does not invest in investments that breach the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

					consequences for the funds' cash positions. The importance of cash has been taken into account when measuring the indicator.	
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap at investee companies	6.385%	4.55%	Coverage ratio: 5.69% Nordeq has not taken into account any major negative consequences for the funds' cash positions. The importance of cash has been taken into account when measuring the indicator.	Nordeq takes into account the unadjusted pay gap at portfolio companies. Portfolio companies identified as non-compliant with regard to one or more indicators may be subject to further analysis, and Nordeq may take action in accordance with Nordeq's management policy. In light of the lack of access to reliable and relevant data, Nordeq will not set any quantitative targets for the indicator for the next reference period.
	13. More balanced gender distribution on boards	Average male and female representation among board members in investee companies, expressed as a percentage of all board members	37.0525%	35.11%	Coverage: 92.60% Nordeq has not taken into account any significant adverse effects on the funds' cash positions. The importance of cash has been taken into account when measuring the indicator.	Nordeq takes into account the gender balance on the boards of the companies in which the funds invest. Portfolio companies identified as non-compliant with regard to one or more indicators may be subject to further analysis, and Nordeq may take action in accordance with Nordeq's management policy. Given the limited historical availability of reliable and relevant data, Nordeq will not set any quantitative targets for the indicator during the next reference period. Instead, the company intends to analyse the trend over a longer period before setting targets.

	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Proportion of investments in investee companies involved in the manufacture or sale of controversial weapons	0%	0%	Coverage ratio: 95.35% Nordeq has not taken into account any significant negative consequences for the funds' cash positions. The importance of cash has been taken into account when measuring the indicator.	It follows from Nordeq's investment policy that Nordeq does not invest in companies involved in the manufacture or sale of controversial weapons.
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Indicators applicable to investments in state and supranational entities

Indicator of negative impacts on sustainable development		Measure	Impacts in 2024	Impacts in 2023	Explanation	Measures taken, and planned measures and targets for the next reference period
Environment	15. Greenhouse gas intensity	Greenhouse gas intensity of investment projects	0	0	N/A	During the reference period, Nordeq has not made any investments in state or supranational entities.
Social aspects	16. Locations of investments where there is a lack of social responsibility	Number of countries where the investees are domiciled in which there is a lack of social responsibility (in absolute and relative terms, divided by the total number of countries where the investees are domiciled), in accordance with international treaties and conventions, United Nations principles and, where	0	0	N/A	During the reference period, Nordeq has not made any investments in state or supranational entities.

		applicable, national legislation.				
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Indicators applicable to investments in real estate

Indicator of negative impacts on sustainable development	Measure	Impacts in 2024	Impacts in 2023	Explanation	Measures taken, and planned measures and targets for the next reference period	
Fossil fuels	17. Exposure to fossil fuels through property	Proportion of investments in properties involved in the extraction, storage, transport or manufacture of fossil fuels	0%	0%	N/A	Nordeq has not made any investments in property during the reference period.
Energy efficiency	18. Exposure to energy-efficient properties	Proportion of investments in energy-efficient properties	0%	0%	N/A	Nordeq has not made any investments in properties during the reference period.

Other indicators of significant adverse impacts on sustainability factors

Emissions	Investments in companies without initiatives to reduce carbon dioxide emissions: 18.1825%	Proportion of investments in investments without initiatives to reduce carbon dioxide emissions aimed at aligning with the Paris Agreement				
Social conditions and labour issues	No supplier code of conduct: 2.475%	Proportion of investments in entities without a supplier code of conduct (against precarious working conditions, precarious employment, child labour and forced labour)				

No indicators other than the mandatory ones and the two optional ones above have been used to identify and assess further principal adverse impacts on sustainability factors.

Description of strategies for identifying and prioritising the principal adverse impacts on sustainability factors

Nordeq's due diligence policy regarding principal adverse impacts on sustainability factors was updated in February 2024 and most recently adopted by Nordeq's Board of Directors in February 2025. Procedures for identifying and prioritising principal adverse impacts on sustainability factors are integrated into the company's sustainability risk policy

The company conducts a probability and impact assessment to identify relevant indicators. The exclusion of sectors such as pornography, fossil fuels, weapons, coal power, tobacco, commercial gambling and cannabis forms part of the strategy. The company also avoids investments in high-risk countries. Nordeq takes into account the main negative impacts on sustainability factors in fund management by excluding sectors and industries that Nordeq assesses as having a high impact on environmental, social and governance factors. It is Nordeq's fund managers who, as part of the ESG analysis that Nordeq conducts prior to taking a potential position, collect data from Nordeq's third-party provider. Based on this data collection, Nordeq's Investment Committee then decides whether or not to invest in a portfolio company.

Nordeq has chosen to consider the indicators "Investments in companies without initiatives to reduce carbon dioxide emissions" and "No code of conduct for suppliers". In selecting these two indicators, Nordeq has carried out a probability and impact assessment based on the activities in which Nordeq is engaged. The indicator "Investments in companies without initiatives to reduce carbon dioxide emissions" is a relevant metric for Nordeq, as Nordeq, in accordance with its management policy and what Nordeq refers to as the "Framework for Promoting Companies", assesses that a company promotes environmental attributes if the company works to reduce its carbon dioxide emissions.

The company considers that environmental sustainability risks, such as climate change, may have a significant negative impact on the value of the investment. Therefore, these risks are integrated into the investment decision-making process to ensure long-term value creation.

Nordeq's funds also report as Article 8 funds under the Disclosure Regulation, which is why the holdings in the funds are required to comply with good governance practices. Nordeq considers that the fact that a company has a code of conduct that also covers its suppliers constitutes a criterion for it to be able to meet good governance practices. Furthermore, Nordeq integrates sustainability risks into its investment decision-making process. Nordeq considers the fact that a company has a long chain of subcontractors to be a sustainability risk. Against this background, the indicator becomes a relevant metric for Nordeq.

Nordeq is dependent on the availability and quality of data in its work to report on and consider the principal adverse impacts of sustainability factors. Nordeq obtains data regarding the principal adverse impacts of sustainability factors from third-party providers. Nordeq has noted that access to information regarding the impact of indirect investments through, for example, index futures is somewhat more limited.

Engagement strategies

Nordeq has established principles for shareholder engagement that set out the purpose, approach and general principles for Nordeq's corporate governance work and shareholder engagement. It follows from the principles for shareholder engagement that Nordeq monitors relevant issues concerning each portfolio company by reviewing available information in news feeds, annual and interim reports, press releases and so on. Furthermore, as a general rule, Nordeq does not exercise any voting rights or other rights associated with its shareholding, as Nordeq is typically rarely among the largest shareholders. Nordeq maintains close and regular contact with its portfolio companies and thereby seeks to influence their sustainability work by expressing Nordeq's position on relevant issues, asking questions and addressing any controversies. Furthermore, due to Nordeq's size, a decision has been taken that Nordeq does not attend general meetings.

In addition to Nordeq's principles for shareholder engagement, Nordeq's advocacy work regarding sustainability issues is also described in Nordeq's policy on the integration of sustainability risks / due diligence. It follows from this policy that Nordeq engages in advocacy by engaging with the investees in which Nordeq's funds invest. As part of this work, Nordeq seeks to influence investees on issues relating to human rights, as well as climate and the environment.

If the funds' primary adverse impacts on sustainability factors (PAI) do not decrease over more than one reporting period, the company will evaluate the portfolio's composition and, where necessary, divest holdings that contribute to deteriorating PAI results. The company will therefore not change its current principles for shareholder engagement, but will instead prioritise divesting or reallocating investments in companies where improvements are not forthcoming, with the aim of ensuring that the fund's investments contribute over time to a reduced negative impact on sustainability factors, in line with the company's policy on sustainable investment and shareholder engagement.

The principles described above cover all indicators of principal adverse impacts on sustainability factors that Nordeq has reported on as set out above.

References to international standards

Nordeq has signed the Principles for Responsible Investment (“PRI”) and adheres to the PRI’s principles for responsible investment.

Nordeq takes into account the United Nations (“UN”) Sustainable Development Goals in its management. Below, Nordeq lists a number of indicators relating to principal adverse impacts on sustainability factors that Nordeq uses to measure compliance with international codes of conduct, as set out in Annex I to Delegated Regulation (EU) 2022/1288.

- UN Global Compact (Table 1, indicators 10 and 11)
- OECD Guidelines for Multinational Enterprises (Table 1, indicators 10 and 11)
- The International Labour Organisation’s (ILO) Declaration on Fundamental Principles and Rights at Work and the international human rights framework (Table 1, indicators 12)

Nordeq obtains data from external data providers and from the portfolio companies themselves regarding the codes of conduct listed above. As the quality of the available data is not yet reliable or complete, estimated data is used to a certain extent.

Nordeq selects portfolio companies for its funds that have committed to reducing carbon dioxide emissions in line with the Paris Agreement’s targets. In addition to these portfolio companies having communicated a commitment to reduce carbon dioxide emissions, Nordeq also verifies whether these targets are scientifically feasible, by ensuring that the portfolio company’s emission targets have been validated by the Science Based Targets Initiative.

Climate scenario analyses are widely used by financial institutions when assessing climate-related risks from a forward-looking perspective, such as in climate-related stress tests. Guidance from the European Central Bank (ECB) dated November 2020 states that the ECB expects climate-related scenario analyses to be used in the risk management of institutions exposed to material climate and environmental risks. Nordeq invests to a large extent in portfolio companies that are established and operate in Sweden, the Nordic region, the rest of Europe and North America. Although some of these portfolio companies have factories and suppliers established around the world, Nordeq does not consider that this contributes to an increased exposure to climate- and environment-related risks, as the factories and suppliers are interchangeable. Against this background, Nordeq does not yet carry out any climate scenario analysis.

Historical comparison

The fund manager notes that the results for the indicators in 2025 overall show a positive trend in several key sustainability areas compared with the previous year. In particular, direct greenhouse gas emissions (Scope 1 and Scope 2), total greenhouse gas emissions, greenhouse gas intensity and exposure to fossil fuels have decreased over the period. Indicators related to biodiversity and hazardous waste have also developed positively.

At the same time, certain indicators have shown less positive development compared with the previous year. The fund management company assesses that the changes can be partly explained by changes in portfolio composition, improved data coverage and enhanced reporting procedures at the portfolio companies. For certain indicators, data coverage remains limited, which means that variations between years should be interpreted with some caution.

For example, the fund manager notes that the carbon footprint has increased slightly despite the fact that total greenhouse gas emissions and greenhouse gas intensity have decreased over the period. This is assessed as being mainly due to changes in portfolio composition, investment weights and the underlying companies’ financial key figures, which affect the intensity measures.

Certain social indicators, such as the unadjusted gender pay gap and the proportion of companies without comprehensive processes for monitoring the UN Global Compact and the OECD Guidelines, also highlight the need for continued development of transparency and sustainability reporting among portfolio companies.

The fund manager further notes that no investments have been made in companies that breach the UN Global Compact or the OECD Guidelines for Multinational Enterprises. This is a consequence of Nordeq’s management policy and the company’s long-term work on responsible investment.

Overall, the fund manager assesses that the outcome of the indicators reflects a combination of changes in portfolio composition, developments in the portfolio companies’ operations, and gradually improved quality and access to sustainability data. The fund manager continues to work towards increased transparency, improved data quality and a reduced negative impact on sustainability factors over time.

