

Sustainability-related information

Product name: Öhman Sweden Micro Cap

Identification code for legal persons: 5493007LFRMICRHR1U74

Summary

This financial product promotes environmental and social characteristics. It does not have sustainable investment as its objective but commits to a minimum proportion of such investments.

The Fund promotes the following environmental or social characteristics:

1. The transition to a low-carbon economy to limit global warming to 1,5°C.
2. Good governance and sustainable business practices through active ownership and advocacy.
3. Contribution to environmental or social objectives through sustainable investments.
4. Compliance with international standards and conventions on environment, human rights, labour and diversity.
5. Minimization of negative environmental and social impact through product-based exclusion (weapons, alcohol, tobacco, pornography, gambling, cannabis and fossil fuels).

To achieve the environmental and social characteristics, sustainability is integrated into the investment process through three main strategies: sustainability analysis (include), exclusions (exclude) and active ownership (engage).

To measure the attainment of the environmental and social characteristics, the Fund uses indicators that measure low-carbon investments, good governance through active ownership, share of sustainable investments and compliance with international standards, as well as the asset management company's exclusion criteria.

The Fund is committed to a minimum proportion of sustainable investments. These investments can be either taxonomy aligned or target other environmental or social objectives. The distribution between the different categories of sustainable investments will vary over time and thus no minimum proportion is promised within each category. The Fund also commits to a minimum share of investments aligned with its promotion of environmental and social characteristics. The minimum proportion of sustainable investments that the Fund is committed to is controlled daily by the internal risk control.

A sustainable investment contributes to environmental or social objectives as defined by the 17 UN Sustainable Development Goals or the EU taxonomy and follows good governance practices without causing significant harm to other sustainability objectives. To ensure that sustainable investments do not cause significant harm, principal adverse impacts (PAIs) are analysed. The investment must also meet Lannebo's exclusion criteria, which include violations of the UN Guiding Principles and the OECD Guidelines for Multinational Enterprises.

The Fund uses an external sustainability data provider for data collection. This data is used, among other things, to identify companies that are excluded and to measure the Fund's carbon footprint. Data quality is ensured through taking different samples against companies' reporting.

Estimates are used where data is missing. Estimates of sustainability data may influence the assessment of a company's characteristics but are considered a better alternative than having no data at all.

The due diligence process for sustainability aspects is conducted through sustainability analysis, which ensures, among other things, that the investments do not cause significant harm and comply with minimum safeguards and good governance. Lannebo's sustainability team monitors compliance with Lannebo's Policy for responsible investments, while the internal risk function monitors the binding elements of the investment strategy.

Lannebo actively engages with companies in which the Fund invests by monitoring their sustainability risks and opportunities, aiming to identify early on where an engagement dialogue may be needed. Proactive dialogues are conducted to drive positive change, while reactive dialogues are initiated in cases of incidents or controversies. Lannebo also collaborates with other investors to increase influence in companies or markets where the Fund is a smaller owner or player. The Fund also exercises its voting rights at general meetings.