

# Sustainability-related Website Disclosure

Alternatives – Global Future  
LEI code: 98450067DBPCC3E82B31

## SUMMARY

You can read a summary of this document [here](#).

## NO SUSTAINABLE INVESTMENT OBJECTIVE

The fund promotes environmental or social characteristics, but does not have as its objective a sustainable investment.

While not having a sustainable investment objective, the fund is committed to partially make sustainable investments.

For the sustainable investments, considerations of not causing significant harm to an environmental or social objective, including considerations of principal adverse impact indicators, is managed by applying the exclusions of the fund and through the sustainable investment methodology applied by the funds that the fund is invested into.

“Do no significant harm” assessments made in respect of sustainable investments with environmentally sustainable economic activities aligned with the EU Taxonomy are based on screening criteria defined in the EU Taxonomy and associated delegated regulations. Where an issuer does not publicly report information that allows the fund and/or an underlying fund to assess the issuer against these screening criteria, the assessment of do no significant harm can be performed either on basis of information received from third party vendors or on the basis of substitute screening assumptions (proxies) applied by the fund and/or underlying fund.

In order for an investment to be considered a sustainable investment relevant considerations must be made to minimum social safeguards. Here the fund ensures alignment with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights through the enhanced sustainability standards screening excluding certain conducts and activities deemed harmful to society. The screening among others covers issuers’ adherence to OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Issuers that are assessed to act in breach of conventions in accordance with the criteria of the enhanced sustainability standards screening of Danske Bank A/S or at the level of an underlying fund are not investable by the fund.

## ENVIRONMENTAL OR SOCIAL CHARACTERISTICS OF THE FINANCIAL PRODUCT

The fund promotes the following environmental and social characteristics:

1. The fund promotes investments with expected positive climate impacts (including sustainable investments) by investing, directly or indirectly, in companies (issuers) producing or developing renewable energy solutions or otherwise having activities contributing to the reduction of greenhouse gas (GHG) emissions.
2. The fund promotes adherence to UN Global Compact principles, OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights and ILO conventions and other relevant social safeguards through the exclusion of certain activities and conducts deemed harmful to society.
3. The fund promotes environmental safeguards through the exclusion of certain activities deemed to have significant negative climate impact.
4. The fund promotes certain ethical and social safeguards through the exclusion of certain activities deemed to be non-ethical or controversial.
5. The fund considers, addresses, and reports on the principal adverse impacts of its investments on sustainability factors.

In making investments promoting positive climate impact, the fund will also make investments in environmentally sustainable economic activities contributing to the climate change mitigation objective of the EU Taxonomy.

The fund does not apply a benchmark for the attainment of its environmental and/or social characteristics.

## INVESTMENT STRATEGY

You can read the latest investment strategy in the fund's KID document or prospectus available here: <https://documents.danskeinvest.com/fund/LU2617476770>

The fund aims to ensure as an integral part of its investment strategy that the environmental and social characteristics are promoted through the selection and exclusion of investments. The investment strategy partially targets sustainable investments, including investments in environmentally sustainable economic activities that meet the screening criteria of the EU Taxonomy relating to the climate change mitigation objective.

The promoted environmental and/or social characteristics as well as issuers' good governance practices are integrated in the investment strategy on a continuous basis through a commitment to systematically identify and address sustainability factors embedded in the investment and/or investment selection process. By this, the environmental and/or social characteristics as well as issuers' good governance practices may influence a decision to either buy or increase weighting, hold or maintain weighting, sell or decrease weighting of an investment, in order to attain the fund's characteristics.

### Policies to assess good governance

The Responsible Investment Policy of Danske Invest Management A/S provides the basis for assessing investee companies' good governance practices. According to this framework, issuers are excluded pursuant to the enhanced sustainability standards screening, if issuers' business conduct, management and/or governance do not meet the good governance test applied in the screening.

The good governance test excludes issuers that are not aligned with the guidance as set out in the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises, and ILO conventions. The test also incorporates traditional corporate governance criterion, as set out in e.g. the ICGN Global Governance Principles.

For investments made through other funds, assessments of good governance practices follow policies in place at the level of the external manager.

## PROPORTION OF INVESTMENTS

The fund promotes environmental and social characteristics through pass or fail criteria reflected in its exclusions, inclusions and sustainable investments. The expected minimum proportion of investments meeting the criteria of the fund's environmental and/or social characteristics is 80%.

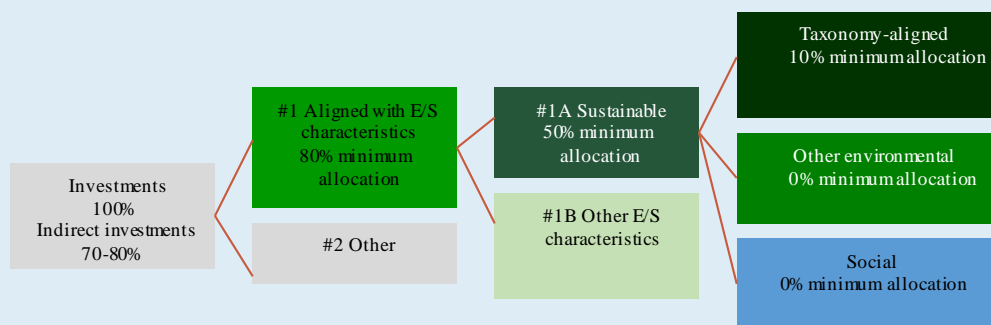
For the other investments bucket the fund cannot guarantee that investments have been screened for activities or conducts harmful to society, non-ethical and controversial activities, and/or activities with significant negative climate impact, nor that the investments meet the fund's inclusion criteria, including criteria for sustainable investments.

With that the fund reserves the opportunity of making investments in cash and derivatives for which the pass or fail criteria will not apply. Further, the fund may make investments with insufficient ESG data to determine, whether the investments are aligned with the environmental and/or social characteristics of the fund. With cash and derivatives these investments are referred to as "other investments".

Further, the fund cannot guarantee that these investments are otherwise addressed in the fund's management and prioritisation of principle adverse impacts.

The fund has a minimum allocation to sustainable investments of 50% with a minimum allocation of 10% to investments in environmentally sustainable economic activities meeting the screening criteria of the EU Taxonomy relating to the climate change mitigation objective.

The minimum proportion of investments aligned with environmental and/or social characteristics and the minimum proportion of sustainable investments are to be seen as the average minimum allocation to investments aligned with environmental and/or social characteristics within the annual reference period as calculated against the total market value of the fund's investments. For how exposures are attained through indirect investments, please refer to the chart below.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments

## MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

The investment team is responsible for continuously monitoring the adherence to the environmental and/or social characteristics of the fund, including sustainable investment levels and thresholds.

The monitoring is conducted primarily through screening of portfolio holdings and draw down notices, ongoing receipts and reviews of ESG-related reports, regular dialogue with the external managers and/or companies involving the Responsible Investment team in Danske Bank as necessary. Four-eye-checks are implemented through reviews conducted in the Finance and Monitoring team, and regular (not less than annual) portfolio screens of the Responsible Investment team in Danske Bank.

At an annual basis, an ESG manager assessment is conducted by the Responsible Investment team covering all managers in the portfolio.

## METHODOLOGIES

The attainment of the environmental or social characteristics promoted by the fund are measured through usage of the following indicators:

1. MWh (megawatt-hour) produced and/or MW (megawatt) built renewable energy generation related to wind, solar, hydroelectric, tidal, geothermal, biofuels and other technologies deemed renewable that the fund is invested into.
2. Reduction of greenhouse gas emissions (CO2 equivalent) achieved by the issuers that the fund is invested into.
3. The share of sustainable investments in the fund, including investments in environmentally sustainable economic activities meeting the screening criteria of the EU Taxonomy relating to climate change mitigation.
4. The number of investments in the fund with activities or conducts deemed harmful to society as determined through an internal screening or screening criteria applied by managers of funds that the fund is invested into.

5. The number of investments in the fund with activities deemed to have significant negative climate impacts as determined through exclusions for thermal coal (5% revenue, unless the issuer has a documented and credible transitional plan), tar sands (5% revenue) and peat fired power generation (5% revenue).
6. The number of investments in the fund with non-ethical or controversial activities as determined through exclusions for controversial weapons (0% revenue), alcohol (5% revenue), commercial gambling (5% revenue), military equipment (5% revenue), pornography (1% revenue), tobacco (5% revenue) and exclusions replicating those applied for Statens Pensjons Utland (SPU).
7. The performance of the fund against the indicators for principal adverse impacts on sustainability factors relevant to the asset classes of the fund as outlined in the Principal Adverse Impact Statement of Danske Invest Management A/S.

In terms of the specific methodologies underlying relevant indicators see the below:

### **Inclusions**

**Renewable energy generation** captures the inclusion of issuers generating wind, solar, hydroelectric, tidal, geothermal, biofuels and other technologies deemed renewables. The measurement point consists of (megawatt hour) produced and/ or MW (megawatt) built renewable energy generation related to wind, solar, hydroelectric, tidal, geothermal, biofuels and other technologies deemed renewable.

In order to meet this inclusion criteria the portfolio level year on year shall demonstrate an increase of the accumulated built renewable energy. Whilst the overall performance of the portfolio must be positive certain companies in the portfolio might not evidence progress in respect to this criteria.

**Reduction of greenhouse gas emissions (CO2 equivalent)** captures the inclusion of issuers whose solutions/products reduce GHG emissions. Individual issuers may not necessarily contribute to this criteria provided that the fund at portfolio level can evidence positive year-on-year contribution to the reduction. In order to meet this inclusion criteria the portfolio level year on year shall demonstrate a reduction of the weighted accumulated greenhouse gas emissions achieved by the solutions that the fund is invested into.

Data points used to support these inclusions are sourced through ISS ESG and/or directly from the companies or fund managers.

For further information see the Inclusion Instruction for Danske Invest Management A/S available at:

[https://www.danskeinvest.lu/page/responsible\\_investments\\_insight](https://www.danskeinvest.lu/page/responsible_investments_insight)

### **Sustainable investments**

The fund partially invests in sustainable investments with an environmental objective. The environmental objective of the fund's sustainable investments targets investments positively addressing climate change through the solutions developed or produced and/or other activities directly contributing to the reduction of GHG emissions.

The investments contribute to this objective either by a) investing into or making co-investments with other funds that make sustainable investments aligned with this objective, b) investing into activities meeting the screening criteria of the EU Taxonomy relating to the climate change mitigation objective, or c) investing into sustainability labelled bonds.

For further information on the governance relating to sustainable investment and/or Taxonomy-aligned exclusions, please refer to the Inclusion Instruction of Danske Invest Management A/S available at:

[https://www.danskeinvest.lu/page/responsible\\_investments\\_insight](https://www.danskeinvest.lu/page/responsible_investments_insight)

### **Exclusions**

All exclusions of the fund are defined by specific criteria and definitions set out in the Exclusion Instruction of Danske Invest Management A/S.

When investing through underlying funds, assurance is sought by the underlying fund managers that they apply exclusion criteria similar to fund in respect to the investments, and/or allow the fund to be excused from or transfer excluded/prohibited investments through side letter commitments.

The enhanced sustainability standards screening captures conduct and activities harmful to society according to the proprietary screening applied by Danske Bank A/S (<https://danskebank.com/sustainability-related-disclosures>). As this screen is proprietary, investors should expect that different methodologies can be applied the external managers in respect to themes covered by the screening.

For further information see the Exclusion Instruction for Danske Invest Management A/S available at:

[https://www.danskeinvest.lu/page/responsible\\_investments\\_insight](https://www.danskeinvest.lu/page/responsible_investments_insight)

## **DATA SOURCES AND PROCESSES**

For the investments of the fund, the investment team primarily sources data and reporting through the selected external managers managing funds that the fund is invested into.

Also, as part of Danske Bank Asset Management, the investment team has access to proprietary data points and models that have been constructed internally. The proprietary models use multiple third-party sources as inputs in order to reduce single-vendor methodology biases. It allow investment teams to get a more nuanced and complete picture of issuers, as one can drill-down and understand why different data sources have opposing views of a given issuer's sustainability performance.

Separately, an extensive amount of third-party sustainability data and ratings is sourced to have a second opinion on issuers. For many data points/ratings, we source "the same" data point from multiple vendors in order to ensure comparability and evaluate data quality on an ongoing basis. A lot of data is still estimated, hence we find it important to have access to multiple sources. Given the amount of sustainability data points that are factor in, it is not possible to give one clear answer to the proportion of data is estimated as it varies significantly between data points. Some data, e.g. from CDP, is based fully on company disclosure whereas data points such as e.g. Scope 3 emissions, are based heavily on extensive estimations. Overall, we would argue that most of the data is based on estimations or model assumptions.

In terms of overall data availability, we source data according to a key principle we refer to as "completeness". With completeness we aim to have a data shelf that: to the largest extent possible, cover sustainability data according to our double-materiality focus (ensuring that we have data covering both financial materiality sustainability topics as well as non-financial risks to the environment/societies) as well as having data of relevance for all investment teams (ensuring that we e.g. do not only source sustainability data on issuers if we have investment strategies investing in governments).

To ensure data quality, subject-matter experts are responsible for evaluating any data set that is on-boarded. The standard process for reviewing a data set involves: deep-dives into the data set, drilling down in individual company assessments, benchmarking the data output against other sources/vendors, as well as having calls with the methodology owners behind the given data point(s) being evaluated. If satisfied with the data, data is on-boarded and stress-tested on an ongoing basis.

The ESG data points, which the investment team have, available through our ESG Data Platform is published online: 'ESG Data Platform'.

## **LIMITATIONS TO METHODOLOGIES AND DATA**

As investments of the fund primarily target private companies access to relevant ESG data through the ESG Data Platform is limited. Therefore the vast majority of data for the fund is sourced by setting minimum requirements on the external managers or companies to provide reporting with varying frequency on sustainability risk performance and other measurements such sustainable investments, Taxonomy-alignment and performance against indicators leading to adverse harm on sustainability factors.

The methodologies and dataset applied by the external managers may vary and for some rely on modelled/proxy data. This can result in a margin of error in respect to the data input and data output of the fund, which is continuously monitored and sought mitigated through quality checks of the reports and close engagement with the managers.

## **DUE DILIGENCE**

The investment team integrates sustainability-related considerations for the fund relevant to ensure the promotion of the environmental and social characteristics as part of the due diligence leading to an investment decision.

The due diligence process is carried out through a three step-approach where funds/issuers are first screened to identify a gross list of investments eligible for the fund to invest into on basis of the sustainability objectives, exclusions applied, taxonomy commitments and other dimensions. Through the next step of the due diligence process, dedicated discussions are held with the issuers or fund managers to obtain insights into how they tackle sustainability-dimensions, challenge track records etc. The last step of the due diligence process specifically evaluates the portfolio fit on basis of the binding elements relating to the promoted environmental and social characteristics and sustainability-features embedded in the fund strategy. Here the investment team is supported also by analyses and screens conducted by the Responsible Investment team in Danske Bank Asset Management.

As an important consideration, external managers or, as relevant, issuers are asked to confirm that they will deliver data and reporting needed for the fund to monitor, track and report on relevant sustainability dimensions allowing the investment team continuously to monitor and assess the portfolio fit. Commitments in respect to reporting are further formalised through side letter commitments.

## **ENGAGEMENT POLICIES**

The fund is not committing to monitor and report on engagement activities covered by the fund.

Still the fund plans to engage with external managers also on the fund's performance on sustainability-related dimensions, and will rely on the "top-down" engagements that are done in general through the Responsible Investment team in Asset Management on basis of the Active Ownership Policy for Danske Invest Management A/S. If an engagement on that level is unsuccessful, decisions can be made to hold/maintain weighting, decrease weighting, or sell/divest and/or the Active Ownership team can decide to bring forward a recommendation to have the issuer generally excluded under the enhanced sustainability standard screening. Such decision is subject to approval by the Responsible Investment Committee of Danske Bank A/S.

For more information see:

[https://www.danskeinvest.lu/page/responsible\\_investments\\_insight](https://www.danskeinvest.lu/page/responsible_investments_insight)

## **DESIGNATED REFERENCE BENCHMARK**

The fund does not apply a designated benchmark for the promotion of its environmental and/or social characteristics.

### **CHANGE LOG**

v.1 15 September 2023 – fund launched