

SUSTAINABILITY-RELATED DISCLOSURES

Product disclosures pertaining financial products that promote environmental or social characteristics

Stable Strategy EUR (the Fund)

ISIN: DK0016262058 LEI: 529900GWP7RNEGZ9ER15

This material describes the sustainability-related disclosures, as required according to Article 10 of regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the Sustainable Finance Disclosure Regulation).

These disclosures supplement the disclosures contained in the prospectus (appendix to the prospectus on “the Fund’s environmental and/or social characteristics”).

1 Summary

This Fund promotes environmental or social characteristics as laid out in Article 8.

In this document you can read about the following regarding this Fund:

- **No sustainable investment objective**
The Fund promotes environmental and social characteristics, but does not have as its objective a sustainable investment.
- **Environmental and social characteristics of the product**
The Fund promotes environmental and social characteristics through the following approaches: exclusions and engagement.
- **Investment strategy**
Investments are made directly in companies or through issuers of bonds as well as in underlying investment funds. Exclusionary screenings are performed prior to making any investment decisions regarding the Fund’s portfolio. Engagement is an integral part of the investment strategy.
- **Proportion of investments**
It is anticipated that at least 80% of the Fund’s assets will be placed in investments which will attain the environmental and social characteristics that the Fund promotes.
- **Monitoring environmental or social characteristics**
A great number of processes have been implemented to monitor the Fund’s promotion of environmental or social characteristics, as described in the Prospectus, including e.g. screening and ESG data sourced from external business partners.
- **Methodology**
This section describes the Fund’s exclusions. Engagement is measured by the number of dialogues and votes cast.
- **Data sources and processing**
For assessment and compliance purposes regarding the Fund’s environmental or social characteristics, a large number of data sources is used, including sustainability data provided by MSCI and Sustainalytics as well as estimates computed by Jyske Bank.
- **Limitations to methodologies and data**
Sustainability data are characterised by a lack of consistent methodology and limited transparency. Limitations concerning methodology and data are not expected to significantly affect the attainment of environmental or social characteristics promoted by the Fund.

Due diligence

The Fund Adviser has access to a wide range of sustainability data and tools, in order to support the due diligence process applied for rendering investment advice. Add to this procedures at Jyske Invest Fund

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Management, thus overall providing a solid foundation that ensures the Fund's promotion of environmental or social characteristics.

- **Engagement policies**

Engagement activities are carried out in the Fund in accordance with Jyske Invest Fund Management's policy on responsible and sustainable investment.

2 No sustainable investment objective

This financial product promotes environmental or social characteristics, though it does not have as its objective a sustainable investment.

3 Environmental and social characteristics of the financial product

The Fund promotes environmental and social characteristics through the following approaches:

Exclusions

The Fund excludes companies:

- that can be related to controversial weapons
- that breach internationally recognized norms and conventions and that do show a willingness to address or demonstrate sufficient progress on remediation.
- according to specifically defined criteria of exclusion based on environmental and social characteristics

Engagement

The Fund seeks to affect companies and issuers of covered bonds through engagement. Engagement efforts comprise committed dialogues with companies and issuers of covered bonds and/or exercising our voting rights.

4 Investment strategy

Investment strategy applied to attain the environmental or social characteristics promoted by this financial product

Investments are made directly in companies or through issuers of bonds as well as in underlying investment funds.

Exclusions

Before an investment decision is made, the companies are screened in order to avoid investments that are not aligned with the Fund's exclusion criteria. Moreover, ongoing screenings of the portfolio are made over the investment period.

- The Fund excludes companies that can be related to controversial weapons, such as anti-personnel mines, cluster weapons and biological weapons, or companies that violate the UN Treaty on the Non-Proliferation of Nuclear Weapons.
- The Fund excludes companies that violate internationally recognised norms and conventions, including human-rights and employee rights, environmental and anti-corruption norms and conventions, if it is assessed that no sufficient progress has been made following a dialogue with the companies.
- The Fund applies exclusion criteria based on environmental and social characteristics. The following companies are excluded from the Fund:
 - companies that extract thermal coal (if accounting for more than 5% of revenue)
 - companies that extract tar sand (if accounting for more than 5% of revenue)

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Exclusions apply to own portfolio management (own funds).

Reservations are made for lack of identification of minor violations on the part of a few companies.

Engagement

Engagement efforts are integrated in the investment strategy by means of committed dialogues with companies on associated environmental, social issues and governance issues with the purpose of impacting the companies' or issuers' conduct and by means of casting votes at general meetings on the pertaining issues.

The minimum number of dialogues and votes cast must exceed 0.

The policy for assessing good governance practices in investee companies

The Fund integrates information on governance issues in its investment process. Our assessment of good governance practices is attained via norm-based screenings aimed at identifying issuers that do not comply with the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In addition, good governance practices are assessed by screening a number of indicators designed to disclose whether the companies in which the Fund holds stakes or intends to buy stakes have significant shortcomings in terms of sound management structures, tax compliance, remuneration of staff and employee relations. Companies that do not comply with the above-mentioned principles and do not show a willingness to address or demonstrate sufficient progress on remediation will generally be excluded.

Bonds issued by state-owned enterprises are assessed according to the same principles as other corporate bonds - however, investments in state-owned enterprises are allowed, if the state in question is generally believed to have an adequate level of governance. Consequently, state-owned enterprises are not assessed differently than the state itself

5 Proportion of investments

It is anticipated that at least 80% of the Fund's assets will be placed in investments which will attain the environmental and social characteristics that the Fund promotes.

For other investments, 20% is anticipated, including investments in cash and interest-rate derivatives. Such holdings are not in line with the Fund's environmental and social characteristics.

6 Monitoring environmental or social characteristics

A large number of processes have been implemented, in order to monitor the Fund's promotion of environmental or social characteristics, as described in the Prospectus.

The Fund receives investment advice from Jyske Bank. Jyske Bank performs screenings and evaluations of the Fund's investments, for the purpose of assessing the investments' environmental and social characteristics. Jyske Bank has access to a wide range of ESG data, which is regularly used to monitor existing investments and assess new investments.

In addition, Jyske Invest Fund Management A/S regularly monitors the Fund's characteristics, in order to ensure that the Fund attains the described environmental and social characteristics.

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7 Methodologies

The attainment of environmental and social characteristics promoted by the Fund is measured by using the following sustainability indicators:

Exclusions

Exclusions are measured by the number of companies that are excluded from the investment universe according to the Fund's exclusion principles, partially through the capital-weighted proportion of the investment universe made up by the excluded companies.

Engagement

This is measured by the number of dialogues and the number of proposals on environmental, social, and governance issues that was put up for vote at general meetings.

Engagement efforts are made towards the companies in the Fund, in accordance with Jyske Invest Fund Management's policy on responsible and sustainable investment.

8 Data sources and processing

In our efforts to assess and attain the Fund's environmental or social characteristics, various data sources are used.

Jyske Invest Fund Management A/S and its adviser (Jyske Bank) cooperate with various data providers.

- For the measurement of CO₂e, MSCI (for equities and corporate bonds) as well as Jyske Bank's (for traditional bonds) own calculations are used.
 - Jyske Bank uses issuer data from the institutions in combination with data from Statistics Denmark. The institutions use the CO₂e model from Finance Denmark.
- Data used for exclusions (norm-based as well as activity-based exclusions) are provided by Sustainalytics and MSCI, whose data are used in combination.
- Engagement is carried out on the basis of data provided by Sustainalytics.
- Corporate Governance is carried out on the basis of data provided by MSCI and Sustainalytics.

We aim to retrieve as much data as possible, and the most detailed data available, from our data suppliers - and use the data provided by various suppliers in combination.

If we encounter data that are evidently erroneous - or we are unsure if the data received is correct - we consult our data provider.

Regular assessments of our data providers (and our adviser) are made, in terms of data quality, coverage and other relevant factors.

9 Limitations to methodologies and data

Data on sustainability are characterised by lack of consistent methods and limited transparency as regards the generation of individual sustainability scores. It has been established that various data suppliers score and assess companies differently, also as regards controversial conduct.

Furthermore, until a number of disclosure obligations come into full effect, there is some extent of data shortage and data uncertainty. However, whenever data is made available by our data providers, the data are used to its

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full extent, as the data providers' methodologies and models have been approved during the ongoing supplier due diligence.

As regards CO₂e figures, it is estimated that the vast majority of the big-name companies report on this matter – typically under scope 1 and 2. Nevertheless, available data covering scope 3 are insufficient to such an extent that Jyske Invest Fund Management has decided not to apply scope 3.

In terms of the lack of data at issuer level, this lack varies a lot across different data segments:

CO₂ footprint:

We find that data on corporate bonds are partially insufficient. In terms of measuring the portfolio's total CO₂ footprint, any data insufficiencies are handled by assigning a CO₂ footprint that equates the footprint of the rest of the portfolio to the relevant assets.

For equities and mortgage bonds, coverage is nearly 100%.

Exclusions:

For corporate bonds, we find that data is lacking on approx. 15% of the issuers, as measured by benchmark. In terms of exclusions, the lack of data is handled by performing individual company assessments.

For equities, coverage is nearly 100%.

Engagement:

For corporate bonds, equities and mortgage bonds, coverage is nearly 100%.

Corporate Governance:

For corporate bonds, we find that data is lacking on approx. 15% of the issuers, as measured by benchmark. In terms of exclusions, the lack of data is handled by performing individual company assessments.

For equities, coverage is nearly 100%.

On balance, we do not find that the data shortage or the use of data estimates have impacted the Fund's sustainability characteristics, as any shortage of data is handled by means of individual assessments and solutions.

Moreover, the proportional share in each Fund is not significant, or the data shortage is not relevant, to the Fund's environmental and social characteristics. Furthermore, we have an ongoing dialogue with our data providers - both concerning general issues, such as methodologies and shortages, and concerning any specific ad hoc issues, in the event that any doubts arise in terms of data quality.

10 Due diligence

The Fund receives investment advice from Jyske Bank. Jyske Bank's investment teams have access to a wide range of data and tools and possess great knowledge, training, and expertise in the field of sustainability, in order to support the due diligence process of their investment advisory services. In addition to the general principles for integration of sustainability risks, the team also assesses other material sustainability disclosures, in order to ensure that the Fund promotes environmental or social characteristics. Sustainability-related evaluations involved in and affect recommended investment decisions.

In addition, the investment decision, risk management and assessment, compliance and controlling functions at Jyske Invest Fund Management are involved, hereby ensuring a solid foundation of data, tools and resources that enable the safeguarding of the Fund's promotion of environmental or social characteristics.

Jyske Invest Fund Management and Jyske Bank regularly perform due diligence on all external and internal data and regularly review whether new data providers may improve the analysis and models used. Prior to selecting a

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data provider, we have carried out an extensive market analysis, whereby any potential data provider has been reviewed in terms of e.g. data quality, coverage, certainty, methodology, price, reliability and potential conflict of interests.

11 Engagement policies

Engagement efforts are made towards the companies in the Fund, in accordance with Jyske Invest Fund Management's policy on responsible and sustainable investment, which is available here: [Policy on responsible and sustainable investment at Jyske Invest](#).

12 Audit and publication of information

Date of change:	Date of publication:	Version	Change:
2 January 2024	2 January 2024	1.0	Document established
08 March 2024	08 March 2024	1.1	The sections on data sources and processing, limitations to methodologies and data as well as due diligence have been clarified in more detail.