

Statement on principal adverse impacts of investment decisions on sustainability factors



30 June 2026

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Financial market participant: DNB Carnegie Investment Bank AB, Wealth Management Denmark, LEI 529900BR5NZNQZEVQ417

Summary:

DNB Carnegie Investment Bank AB, Wealth Management Denmark, LEI 529900BR5NZNQZEVQ417, tager hensyn til væsentlige negative indvirkninger af sine investeringsbeslutninger på bæredygtighedsfaktorer. Denne erklæring er den konsoliderede erklæring om de væsentlige negative indvirkninger på bæredygtighedsfaktorer fra DNB Carnegie Investment Bank AB, Wealth Management Denmark.

Denne erklæring om væsentlige negative indvirkninger på bæredygtighedsfaktorer omfatter referenceperioden fra 1. januar 2025 til 31. december 2025.

De obligatoriske indikatorer for erklæringen om væsentlig negativ indvirkning er defineret i henhold til SFDR-forordningen og fremgår nedenfor. For hver af disse indikatorer har vi inkluderet oplysninger om de tiltag, vi har gennemført, samt de tiltag og målsætninger, vi planlægger at iværksætte for at undgå eller reducere den identificerede væsentlige negative indvirkning.

Væsentlige negative indvirkninger refererer til de negative, væsentlige eller potentielt væsentlige effekter på bæredygtighedsfaktorer, som kan relateres til DNB Carnegies investeringsbeslutninger. Bæredygtighedsfaktorer omfatter miljømæssige, sociale og medarbejderrelaterede forhold, respekt for menneskerettigheder samt bekæmpelse af korruption og bestikkelse.

DNB Carnegie mener, at måling og rapportering af de væsentlige negative indvirkninger af vores investeringer giver os det bedste grundlag for at overvåge og styre den samlede bæredygtighedspræstation i vores investeringsstrategier. Vores mål er at sikre, at disse indvirkninger håndteres i overensstemmelse med vores kunders forventninger og behov. Det betyder også, at vi prioriterer håndteringen af de væsentlige negative indvirkninger ud fra deres væsentlighed og karakter, i tråd med vores forpligtelser og de bæredygtighedsstrategier, der gælder for de porteføljer, vi forvalter.

PRINCIPAL ADVERSE IMPACT STATEMENT

Description of the principal adverse impacts on sustainability factors

DNB Carnegie Investment Bank AB, Wealth Management Denmark, LEI 529900BR5NZNQZEVQ417, takes into account the principal adverse impacts of its investment decisions on sustainability factors. This statement is the consolidated statement on principal adverse impacts on sustainability factors from DNB Carnegie Investment Bank AB, Wealth Management Denmark.

The mandatory indicators for the principal adverse impact statement are defined by the SFDR regulation and are set out in the Table 1 below. For each of these indicators, we have included information to describe the actions that we have taken and actions that we plan to take/targets set to avoid or reduce the identified principal adverse impact.

Principal adverse impacts means the negative, material or likely to be material effects on sustainability factors which can be linked to DNB Carnegies investment decisions. Sustainability factors include environmental, social and employee matters, respect for human rights, anti-corruption, and anti-bribery matters.

DNB Carnegie belief that by measuring and reporting the principal adverse impacts of our investments, we are best positioned to monitor and steer the overall sustainability performance of our investment strategies. Our aim is to ensure that the impacts are managed in accordance with the expectations and the needs of our customers. This also means that we prioritize the management of our principal adverse impacts according to their materiality and type, in line with our commitments and the sustainability strategies of the portfolios that we manage.

We have included the reported principal adverse impact of our investments, for the reference period from 1 January to 31 December 2025.

PRINCIPAL ADVERSE IMPACT STATEMENT

Indicators applicable to investments in investee companies

Adverse sustainability indicator	Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	120.442,66 tCO2e	29.494,28 tCO2e	Sum of portfolio companies' Carbon Emissions - Scope 1 (metric tons) weighted by the portfolio's value of investment in a company and by the company's most recently available enterprise value including cash (EVIC). Coverage: 96,99% Sum of portfolio companies' Carbon Emissions - Scope 2 (metric tons) weighted by the portfolio's value of investment in a company and by the company's most recently available enterprise value including cash (EVIC). Coverage: 96,99% Sum of portfolio companies' Carbon Emissions - Scope 3 (metric tons) weighted by the portfolio's value of investment in a company and by the company's most recently available enterprise value including cash (EVIC). Coverage: 97,53% The total annual Scope 1, Scope 2, and estimated Scope 3 GHG emissions associated with the market value of the portfolio. Companies' carbon emissions are apportioned across all outstanding shares and bonds (based on the most recently available enterprise value including cash). Coverage: 96,99% Actions taken: In the majority of the managed equity and fixed income portfolios, mining of thermal coal, oil sands extraction and companies with revenue from fossil fuels are excluded. In the majority of the equity portfolios the aim is for lower GHG emission than the portfolios return benchmark. The global fixed income portfolios aim for a minimum share of sustainable bonds of 10%. DNB Carnegie WM Denmark has during 2024 commitment to Science-Based Target, which includes forward-looking components in the form of investee companies' objectives regarding emissions. Target: Our managed capital should be invested in line with the Paris Agreement by 2040.
		Scope 2 GHG emissions	15.153,07 tCO2e	7.581,24 tCO2e	
		Scope 3 GHG emissions	555.268,62 tCO2e	304.259,16 tCO2e	
		Total GHG emissions	686.808,40 tCO2e	333.922,32 tCO2e	

PRINCIPAL ADVERSE IMPACT STATEMENT

Adverse sustainability indicator	Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
Greenhouse gas emissions	2. Carbon footprint	Carbon footprint	384,81 tCO ₂ e/m€ invested	203,58 tCO ₂ e/m€ invested	The total annual Scope 1, Scope 2, and estimated Scope 3 GHG emissions associated with 1 million EUR invested in the portfolio. Companies' carbon emissions are apportioned across all outstanding shares and bonds (based on the most recently available enterprise value including cash). Coverage: 96,99% The portfolio's weighted average of its holding issuers' GHG Intensity (Scope 1, Scope 2 and estimated Scope 3 GHG emissions EUR/million revenue). Coverage: 97,14% The percentage of the portfolio's market value exposed to issuers with fossil fuels related activities, including exploration, extraction, mining, storage, distribution and trading of oil and gas, production and distribution of thermal coal, and production, distribution, storage, and reserves of metallurgical coal, rebalanced by the sub-portfolio of corporate holdings. Coverage: 96,78% The portfolio's weighted average of issuers' energy consumption and/or production from non-renewable sources as a percentage of total energy use generated. Coverage: 76,50% Actions taken: In the majority of the managed equity and fixed income portfolios, mining of thermal coal, oil sands extraction and companies with revenue from fossil fuels are excluded. In the majority of the equity portfolios the aim is for lower GHG emission than the portfolios return benchmark. The global fixed income portfolios aim for a minimum share of sustainable bonds of 10%. DNB Carnegie WM Denmark has during 2024 commitment to Science-Based Target, which includes forward-looking components in the form of investee companies' objectives regarding emissions. Target: Our managed capital should be invested in line with the Paris Agreement by 2040.
	3. GHG intensity of investee companies	GHG intensity of investee companies	1.038,69 tCO ₂ e/m€ revenue	737,53 tCO ₂ e/m€ revenue	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	2,95%	4,05%	
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	58,86%	58,45%	

PRINCIPAL ADVERSE IMPACT STATEMENT

Adverse sustainability indicator	Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
Greenhouse gas emissions	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	Sector A: N/A GWh/million EUR of revenue Sector B: 0,49 GWh/million EUR of revenue Sector C: 0,28 GWh/million EUR of revenue Sector D: 1,64 GWh/million EUR of revenue Sector E: N/A GWh/million EUR of revenue Sector F: 0,15 GWh/million EUR of revenue Sector G: 0,31 GWh/million EUR of revenue Sector H: 2,76 GWh/million EUR of revenue Sector L: N/A GWh/million EUR of Revenue	Sector A: N/A GWh/million EUR of revenue Sector B: 0,53 GWh/million EUR of revenue Sector C: 0,17 GWh/million EUR of revenue Sector D: 2,27 GWh/million EUR of revenue Sector E: 0,70 GWh/million EUR of revenue Sector F: 0,17 GWh/million EUR of revenue Sector G: 0,08 GWh/million EUR of revenue Sector H: 0,66 GWh/million EUR of revenue Sector L: 0,09 GWh/million EUR of revenue	The portfolio's weighted average of Energy Consumption Intensity (GWh/million EUR revenue) for issuers classified within NACE Code A (Agriculture, Forestry and Fishing) Code B (Mining and Quarrying) Code C (Manufacturing) Code D (Electricity, Gas, Steam and Air Conditioning Supply) Code E (Water Supply; Sewerage, Waste Management and Remediation Activities) Code F (Construction) Code G (Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles) Code H (Transportation and Storage) Code L (Real Estate Activities). Coverage: 82,08% Actions taken: In the majority of the managed equity and fixed income portfolios, mining of thermal coal, oil sands extraction and companies with revenue from fossil fuels are excluded. In the majority of the equity portfolios the aim is for lower GHG emission than the portfolios return benchmark. The global fixed income portfolios aim for a minimum share of sustainable bonds of 10%. DNB Carnegie WM Denmark has during 2024 commitment to Science-Based Target, which includes forward-looking components in the form of investee companies' objectives regarding emissions. Target: Our managed capital should be invested in line with the Paris Agreement by 2040.

PRINCIPAL ADVERSE IMPACT STATEMENT

Adverse sustainability indicator	Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
Biodiversity	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.	10,53% with negative impact	6,65% with negative impact	The percentage of the portfolio's market value exposed to issuers' that either have operations located in or near biodiversity sensitive areas, are assessed to potentially negatively affect local biodiversity, and have no impact assessment; or they are involved in controversies with severe impact on local biodiversity, rebalanced by the sub-portfolio of corporate holdings. Coverage: 96,82% Actions taken: We screen all of our investments for alignment with the United Nations Global Compact principles (including Principle 7 Businesses should support a precautionary approach to environmental challenges) based on MSCI ESG Research. Furthermore, in order to limit the exposure to sites/operations negatively affecting the biodiversity the majority of managed portfolios exclude companies with revenue from production in palm oil and biocides. Targets: By excluding companies that violate UN Global Compact Principle 7 or by monitoring our impact to understand how we can minimize our footprint, We aim to decrease our negative impact on biodiversity-sensitive areas, however due to the insufficient reported data (0% reported) it is difficult to do a thorough analysis of the impact from an investment decision.
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 tons/million EUR invested	0,19 tons/million EUR invested	The total water emissions (metric tons) associated with EUR 1 million invested in the portfolio. It is calculated as the weighted average of Water Emissions (metric tons) per company divided by the company's most recently available enterprise value including cash (EVIC). Coverage: 0,0% Actions taken: We screen all of our investments for alignment with the United Nations Global Compact principles (including Principle 7 Businesses should support a precautionary approach to environmental challenges) based on MSCI ESG Research. Targets: By excluding companies that violate UN Global Compact Principle 7 or by monitoring our impact to understand how we can minimize our footprint, We aim to decrease our emissions to water, however due to the insufficient data coverage it is difficult to do a thorough analysis of the impact from an investment decision.

PRINCIPAL ADVERSE IMPACT STATEMENT

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average.	1,00 tons/million EUR invested	0,29 tons/million EUR invested	The total annual hazardous waste (metric tons reported) associated with 1 million EUR invested in the portfolio. Companies' hazardous waste is apportioned across all outstanding shares and bonds (based on the most recently available enterprise value including cash). Coverage: 46,48%	Actions taken: We screen all of our investments for alignment with the United Nations Global Compact principles (including Principle 7 Businesses should support a precautionary approach to environmental challenges) based on MSCI ESG Research. Targets: By excluding companies that violate UN Global Compact Principle 7 or by monitoring our impact to understand how we can minimize our footprint, We aim to decrease the ratio of hazardous waste and radioactive waste generated by the investee companies. However, due to the insufficient data coverage it is difficult to do a thorough analysis of the impact from an investment decision.

PRINCIPAL ADVERSE IMPACT STATEMENT

Adverse sustainability indicator	Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS					
Social and employee matters	10. Violations of UN Global Compact principles and Organization 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%	0,0%	The percentage of the portfolio's market value exposed to issuers that fail to align with the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises based on MSCI ESG Research methodology, rebalanced by the subportfolio of corporate holdings. Coverage: 96,80% Actions taken: As a participant in the UN Global Compact (UNGC), DNB Carnegie Investment Bank commits to the ten corporate sustainability principles in the areas of environment, labor conditions and anticorruption. In the investment decision-making process, all managed portfolios are screened for alignment in MSCI Global Norms Screening. Target: Zero exposure to companies that has violations against UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises) and companies without policies and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises.
	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	1,19%	0,01%	The percentage of the portfolio's market value exposed to issuers that do not have at least one policy covering some of the UNGC principles or OECD Guidelines for Multinational Enterprises (e.g. human rights, labor due diligence, or anti-bribery policy) and either a monitoring system evaluating compliance with such policy or a grievance / complaints handling mechanism, rebalanced by the subportfolio of corporate holdings. Coverage: 96,78% Actions taken: As a participant in the UN Global Compact (UNGC), DNB Carnegie Investment Bank commits to the ten corporate sustainability principles in the areas of environment, labor conditions and anticorruption. In the investment decision-making process, all managed portfolios are screened for alignment in MSCI Global Norms Screening. Target: Zero exposure to companies that has violations against UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises) and companies without policies and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises.

PRINCIPAL ADVERSE IMPACT STATEMENT

Adverse sustainability indicator	Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS					
Social and employee matters	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	12,60%	10,06%	The portfolio holdings' weighted average of the difference between the average gross hourly earnings of male and female employees, as a percentage of male gross earnings. Coverage: 33,38% Actions taken: We screen all of our investments for alignment with the United Nations Global Compact principles (including Principle 6. Businesses should uphold the elimination of discrimination in respect of employment and occupation) based on MSCI ESG Research, and where we are active asset managers we work to ensure that companies have policies and practices in place that promote diversity, equality, and non-discrimination Target: Our aim is to avoid investments in companies that are not aligned with the United Nations Global Compact principles which includes Principle 6. Businesses should uphold the elimination of discrimination in respect of employment and occupation. However due to the insufficient reported data coverage it is difficult to do a thorough analysis of the impact from an investment decision.
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	37,22%	37,62%	The portfolio holdings' weighted average of the percentage of female board members to total board members. Coverage: 95,12% Actions taken: Our aim is to avoid investments in companies that are not aligned with the United Nations Global Compact principles (including Principle 6. Businesses should uphold the elimination of discrimination in respect of employment and occupation). Target: We strive for a distribution between 40/60 either way in gender diversity.
	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	0,00%	0,0%	The percentage of the portfolio's market value exposed to issuers with an industry tie to landmines, cluster munitions, chemical weapons or biological weapons. Note: Industry ties includes ownership, manufacturing and investments. Ties to landmines do not include related safety products. Coverage: 97,22% Actions taken: We screen all of our investments against involvement in the manufacture or selling of controversial weapons with a 0% threshold. Target: Zero exposure against controversial weapons.

PRINCIPAL ADVERSE IMPACT STATEMENT

Adverse sustainability indicator	Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
INDICATORS APPLICABLE TO INVESTMENTS IN SOVERIGNS AND SUPRANATIONALS					
Environmental	15. GHG intensity	GHG intensity of investee countries	121,96 tCO ₂ e/m€ GDP	183,21 tCO ₂ e/m€ GDP	The portfolio's weighted average of sovereign issuers' Country GHG intensity (tons CO₂e/EUR M GDP). Coverage: 100% Actions taken: In the majority of the managed fixed income portfolios, companies with revenue from mining of thermal coal and oil sands extraction are excluded. The global fixed income portfolios aim for a minimum share of sustainable bonds of 10%. DNB Carnegie WM Denmark has during 2024 commitment to Science-Based Target, which includes forward-looking components in the form of investee companies' objectives regarding emissions. Target: Our managed capital should be invested in line with the Paris Agreement by 2040.
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	0	0	The portfolio's number of unique sovereign issuers with European External Action Service (EEAS) restrictive measures (sanctions) on imports and exports. Coverage: 100% Actions taken: In all of our managed fixed income portfolios we screen and monitor our investments in sovereigns and supranationals in relation to social violations. Target: We strive for a zero exposure to countries subject to social violations.
		Number of investee countries subject to social violations (relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	0,00%	0,00%	The portfolio's percentage of unique sovereign issuers with European External Action Service (EEAS) restrictive measures (sanctions) on imports and exports. Coverage: 100% Actions taken: In all of our managed fixed income portfolios we screen and monitor our investments in sovereigns and supranationals in relation to social violations. Target: We strive for a zero exposure to countries subject to social violations.

PRINCIPAL ADVERSE IMPACT STATEMENT

Indicators applicable to investments in investee companies

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
ADDITIONAL CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
	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	53,53%	37,71%	The percentage of the portfolio's market value exposed to issuers without a carbon emissions reduction target aligned with the Paris Agreement. Coverage: 96,52%	Actions taken: In the majority of the managed equity and fixed income portfolios, mining of thermal coal, oil sands extraction and companies with revenue from fossil fuels are excluded. In the majority of the equity portfolios the aim is for lower GHG emission than the portfolios return benchmark. The global fixed income portfolios aim for a minimum share of sustainable bonds of 10%. DNB Carnegie WM Denmark has during 2024 commitment to Science-Based Target, which includes forward-looking components in the form of investee companies' objectives regarding emissions. Target: Our managed capital should be invested in line with the Paris Agreement by 2040.

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Indicators applicable to investments in investee companies

Adverse sustainability indicator	Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
ADDITIONAL INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS					
Social and employee matters	6. Insufficient whistleblower protection	Share of investments in entities without policies on the protection of whistleblowers	2,02%	0,92%	The percentage of the portfolio's market value exposed to issuers without a whistleblower protection policy. Coverage: 95,82% Action: We screen all of our investments for alignment with the United Nations Global Compact principles Target: Our aim is to avoid investments in companies that are not aligned with the United Nations Global Compact principles.
Human Rights	9. Lack of a human rights policy	Share of investments in entities without a human rights policy	5,45%	5,72%	The percentage of the portfolio's market value exposed to issuers without a formal human rights policy. Coverage: 96,88% Action: We screen all of our investments for alignment with the United Nations Global Compact principles Target: Our aim is to avoid investments in companies that are not aligned with the United Nations Global Compact principles.

PRINCIPAL ADVERSE IMPACT STATEMENT

Description of policies to identify and prioritize principal adverse impacts on sustainability factors

DNB Carnegie Denmark Wealth Management's investment committee decided on the ESG strategies on the 21st of June 2022

DNB Carnegie Denmark Wealth Management consider a wide range of ESG-related data, including the Principal Adverse Impacts (PAI) identified by the EU for which structured data is available. Prioritization of and actions related to sustainability indicators are based on our Policy for Responsible Investment (<https://www.dnbcarnegie.dk/wealth-management/esg/>).

We work with positive screening and negative screening for managing principal adverse impacts of investment decisions on sustainability factors.

Positive screening

- ESG screening using MSCI
- Meetings between portfolio managers and company management
- Investments in instruments directly linked to ESG measures and targets

Negative screening

We exclude investments in companies whose activities are assessed as harmful to society or the environment. We do not invest in companies that have been proven in a serious or systematic way to violate international conventions and norms concerning labor law, human rights, the environment and corruption, and that have not been judged as showing sufficient willingness to change to address the problems. Norms that are given special consideration are the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

This includes companies that have either been identified as "non-compliant" in the screening, or companies that have otherwise been brought to the attention of DNB Carnegie. An ongoing screening of all investee companies is carried out.

The screening for article 8 products also identifies companies with operations (generating more than 5 percent of turnover) within selected sectors that are perceived as non-ethical or non-sustainable.

Data sources used

The quality of our processes for identifying and assessing principal adverse impacts relies on the accuracy of data from our ESG data provider MSCI ESG. All data used for the PAI statement is received from MSCI ESG. As detailed in the table 1 and 2 above the coverage for some of the PAI's are very low or non existing which makes them difficult to base investment decision upon. MSCI ESG provide reported data where available and for some indicators MSCI ESG have estimations for the indicator. The reported data is preferred over estimations, but estimations are used in case no reported data is available.

PRINCIPAL ADVERSE IMPACT STATEMENT

Engagement policies

DNB Carnegie conducts engagement activities on behalf of its clients to safeguard good returns on its investments and sound practices in investee companies. Engagement activities consist primarily of monitoring and dialogues with management in investee companies. DNB Carnegie may decide to abstain from investing if target companies don't meet our requirements. Also, DNB Carnegie may divest existing holdings for the same reason. Meeting investee companies' management on a regular basis is an integral part of the investment process, so dialogues are an ongoing subject.

References to international standards

DNB Carnegie is a member of the UN's Global Compact initiative. We thereby support and follow ten principles regarding human rights, the environment, labor law and anti-corruption.

We have also signed the Principles for Responsible Investments (PRI) initiative founded by the UN. This means that we operate in accordance with the following six principles:

- We incorporate sustainability issues into our investment analysis and into our decision-making processes.
- We must be active owners and include sustainability issues in our ownership policy.
- We will ask the objects we invest in for relevant information regarding sustainability.
- We will work for these principles to be implemented and accepted within our industry.
- We will work with others to improve the implementation of these principles.
- We will report on our activities and our progress regarding the implementation of these principles.

The PAI indicators that measure the alignment of investments with the above-mentioned international standards are primarily the following:

- 1.10 Share of investments that violate international norms (e.g., UN Global Compact)
- 1.11 Share of investments that lack processes to ensure compliance with international norms

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References to international standards (continued)

During 2024 Carnegie Wealth Management Denmark committed to join the Science Based Target initiative (SBTi). The goal is to have 100% of the assets under management committed to SBTi (or other alignment to the Paris agreement) by 2024.

To assess whether an investment is committed to SBTi, data from MSCI ESG is used. The monitoring of the portfolios share of companies who have aligned with SBTi is monitored monthly.

The PAI indicators that measure the alignment or adaptation of investments to the Paris Agreement include the following:

- 1.1 Greenhouse gas emissions
- 1.2 Carbon footprint
- 1.3 Greenhouse gas intensity of investee companies
- 1.4 Exposure to companies active in the fossil fuel sector
- 2.4 Investments in companies without initiatives to reduce carbon emissions

Historical comparison

We strive to reduce our negative impact across all areas. Due to changes in method, calculation, and the gathering of data it is however challenging to make a direct comparison to the previous report for certain areas. Especially those where the companies don't report enough data and estimates need to be used. We will continue to monitor our impact within all ESG areas as the reported data improves and with that the ability to make the most informed decisions as possible.