

**Template pre-contractual 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:** Holberg Global

**Legal entity identifier:** 2549006UPEM4VEOYB518

## Environmental and/or social characteristics

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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

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

**Yes**

**No**

It will make a minimum of **sustainable investments with an environmental objective:** \_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective:** \_\_\_%

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**



### What environmental and/or social characteristics are promoted by this financial product?

*Sustainability is integrated into the fund's investment process where we try to understand whether companies are run in line with common environmental, ethical and social norms. We seek to promote sustainability through documentation of our investment decisions. With concentrated portfolios we are able to assess each company and its management's approach to long-term sustainable development. Access to reliable data can be deficient, and the perception of sustainability and which ESG criteria each company meet varies.*

*Holberg wishes to contribute to building knowledge by being an active participant in the debate about how sustainability can improve risk assessments and investment decisions. This will be executed through internal activities (meetings with clients, seminars, etc.), as well as participation and contribution in external forums. Also, we will seek to highlight the topic through our communication with clients and presence in the media.*

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

**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.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

*In order to measure the attainment of each of the environmental or social characteristics promoted by the fund, we use sustainability indicators defined in our proprietary sustainability model, Tellus. For each sustainability indicator we score each portfolio company from 1 to 5. These scores can also be aggregated on fund level.*

*The following sustainability indicators are used to measure the attainment of the environmental characteristics promoted by this fund:*

- *Does the company have a climate policy?*
- *Does the company report direct emissions (Scope 1)?*
- *Does the company report indirect emissions (Scope 2)?*
- *Does the company have a strategy to reduce their environmental footprint?*
- *Is the company endorsing the Paris agreement and/or Task Force on Climate-Related Financial Disclosures (TCFD)?*
- *Does the company link their climate goals towards the UN sustainability goals?*
- *Does to company report to Carbon Disclosure Project (CDP)?*
- *The portfolio manager's assessment of the quality of the company's reporting on environmental issues.*
- *The portfolio manager's assessment of the company's emissions.*
- *The portfolio manager's assessment of the company's emissions compared to peers.*
- *The portfolio manager's assessment of the company's implementation of environmental measures.*
- *The portfolio manager's assessment of the company's strategy for circular economy.*

*The following sustainability indicators are used to measure the attainment of the social characteristics promoted by this financial product:*

- *The portfolio manager's assessment of the company's equal pay policy.*
- *The portfolio manager's assessment of the company's performance on gender equality and diversity.*
- *The portfolio manager's assessment of the company's workforce stability.*
- *The portfolio manager's assessment of the quality of the company's HSE reporting.*
- *The portfolio manager's assessment of the company's wage policy.*
- *The portfolio manager's assessment of the company's guidelines in relation to the right to unionization.*
- *The portfolio manager's assessment of the company's insurance and pension schemes.*
- *The portfolio manager's assessment of the overall guidelines for monitoring SRI in the company's and the supplier's value chains.*
- *Has the company been involved in controversies involving local or national authorities?*

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

*Not relevant.*

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

*Not relevant.*

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

*Not relevant.*

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

Not relevant.



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

Yes, the fund considers principal adverse impacts on sustainability factors. The fund invests in companies with sustainable business models and seeks to avoid companies that exploit scarce natural resources or labour. By integrating the Tellus model in the research process, we ensure a consistent sustainability approach for each portfolio company. The fund will seek to reduce the principal adverse impacts on sustainability factors over time as more reliable data becomes available. In accordance with Article 11 paragraph 2 of Regulation (EU) 2019/2088, the reporting of principal adverse impacts on sustainability factors will be disclosed in the fund's annual report.

No



## What investment strategy does this financial product follow?

Holberg is an active fund manager and the fund's objective is to create the highest possible long-term risk adjusted return compared to the fund's investment universe. The portfolio manager seeks to invest in companies with a focus on long-term value creation based on a sustainable business model.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by the fund are:

1. Holberg's proprietary ESG model, Tellus
2. Exclusion lists and monitoring
3. Active ownership

Holberg has developed the Tellus model, which is our proprietary analysis tool for ESG and sustainability and contains common quality requirements for the portfolio companies. This integration gives us a broader understanding of the companies and potential risks. A sustainability related event may affect one single company directly or may have a wider impact on an industry, geographic area, or country, which can affect bigger parts of the portfolio. Integrating sustainability risks into the portfolio construction contributes to create the desired risk adjusted return. Tellus is our fact-based method for systematizing sustainability risks and analyses, and it is an efficient tool to monitor each investment over time.

We also apply a set of exclusions to the portfolio, which is based on the Government Pension Fund Global's guidelines. In addition to this, we have chosen to exclude gambling and pornography from our investment universe. We want our portfolio companies to operate in line with international norms, including UN Global Compact. Holberg's equity funds are screened by Sustainalytics' online database «Global Standard Screening» monthly.

We practice active ownership to encourage the companies to improve. As an active fund manager with concentrated portfolios, we have an investment philosophy that is founded on close follow-up of the companies we are invested in. We have dialogs with the company management and vote on general meetings to contribute to transparency for the shareholders. Holberg's voting guidelines and an overview of what we have voted for or against on general meetings is available on our webpage.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The fund has not defined a minimum rate to reduce the scope of the investments considered prior to the application of the investment strategy.

● **What is the policy to assess good governance practices of the investee companies?**

The portfolio manager shall be hands on and use all available information to understand each business model of the portfolio companies, including which risk factors that may affect the company's management, operations, and value creation. Leadership trust and clear focus on shareholders are key prerequisites for good corporate governance and these two elements are central in Holberg's research process.

The portfolio manager makes assessments of the portfolio companies' governance practices using Holberg's proprietary sustainability analysis model, Tellus.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

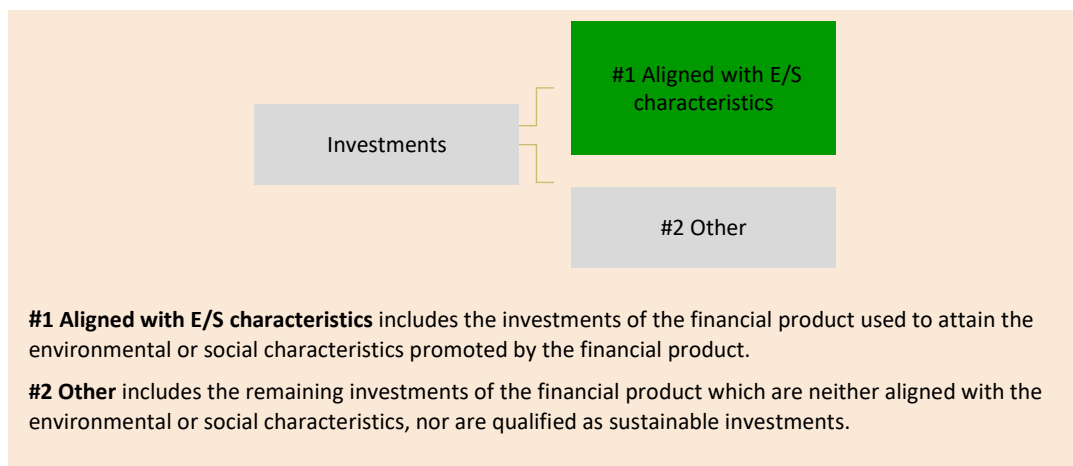


**What is the asset allocation planned for this financial product?**

The Fund shall invest in equities listed on exchanges or regulated markets worldwide. The Fund will invest primarily in well-developed markets.

All of the fund's investments are aligned with the E/S characteristics which are defined as the binding elements of the investment strategy above.

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



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

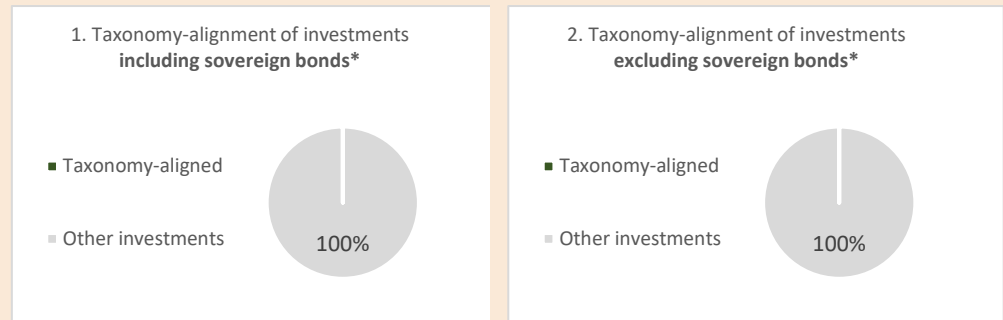
The fund does not use derivatives to attain the environmental or social characteristics promoted by the financial product.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The fund has not defined a minimum percentage of sustainable investments with an environmental objective that are aligned with the EU Taxonomy.

The two graphs below show in green the minimum percentage of investments that are 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

● **What is the minimum share of investments in transitional and enabling activities?**

The fund has not defined a minimum share of investments in transitional and enabling activities.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy**

The fund has not defined a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



**What is the minimum share of socially sustainable investments?**

The fund has not defined a minimum share of socially sustainable investments.



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

Investments that are included under “#2 Other” are cash positions that may be necessary for portfolio management purposes.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

An index has not been designated as a reference benchmark to determine whether the fund is aligned with the environmental and/or social characteristics that it promotes.

● **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not relevant.

● **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not relevant.

- **How does the designated index differ from a relevant broad market index?**

*Not relevant.*

- **Where can the methodology used for the calculation of the designated index be found?**

*Not relevant.*



**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

<https://www.holberg.no/en/our-funds/holberg-global-a/>