

Sustainability-related disclosures – Jyske Invest Equities Low Volatility CL

This material describes the sustainability-related disclosures applying to Jyske Invest Equities Low Volatility CL.

Environmental and social characteristics of the product

This fund markets environmental and social characteristics as described in article 8 of regulation 2019/2088 on sustainability-related disclosures in the financial services sector. This takes place through various types of selection and rejection and is among other things reflected in the fact that the CO₂e footprint of the portfolio is lower than that of its benchmark.

The fund invests in accordance with the CO₂e reduction requirements in the EU's Climate Transition Benchmark, supporting the transition to a low-emission society. Based on the end-of-year figures for 2020, the fund's CO₂e footprint will at least be 30% lower than the market level (in terms of MSCI AC World) and with a subsequent annual reduction rate of 7%.

The companies' ESG characteristics are also part of the investment decision. The systematic sustainability analysis focuses on ensuring that the fund's investments target companies that are better at handling and exploiting the risks and opportunities offered by the sustainable transition.

Moreover, the fund refrains from investing in companies with large harmful climate effects. Attempts are initially made at solving serious controversies through active ownerships, including company dialogue and voting, but exclusion may be necessary.

The fund does not consistently invest in companies that do not meet specific criteria for sustainability and responsible investment. These norm- and activity-based exclusions are based on screening reports from external data and analysis providers.

No sustainable investment objectives

This financial product promotes environmental and social characteristics but its objective is not sustainable investments.

Benchmark

The fund has no benchmark as no representative benchmark is available that fully reflects the fund's investment strategy, but a reference index is used for comparison of performance and risk.

The fund's reference index does not reflect the fund's sustainability profile. The benchmark has been selected on the basis of a desire to give investors a possibility of assessing the selection of sustainability as part of the active investment policy as a supplement to the other part of the active investment policy. Information on the methodology behind the calculation of the benchmark of the fund is available at:

https://www.msci.com/eqb/methodology/meth_docs/MSCI_Minimum_Volatility_Methodology_Sep2017.pdf

Methods and data sources for assessing, measuring and monitoring

The fund complies with the association's policy of responsible and sustainable investments which sets the framework for the work with environmental, social and corporate governance (ESG) issues. The policy is available here: [Policy on responsible and sustainable investment at Jyske Invest](#).

Jyske Invest Fund Management A/S will arrange for the fund to be monitored on an ongoing basis with the purpose of ensuring that selections and rejections of the portfolio are observed and that the CO₂e footprint corresponds to expectations.

We cooperate with an external data provider who implements the norm-based screening. The international norms and conventions that are subject to screenings to disclose any breaches hereof are for instance the UN's Global Compact, the OECD's guidelines for multinational companies, the UN's human rights declaration and ILO labour market conventions about dignified conditions for employees. For activity-based exclusions we cooperate with another international data and analysis supplier who on the basis of specific tolerance thresholds screens out companies.

Moreover, this data supplier delivers data for the CO₂ emission of financial instruments. For a calculation of the portfolio's total CO₂e footprint, scope 1+2 intensity (EVIC) is used. The phase-in of scope 3 takes place in accordance with the EU's guidelines for climate benchmarks, i.e. "Energy" and "Mining" are included from 2020, "Transportation", "Construction", "Buildings", "Materials" and "Industrial activities" are included not later than end-2022 whereas other sectors are included not later than 2024.

We estimate that with the selection of recognised data and analysis providers the necessary measures have been taken to ensure the fund's sustainability characteristics.

Screening criteria

Norm- and activity-based exclusions are made on the basis of specific tolerance thresholds. As a result, some companies are excluded - for instance companies

- that operate in a way violating generally recognised international conventions and norms relating to the environment, human rights and business ethics, and that do not show willingness to dialogue about or sufficient progress in an improvement of the conditions.
- that are involved in controversial weapons such as anti-personnel mines, cluster weapons and biological weapons.
- that violate the UN Non Proliferation Treaty.
- that produce tobacco products.
- that produce thermal coal and tar sand or are involved in coal-based power production.

For the various areas, specific tolerance thresholds are applied. Reservations are made for lack of identification of minor violations on the part of a few companies.

Active ownership

The fund's approach to active ownership appears from the association's policy on responsible and sustainable investments, which is available here: [Policy on responsible and sustainable investment at Jyske Invest](#).