



## Sustainability-Related Disclosures

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### Coeli Norhammar Property L/S Fund

**legal entity identifier:** 636700QH1VJ1IYT8H625

*This document provides information about this fund in relation to the Sustainable Finance Disclosure Regulation (SFDR). The information is required by law to help you understand the sustainability characteristics and/or objectives and risks of this fund. This document should be read in conjunction with other relevant documentation on this fund to help make an informed investment decision.*

### **Summary**

The Sub-Fund promotes environmental or social characteristics but does not have as its objective a sustainable investment.

The Sub-Fund promotes environmental and social characteristics, in support of, for example, environmental protection and climate change mitigation, human rights and labor standards, and efforts against corruption in all its forms, including extortion and bribery, in line with international standards such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises. The Sub-Fund seeks to limit and mitigate principal adverse impacts of its portfolio by the promoted environmental and social characteristics. The promotion of environmental and social characteristics is implemented by:

- Excluding certain products, such as controversial weapons (verified involvement in the manufacture or selling of anti-personnel mines, cluster munitions, chemical and biological weapons), alcohol, fossil fuels, gambling, weapons and military equipment, pornography and tobacco.
- Engaging with and/or excluding certain companies relating to their adherence to international standards such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

The Sub-Fund also considers Principal Adverse Impacts (PAI) on sustainability factors that are relevant to the investment strategy.

The Sub-Fund's approach to sustainable investments is based on three pillars:

- ESG integration
- Stewardship and engagement, and
- Investment restrictions and exclusions.

To measure the attainment of the environmental or social characteristics, the investment manager utilises third-party research and data. The Sub-Fund is actively managed, and no benchmark has been chosen to measure its attainment of the E/S characteristics promoted.

### **Sustainability-related disclosures of this fund**

#### **No sustainable investment objective**

The Sub-Fund promotes environmental or social characteristics but does not have as its objective a sustainable investment.



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

The Sub-Fund promotes environmental and social characteristics, in support of, for example, environmental protection and climate change mitigation, human rights and labor standards, and efforts against corruption in all its forms, including extortion and bribery. The promotion of environmental and social characteristics is implemented by:

- Excluding certain products, such as controversial weapons (verified involvement in the manufacture or selling of anti-personnel mines, cluster munitions, chemical and biological weapons), alcohol, fossil fuel, gambling, weapon and military equipment, pornography and tobacco.
- Engaging with and/or excluding certain companies relating to their adherence to international standards such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

### **Investment strategy**

The Sub-Fund's approach to sustainability is based on three pillars:

**1) ESG integration:** The Sub-Fund attaches great importance to thorough analysis in which ESG aspects are considered alongside financial factors in a holistic manner. Examples of this information include but are not limited to climate change, communities, customers, natural resources, pollution, waste, human resources, and stakeholders.

The Sub-Fund incorporates ESG data and sustainability information into the due diligence and investment process – as appropriate for its strategy and asset class – to identify and manage risks and opportunities in relation to the portfolio and/or underlying holding. Material ESG and sustainability aspects are considered as factors alongside financial factors, in support of making better-informed investment decisions.

**2) Stewardship and engagement:** The Sub-Fund engages in constructive dialogue with company management, regulators, interest groups, government representatives and peers, seeking to contribute to positive development and change.

The Sub-Fund engages with its portfolio holdings based on prioritized areas where change, improvements, and a positive outcome can be achieved in the portfolio and/or underlying holding.

**3) Investment restrictions and exclusions:** The Sub-Fund identifies companies with a negative impact on the environment, society, and stakeholders, by excluding banned weapons, fossil fuels, gambling, military equipment, pornography, and tobacco from its investment universe.

The Sub-Fund's Policy for Sustainable Investing sets out a framework and guidelines to assess good governance practice of the investee companies.

The Sub-Fund is guided by international standards and principles to assess good governance and identify potential violators of, for example: The UN Global Compact (UNGC); The OECD Guidelines for Multinational Enterprises and Corporate Governance; and The UN Guiding Principles on Business and Human Rights (UNGPR).



### **Proportion of investments**

- 50% of the allocation will be aligned with the environmental and/or social characteristics promoted by the Sub-Fund.
- 50% of the total investments are set aside for cash positions, money market instruments and potential derivatives and other eligible assets which do not incorporate any environmental or social characteristic.

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

The following sustainability indicators are used to assess the environmental and social characteristics of the sub-fund:

- Share of investments in companies involved in the manufacture, development, or sale of controversial weapons.
- Share of investments in companies where revenue from activities such as weapons and military equipment, alcohol, tobacco, commercial gambling, pornography, and fossil fuels exceeds 5 percent of turnover.
- Share of investments in companies that do not comply with international norms such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

To ensure that the environmental and social characteristics are met throughout the sub-fund's lifecycle, the above ESG process is continuously applied and monitored with regularity by the risk function. All indicators are measured quantitatively using data from external providers.

### **Methodologies**

The fund conducts continuous monitoring at the holding level to ensure that companies operating within excluded sectors or violating international norms and conventions are not included in the fund. Information about each company is obtained either directly from the company or from third-party providers. The fund's binding commitments are monitored monthly. If there is a change in the assessment of a company, this is flagged in the ongoing monitoring. If no changes occur after a dialogue with the company, it may result in the company's exclusion from the fund.

### **Data sources and processing**

The Sub-Fund uses a variety of sources such as: Company disclosure, engagement with company management and government representatives; third-party research and data, and other publicly available information such as industry data and news.

### **Limitations to methodologies and data**

The Sub-Fund's methodologies and data depend on the quality of data provided by the portfolio companies, by third parties and other sources. Although the Sub-Fund typically applies thorough assessments, the data provided by the above-mentioned sources may be incomplete, estimated, out of date or otherwise materially inaccurate. As the Sub-Fund relies in part on this data in its investment decision-making, such uncertainty in data collection may negatively impact portfolio performance. The Sub-Fund combines internal and external assessments, to detect incomplete or false data early on and seeks to prevent it from affecting the attainment of the environmental or social characteristics promoted by the Sub-Fund.

### **Due diligence**



Prior to each investment, the Sub-Fund conducts a pre-screening and a due diligence covering ESG aspects alongside financial factors in a holistic manner that is governed by the Sustainable Investing Policy. The ESG due diligence involves an assessment of sustainability risks, principal adverse impacts on sustainability factors and opportunities of investment targets. The information is used to mitigate risk and prioritize areas where we can contribute to improvements and a positive outcome.

### **Engagement policies**

The Investment Manager, in order to promote the sub-fund's long-term development and the interests of its unit holders, has the authority to engage in advocacy and take measures to manage and reduce sustainability risks in the sub-fund. In situations where a company does not meet the Investment Manager's and the sub-fund's expectations regarding corporate governance or sustainability issues, a dialogue may be initiated with the company's representatives and other relevant stakeholders. In this dialogue, the Investment Manager has the ability to escalate its advocacy efforts through collaboration with other shareholders. Furthermore, the Investment Manager can exercise voting rights and other associated rights by participating in general meetings and utilizing its voting rights in companies where change is deemed necessary.

### **Designated reference benchmark**

The Sub-Fund is actively managed, and no benchmark has been chosen to measure its attainment of the E/S characteristics promoted.