

A landscape photograph showing several wind turbines in a field of golden-brown crops under a warm, hazy sunset sky. The turbines are silhouetted against the bright light of the setting sun, creating a serene and sustainable atmosphere. The foreground is filled with tall, golden wheat or grain, and the background shows rolling hills and more turbines in the distance.

Sustainability Report

Norwegian Equities

Q1 2024



Sustainable Philosophy

Core Beliefs

Our active approach to the stewardship of investments ensures sustainability commitments

We emphasize active ownership to influence positive change and progress

The integration of sustainability factors is key to our long-term investment research process

Prioritising pro-active engagement rather than excluding and divesting

Investing responsibly is aligned with superior risk-adjusted long-term returns

Our actions

Engaging directly with and voting on investee companies

Researching sustainability factors is fully integrated into our overall investment approach

Materiality ensures that we prioritise what matters most

Extensive screening to ensure norm-based alignment

C WorldWide Norwegian Equities

Quarterly Comments

Can AI bridge the gap in ESG data transparency and measurability, thus offering a solution to the longstanding challenges faced by investors?

For years, Sustainability-related data has been discussed for its opacity and lack of comparability, potentially hindering effective decision-making and risk management. However, with the advent of AI, we find ourselves at a crossroads, presented with an opportunity to reassess the way we source and analyse Sustainability-related information.

At its core, AI has the potential to empower investors by extracting actionable insights from complex datasets, thereby enabling more informed decision-making processes. Through advanced algorithms, AI can uncover patterns and correlations within Sustainability data, providing a deeper understanding of companies' performance. AI-driven analytics offer the potential to enhance the reliability and accuracy of Sustainability ratings and assessments.

Nevertheless, as we embrace the potential of AI, it is essential to stay mindful and aware of potential challenges. The black-box nature of AI algorithms raises concerns regarding accountability, fairness, and ethical implications. Bias in data collection and algorithmic decision-making can exacerbate existing inequalities and perpetuate systemic injustices. The increasing reliance on AI can, therefore, inadvertently lead to a sense of complacency, where human judgment and intuition are overshadowed by algorithmic outputs.

While AI can enhance decision-making processes, it should not replace human judgment and intuition entirely. A balanced approach that combines AI capabilities with human expertise and judgement is crucial for maximising the benefits of data analytics.

We are tasked with navigating these uncharted waters with caution and foresight. Our commitment to innovation and progress compels us to explore the potential of AI in enhancing our efforts in integrating material sustainability-related risks and opportunities. However, we must also remain vigilant, ensuring that our pursuit of technological advancements is guided by principles of transparency, accountability, and ethical integrity.

One thing seems sure. The convergence of AI and Sustainability represents a paradigm shift in the way we approach sustainable finance.



Investment Screenings

Sanctions Screenings

All investments are screened against Refinitiv World-Check sanctions-screening covering all known sanction bodies

Norms-Based Global Standards Screenings

Convention Breach screenings, compliance with UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights

Investment Exclusions

None of the companies within the portfolio exceeds a certain level of involvement in the activities specified

- 0% Controversial Weapons
- 5% Small Arms
- 5% Adult Entertainment
- 5% Alcoholic Beverages
- 5% Gambling
- 5% Tobacco Products
- 5% Oil Sands
- 5% Thermal Coal
- 5% Shale Energy

Portfolio Changes

Kongsberg Gruppen

Kongsberg Gruppen is a high-tech system- and solutions provider for the defence, maritime, oil and gas, and aerospace industries. The company has exposure to oil & gas through the Kongsberg Maritime segment (positioning, navigation, marine automation, and cargo handling of shipping vessels, including oil vessels), and through the Kongsberg Discovery segment (sensors and robotics used in offshore oil and systems for drilling monitoring, etc.), where Sustainalytics has made an estimate that the revenue exposure to oil & gas is 20%. Regarding product involvement, Kongsberg is not exposed to controversial weapons but has minor exposure to small arms through secondary ownership in subsidiaries. The organisational structure leads back to Kongsberg having a revenue-based exposure to small arms of 3.1% in 2022, which is below the C WorldWide 5% criteria. The company has received a medium-risk rating from Sustainalytics and is committed to SBTi.

Direct Engagements

Yara International

2024-03-19: Virtual

Main topic: Decarbonization & Sustainable Sourcing

Operations were discussed, where Yara highlighted its shifted focus from producing fertiliser to linking its upstream base with its downstream presence to offer the best fertiliser products and solutions to farmers.

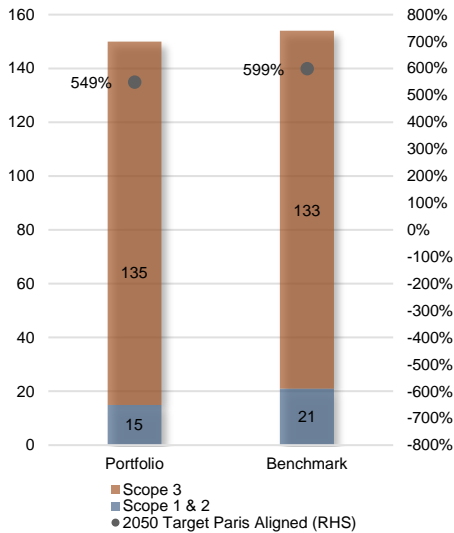
Two-thirds of its products are premium products with better characteristics than regular products, and it plays an important role in moving towards a more sustainable future. The company's mid-term focus is to invest in carbon reduction, with the goal of becoming nature-positive. It is currently identifying new, more sustainable solutions, such as producing green fertiliser with less CO₂ emissions from ammonia production and to try and convert this gas into power. However, there are challenges in terms of farmer interest and carbon reduction incentives.

The company is working on a green ammonia project, with plans to reduce 20,000 tonnes of ammonia per year through collaborations with key players in Sweden. It is also considering an IPO for a smaller part of the company to drive growth into new applications. The company's goal is to reach net zero emissions, with the next step being to decarbonise ammonia. However, there is still challenges in terms of Scope 3 emissions. For example, the war in Ukraine has affected the company's operations, as it used to import potash from Russia but is no longer doing so.

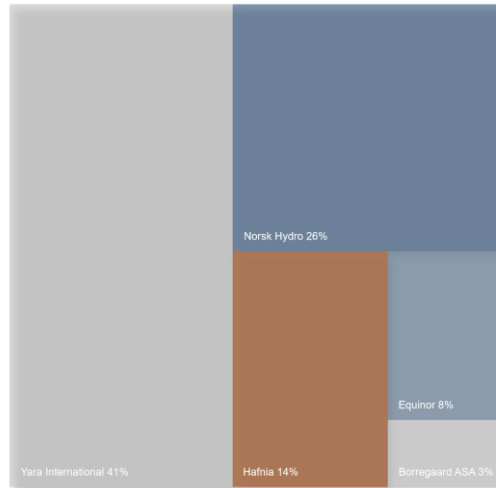
C WORLDWIDE NORWEGIAN EQUITIES

Sustainalytics Portfolio Risk Rating: Medium
 Benchmark: Oslo Børs Fondsindeks NOK

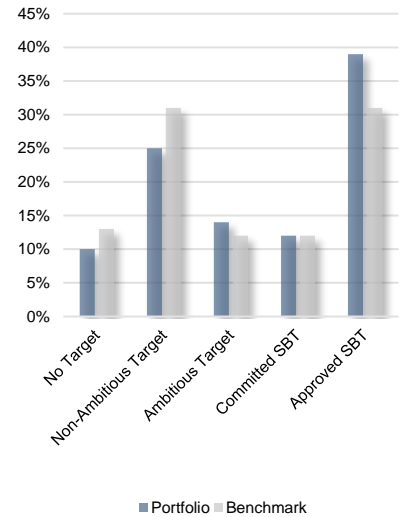
Emissions Exposure & SDS (tCO₂e)



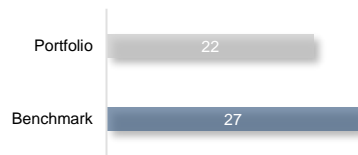
Top 4 Contributors to Portfolio Emissions



Climate Target Assessment



Carbon Intensity (tCO₂e/mill. USD revenue)

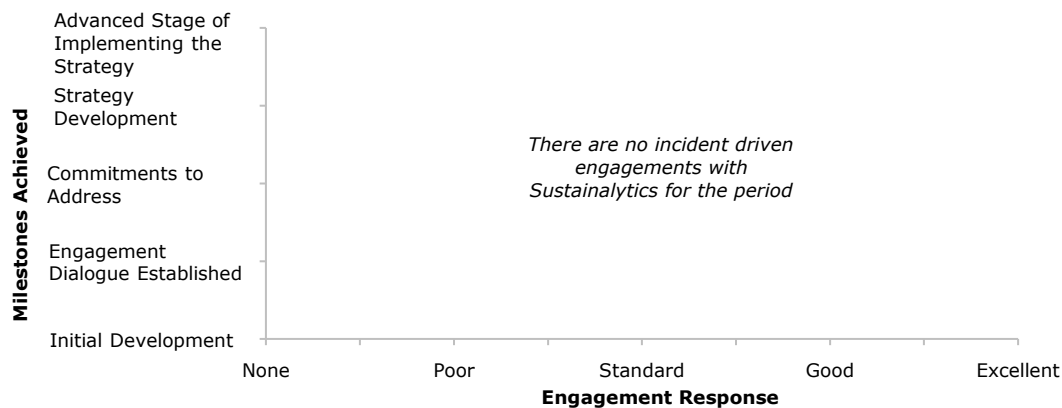


The above graph summarises the portfolio's carbon footprint compared with the benchmark. The Sustainability Development Scenario (SDS) pathway on the right-hand side of the graph is fully aligned with the Paris Agreement. The graph indicates whether the portfolio and benchmark are expected to over-/undershoot against the allocated carbon budget until 2050.

The above graph shows how many of the companies in the portfolio have set climate targets and how ambitious these are. Having ambitious targets, being committed to Science-Based Targets (SBT) or having approved SBT shows close alignment with the Paris Agreement.

Source: ISS Data Desk (Climate Assessment). Based on a portfolio Value of 1,000,000 NOK. Portfolio as of 31st of March 2024

Collective Engagement



The graph to the left illustrates our collective engagements with Sustainalytics. The companies are shown within what milestone they have reached thus far and rated according to their communication in relation to the specific engagement topic.

Source: Sustainalytics. Portfolio as of 31st of March 2024

This is marketing material. This report has been prepared by C WorldWide Asset Management Fondsmæglerelskab A/S (CWW AM). It is provided for information purposes only and does not constitute, and shall not be considered as, an offer, solicitation or invitation to engage in investment operations, as investment advice or as investment research. The report has thus not been prepared in accordance with legal requirements designed to promote the independence of investment research, and it is not subject to any prohibition on dealing ahead of the dissemination of investment research. Opinions expressed are current opinions only as of the date of the publication. The report has been prepared from sources CWW AM believes to be reliable and all reasonable precautions have been taken to ensure the correctness and accuracy of the information. However, the correctness and accuracy is not guaranteed and CWW AM accepts no liability for any errors or omissions. The report may not be reproduced or distributed, in whole or in part, without the prior written consent of CWW AM.

Active Investments

C WorldWide Asset Management Fondsmæglerselskab A/S is a focused asset manager. Our objective is to deliver consistent, long term capital growth for clients through active investments in listed equities on global stock exchanges.

Our clients are primarily institutional investors and external distribution channels. Our product range includes discretionary asset management services and commingled fund products.

The combination of a unique investment philosophy based on careful stock picking and long-term global trends coupled with a stable team of experienced portfolio managers, has since 1986 resulted in world-class investment performance.

Please find more of our Sustainability Reports on cworldwide.com

C WORLDWIDE ASSET MANAGEMENT FONDSMAEGLERSELSKAB A/S

Dampfaergevej 26 · DK-2100 Copenhagen

Tel: +45 35 46 35 00 · VAT 78 42 05 10 · cworldwide.com · info@cworldwide.com

This is marketing material. This report has been prepared by C WorldWide Asset Management Fondsmæglerselskab A/S (CWW AM). It is provided for information purposes only and does not constitute, and shall not be considered as, an offer, solicitation or invitation to engage in investment operations, as investment advice or as investment research. The report has thus not been prepared in accordance with legal requirements designed to promote the independence of investment research, and it is not subject to any prohibition on dealing ahead of the dissemination of investment research. Opinions expressed are current opinions only as of the date of the publication. The report has been prepared from sources CWW AM believes to be reliable and all reasonable precautions have been taken to ensure the correctness and accuracy of the information. However, the correctness and accuracy is not guaranteed and CWW AM accepts no liability for any errors or omissions. The report may not be reproduced or distributed, in whole or in part, without the prior written consent of CWW AM.