

## SUSTAINABILITY-RELATED DISCLOSURE

### C WorldWide Sweden Small Cap (the “Strategy”),

Legal entity identifier: 967600QIGO353E50TF04

This sustainability-related disclosure has been prepared in accordance with article 10 of Regulation (EU) 2019/2088 of the European Parliament and the Council of 27 November 2019 on sustainability-related disclosures in the financial sector (the “Disclosure Regulation”).

The information in this sustainability-related disclosure is a supplement to the pre-contractual disclosure included in the prospectus of the fund.

### 1. Summary

The Strategy promotes **environmental or social characteristics** but does not have as its objective sustainable investment.

The Strategy promotes environmental and social characteristics by:

- Avoiding investments in companies which at the time of the initial investment in the opinion of the Investment Manager of the Strategy are non-compliant with the 10 principles of the UN Global Compact (**UN Global Compact**).
- Avoiding investments in companies exceeding a certain level of involvement in controversial weapons, military contracting, small arms, adult entertainment, alcoholic beverages, gambling, tobacco products, oil & gas, thermal coal, oil sands and shale energy (**sector exclusions**).

The **investment strategy** of the Strategy includes the following elements:

- Sector exclusions,
- UN Global Compact,
- Active ownership, and
- Norm-based screening.

The **binding elements of the investment strategy** used to select the investments to attain each of the environmental or social characteristics promoted by the Strategy are sector exclusions and UN Global Compact.

The attainment of the environmental or social characteristics promoted by the Strategy are measured by the following **sustainability indicators**:

- **UN Global Compact:** The number of investee companies of the Strategy which in the opinion of the Investment Manager of the Strategy were non-compliant with the 10 principles of the UN Global Compact at the time of the initial investment.
- **Sector exclusions:** The number of investee companies of the Strategy exceeding a certain level of involvement in the activities specified below:

Activities	Description of Activities	Level of involvement
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<b>Controversial weapons</b>	Companies involved in the core weapon system of controversial weapons, or components or services of the core weapon system that are considered tailor-made and essential for the lethal use of the weapon.	0%
	Companies providing components or services for the core weapon system of controversial weapons, which are either not considered tailor-made or not essential to the lethal use of the weapon.	0%
<b>Military contracting</b>	Companies manufacturing military weapon systems or integral, tailor-made components of these weapons.	5%
	Company providing tailor-made products or services that support military weapons.	5%
<b>Small arms</b>	Companies involved in the manufacturing, distribution, sale or retail sale of assault weapons.	5%
	Companies involved in the manufacturing, distribution, sale or retail sale of small arms or key components to small arms.	5%
<b>Adult entertainment</b>	Companies involved in the production or distribution of adult entertainment or owning or operating adult entertainment establishments.	5%
<b>Alcoholic beverages</b>	Companies involved in the manufacturing, distribution or retail sale of alcoholic beverages or in supplying alcohol-related products or services to alcoholic beverage manufacturers.	5%
<b>Gambling</b>	Companies owning or operating gambling establishments, manufacturing specialized equipment used exclusively for gambling or providing supporting products or services to gambling operations.	5%
<b>Tobacco products</b>	Companies involved in the manufacturing, distribution or retail sale of tobacco products or in the supply of tobacco-related products or services.	5%
<b>Oil &amp; gas</b>	Companies involved in oil and gas exploration, production, refining, transportation, or storage.	5%
	Companies involved in the generation of electricity from oil or gas.	25%
<b>Thermal coal</b>	Companies involved in thermal coal extraction.	5%
	Companies involved in the generation of electricity from thermal coal.	10%
<b>Oil sands</b>	Companies involved in oil sands extraction.	5%
<b>Shale energy</b>	Companies involved in shale energy exploration or production.	5%

The Strategy plans to **allocate a minimum of 90% of the assets** of the Strategy to investments in equities. All equities are used to meet the environmental or social characteristics promoted by the Strategy, in accordance with the binding elements of the investment strategy.

The investee companies are systematically **screened and monitored** prior to the initial investment and continuously during the holding period to ensure that the investments are made in accordance with the binding elements of the investment strategy and that the investee companies follow good governance practices.

The environmental or social characteristics of the Strategy will primarily be attained using **data** supplied by the global ESG research provider Sustainalytics. The quality of the research provided by Sustainalytics is evaluated on an ongoing basis to ensure a high data quality. Sustainalytics generally update their company specific data annually based on annual reporting by the companies. Company specific data will therefore not always be fully updated.

The investee companies are systematically screened and monitored prior to the initial investment and continuously during the holding period for violations of international conventions, norms and standards relating to ESG issues such as human rights, labour rights, the environment and business ethics. The assessment of whether the investee companies follow good governance practices will be made based on data provided by Sustainalytics supplemented by internal research and research provided by a range of external research providers.

## **2. No sustainable investment objective**

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment.

## **3. Environmental or social characteristics of the financial product**

### **UN Global Compact**

The Strategy promotes environmental and social characteristics by avoiding investments in companies which at the time of the initial investment in the opinion of the Investment Manager of the Strategy are non-compliant with the 10 principles of the UN Global Compact.

### **Sector exclusions**

Furthermore, the Strategy promotes environmental and social characteristics by avoiding investments in companies exceeding a certain level of involvement in controversial weapons, military contracting, small arms, adult entertainment, alcoholic beverages, gambling, tobacco products, oil & gas, thermal coal, oil sands and shale energy.

## **4. Investment strategy**

The investment strategy of the Strategy includes the following elements:

### **Sector exclusions**

Before an investment is made in an investee company and regularly during the holding period the Strategy conducts screening of the activities of the investee company to avoid investments in companies exceeding a certain level of involvement in specific activities. If the activities of an investee company exceed the level of involvement the shares in the investee company will be sold within a reasonable time-period and in accordance with the general obligation to execute all orders on terms most favourable to the client.

### **UN Global Compact**

Before the initial investment in an investee company is made the Investment Manager of the Strategy will evaluate whether the investee company is non-compliant with the 10 principles of the UN Global Compact. If this is the case, no investment will be made in the investee company.

### **Active ownership**

Engagement is an integral part of the investment process. It is anchored directly with the portfolio management team responsible for the Strategy. Through engagement sustainable business conduct is encouraged. All general meetings of investee companies are monitored and voting rights are exercised.

### **Norm-based screening**

The investee companies are systematically screened and monitored prior to the initial investment and continuously during the holding period for violations of international conventions, norms and standards relating to ESG issues such as human rights, labour rights, the environment and business ethics.

#### **The binding elements of the investment strategy**

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by the Strategy are sector exclusions and UN Global Compact.

#### **The policy to assess good governance practices of the investee companies**

Norm-based screenings are performed prior to the initial investment and continuously during the holding period in order to ensure that the investee companies in which the Strategy invest follow good governance practices, including with respect to sound management structures, employee relations, remuneration of staff and tax compliance. Furthermore the Strategy will attempt to strengthen good governance practices through active ownership.

### **5. Proportion of investments**

The investments of the Strategy mainly consist of equities. All equities are used to meet the environmental or social characteristics promoted by the Strategy, in accordance with the binding elements of the investment strategy. The Strategy plans to allocate a minimum of 90% of the assets of the Strategy to investments in equities.

The remaining investments of the Strategy consist of cash held as ancillary liquidity.

All investments in investee companies constitutes direct exposure to such investee companies. The Strategy does not use derivatives.

### **6. Monitoring of environmental or social characteristics**

The environmental or social characteristics of the Strategy and the sustainability indicators used to measure the attainment of each of those environmental or social characteristics promoted by the financial product are continuously monitored.

The investee companies are systematically screened and monitored prior to the initial investment and continuously during the holding period to ensure that the investments are made in accordance with the binding elements of the investment strategy and that the investee companies follow good governance practices.

Monitoring of the investee companies can be described in two parts:

#### *Initial investments*

Before an initial investment is made the investee company is screened via Sustainalytics and the investment will only be effectuated if the screening proofs satisfactory that the investment will not cause a breach of the binding elements of the investment strategy and that the investee company follow good governance practices.

#### *Holding period*

During the holding period, all investee companies are screened monthly via Sustainalytics. If a screening reveals a breach of the sector exclusions or that the investee company does not follow good

governance practices, the shares in the investee company will be sold within a reasonable time-period and in accordance with the general obligation to execute all orders on terms most favourable to the client.

## 7. Methodologies

The attainment of the environmental or social characteristics promoted by the Strategy are measured by the following sustainability indicators:

### UN Global Compact

The number of investee companies of the Strategy which in the opinion of the Investment Manager of the Strategy were non-compliant with the 10 principles of the UN Global Compact at the time of the initial investment.

An investee company will be considered non-compliant with the 10 principles of the UN Global Compact if it is determined to be causing or contributing to severe or systematic violations of the UN Global Compact principles and related international norms.

The evaluation is based on the Global Standards Screening performed by Sustainalytics. The screening results in one of the three following statuses: Non-compliant, Watchlist or Compliant.

The Global Standards Screening analyses norms and standards that are enshrined in the UN Global Compact, the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises, and the United Nations Guiding Principles on Business and Human Rights, as well as their underlying conventions and treaties.

When making this evaluation the Investment Manager of the Strategy will only take into account the investee company itself and its subsidiaries.

### Sector exclusions

The number of investee companies of the Strategy exceeding a certain level of involvement in the activities specified below:

Activities	Description of Activities	Level of involvement
<b>Controversial weapons</b>	Companies involved in the core weapon system of controversial weapons, or components or services of the core weapon system that are considered tailor-made and essential for the lethal use of the weapon.	0%
	Companies providing components or services for the core weapon system of controversial weapons, which are either not considered tailor-made or not essential to the lethal use of the weapon.	0%
<b>Military contracting</b>	Companies manufacturing military weapon systems or integral, tailor-made components of these weapons.	5%
	Company providing tailor-made products or services that support military weapons.	5%
<b>Small arms</b>	Companies involved in the manufacturing, distribution, sale or retail sale of assault weapons.	0%

	Companies involved in the manufacturing, distribution, sale or retail sale of small arms or key components to small arms.	0%
<b>Adult entertainment</b>	Companies involved in the production or distribution of adult entertainment or owning or operating adult entertainment establishments.	5%
<b>Alcoholic beverages</b>	Companies involved in the manufacturing, distribution or retail sale of alcoholic beverages or in supplying alcohol-related products or services to alcoholic beverage manufacturers.	5%
<b>Gambling</b>	Companies owning or operating gambling establishments, manufacturing specialized equipment used exclusively for gambling or providing supporting products or services to gambling operations.	5%
<b>Tobacco products</b>	Companies involved in the manufacturing, distribution or retail sale of tobacco products or in the supply of tobacco-related products or services.	5%
<b>Oil &amp; gas</b>	Companies involved in oil and gas exploration, production, refining, transportation, or storage.	5%
	Companies involved in the generation of electricity from oil or gas.	25%
<b>Thermal coal</b>	Companies involved in thermal coal extraction.	5%
	Companies involved in the generation of electricity from thermal coal.	10%
<b>Oil sands</b>	Companies involved in oil sands extraction.	5%
<b>Shale energy</b>	Companies involved in shale energy exploration or production.	5%

Generally, level of involvement is measured as the percentage of an investee company's revenue derived from the relevant activity either directly or indirectly through corporate ownership. The estimation of revenue is either based on data provided by the investee companies or data estimated by Sustainalytics.

If an investee company holds a majority stake, i.e. more than 50%, of another company that is considered directly involved in a relevant activity, the parent company is considered involved in the same category of involvement as the subsidiary. In these cases, the revenues of the involved subsidiary are attribute to the parent.

In the case of a minority stake, i.e. 10-50%, of another company that is considered directly involved in a relevant activity the revenues of the subsidiary are not attributed to the parent but instead the percentage of the ownership stake is captured in order to signal the level of control and influence present in the relationship.

#### Controversial weapons

Controversial weapons are defined as weapons that have a disproportionate and indiscriminate impact on civilian populations, sometimes even years after a conflict has ended. Some controversial weapons are illegal, as their production and use are prohibited by international legal instruments such as conventions or bans. Others are legal.

Controversial weapons include but are not restricted to anti-personnel mines, biological and chemical weapons, cluster weapons, depleted uranium munitions, white phosphorus munition and nuclear weapons.

Level of involvement in relation to controversial weapons is not based on information on revenues derived from the involvement. The involvement is binary – involved or not involved.

## **8. Data sources and processing**

The environmental or social characteristics of the Strategy will primarily be attained using data supplied by the global ESG research provider Sustainalytics. The quality of the research provided by Sustainalytics is evaluated on an ongoing basis to ensure a high data quality.

The data supplied by Sustainalytics is received in a form where it can be used without further processing for determining whether an investee company is engaged in activities that exceed the limits of the sector exclusions or is non-compliant with the 10 principles of the UN Global Compact.

The data supplied by Sustainalytics will to a limited extent be estimated where no underlying data is available from the investee companies.

## **9. Limitations to methodologies and data**

Sustainalytics generally update their company specific data annually based on annual reporting by the companies. Company specific data will therefore not always be fully updated.

In relation to IPO's and in other rare occasions an investee company will not be covered or fully covered by research from Sustainalytics or the quality of the data supplied by Sustainalytics will be of an insufficient quality. For these investee companies alternative internal and/or external research and data will be applied.

Limitations to the methodology and data are not expected to affect the attainment of the environmental or social characteristics promoted by the Strategy in any material way.

## **10. Due diligence**

The investee companies are systematically screened and monitored prior to the initial investment and continuously during the holding period for violations of international conventions, norms and standards relating to ESG issues such as human rights, labour rights, the environment and business ethics. The due diligence is based on internal analysis, external research as well as screenings via Sustainalytics.

## **11. Engagement policies**

Engagement is an integral part of the investment process. It is anchored directly with the portfolio management team responsible for the Strategy. Through engagement sustainable business conduct is encouraged.

The management of an investee company is engaged directly through meetings or collectively with other investors. This approach provides access to highly qualified specialists with a strong knowledge and a network that can be leveraged in the ongoing engagement with the investee companies on key issues, including ESG issues such as human rights, labour rights, and environmental issues.

The decision to engage an investee company in relation to a specific matter and the method of engagement is made based on a proportionality consideration of several factors, including the size of the shareholding in the investee company, the materiality of the matter, the reliability of the data, the

possibility of effecting the behaviour of the investee company and the resources required to conduct the engagement.

All general meetings of investee companies are monitored and voting rights are exercised.

## **12. Revision history**

To see the revision history, [please follow this link](#)