

30 June 2024

## Transparency of the promotion of environmental or social characteristics and of sustainable investments

This document includes information relating to environmental and social characteristics of financial products and information relating to sustainable investments, in accordance with article 10 of the Sustainable Finance Disclosure Regulation (SFDR)<sup>1</sup>.

**Product name: NASF - NPE GLOBAL FUTURE FUND I**

**Legal entity identifier: 6367001ZPFE4CC4FMC47**

### Summary

The fund promotes certain environmental and/or social characteristics. It does not have as its objective sustainable investment. While this fund does not commit to invest in a minimum proportion of sustainable investment, it may make such investments.

Specific sustainability indicators will be used to measure the attainment of the environmental and/or social characteristics of the fund in accordance with specific methodologies described below. The asset allocation of the fund is presented in the form of a chart that holds a specification of the percentage of investments expected to be aligned with the environmental and/or social characteristics of the fund.

The fund's investment manager is Nordea Investment Management AB.

Due diligence on underlying investments is used to ensure that the fund is invested in accordance with the environmental and/or social characteristics promoted.

### Résumé

Ce fonds promeut certaines caractéristiques environnementales et/ou sociales. Il n'a pas un objectif d'investissement durable. Bien que ce fonds ne s'engage pas à investir dans une proportion minimale d'investissements durables, il peut réaliser de tels investissements.

Des indicateurs de durabilité spécifiques seront utilisés afin de mesurer la réalisation des caractéristiques environnementales et/ou sociales du fonds conformément aux méthodologies décrites ci-après. La répartition d'actifs du fonds est présentée sous la forme d'un graphique contenant une spécification du pourcentage d'investissements qui devraient être alignés aux caractéristiques environnementales et/ou sociales du fonds.

Le gestionnaire de placement du produit financier est Nordea Investment Management AB.

Des mesures de due diligence rigoureuses sont appliquées aux investissements sous-jacents et utilisées pour garantir que le fonds est investi conformément aux caractéristiques environnementales et/ou sociales promues .

<sup>1</sup>Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector

## Does this financial product have a sustainable investment objective?

Yes

It will make a minimum of **sustainable investments with an environmental objective**: \_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective**: \_\_\_%

No

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**

This fund promotes environmental or social (“E/S”) characteristics, but does not have as its objective sustainable investment. The fund will not have a commitment to a minimum proportion of sustainable investment, as illustrated above.

### Environmental or social characteristics of the financial product

The E/S characteristics promoted can be environmental and/or social and include the following features:

**Sector- and value-based exclusions** The fund promotes E/S characteristics by excluding investments in companies that are deemed to be inappropriate based on their business activities or corporate behavior. The exclusion criteria are further described in the section “What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?”

**NAM’s Paris-Aligned Fossil Fuel Policy** The fund promotes E/S characteristics by refraining from investing in companies that have significant exposure to fossil fuels unless they have a credible transition strategy.

**ESG due diligence and proprietary assessment** The investment manager integrates environmental and social considerations and ensures good governance as part of the due diligence process of each investee fund and investee fund manager. Ultimately, the due diligence leads to a proprietary ESG-assessment.

There is no reference benchmark designated for the purpose of attaining the E/S characteristics of the fund.

More information can be found below in the Investment Strategy and Methodologies sections.

## Investment strategy

### Description of the investment strategy used to meet the environmental or social characteristics of the financial product

On behalf of the fund, the Investment Manager shall seek to construct a diversified portfolio of private equity investments. ESG is integrated into the strategy through a combination of due diligence of the fund managers and general partners, and sector- and value-based exclusions of companies based on Nordea Asset Management's Responsible Investment ("RI") Policy's standards.

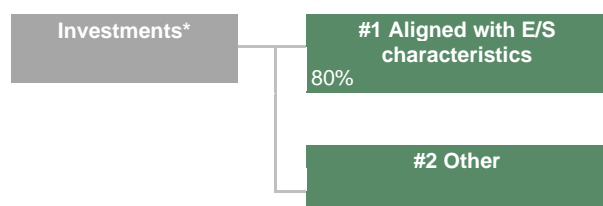
As part of the investment process, companies are assessed to ensure that they follow good governance practices.

### Description of the policy to assess good governance practices of the investee companies

Good governance practices of investee companies are addressed in various layers of the due diligence process. Companies are assessed based on, among other elements, their employee relations, pay practices, management structures and tax compliance.

## Proportion of investments

The fund commits to minimum proportion of investments as illustrated below. Where no percentage proportion or 0% is displayed, such investments may be relevant for the strategy but the fund is not committed to holding a specific proportion at all times, and the proportion of such investments may be as low as 0% at the investment manager's discretion.



**#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.

\*Investments means the fund's NAV which is the total market value of the fund.

## Monitoring of environmental or social characteristics

**Description of how the environmental or social characteristics promoted by the financial product and the sustainability indicators used to measure the attainment of each of those environmental or social characteristics promoted by the financial product are monitored throughout the lifecycle of the financial product and the related internal or external control mechanisms.**

The following sustainability indicators are used to measure the attainment of the E/S characteristics of the fund:

- **Proportion of investments with ESG policy or specific ESG targets** : To measure the percentage of investments with an ESG policy or specific ESG targets.
- **Proportion of investments supporting a recognized ESG initiative** : To measure the percentage of investments supporting a recognized ESG initiative.
- **Proportion of investments providing ESG reporting** : To measure the percentage of investments providing ESG reporting.

## Methodologies

**Description of the methodologies used to measure how the social or environmental characteristics promoted by the financial product are met.**

The methodologies that apply to measure how environmental and social characteristics promoted by the fund are met, are set out here below.

### Sector- and value-based exclusions

For each investment, a set of ESG-safeguards are embedded in the contractual framework for the investments excluding assets that are deemed to be inappropriate based on their business activities or corporate behaviour. The fund adheres to the principles of the NAM Responsible Investment Policy, ensuring a contractual framework with appropriate sector- and value-based exclusions for each new investment.

### NAM Paris Aligned Fossil Fuel Policy

NAM's Paris-Aligned Fossil Fuel Policy ("PAFF"), has been developed with the Paris agreement in mind. The Paris agreement is a legally binding international treaty on climate change. Its goal is to limit global warming, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. The NAM PAFF Policy sets thresholds for companies' exposure to fossil fuel production, distribution and services, which are implemented and monitored as specific exclusions by the investment manager. However, investments may be allowed in companies that help accelerate the transition to clean energy and phase out of fossil fuel. The NAM PAFF policy can be found [here](#).

## Data sources and processing

### **a) What are the data sources used to attain each of the environmental or social characteristics promoted by the financial product?**

The investment manager uses reported data received from fund managers and general partners to ensure that the fund is invested in accordance with the environmental and/or social characteristics promoted. Due to the investment universe of the fund, data sources used are limited and may be subject to confidentiality.

More information about the external data sources used by NAM is available upon request.

### **b) What are the measures taken to ensure data quality?**

Given the broad range of investments and the fact that data is received from fund managers and/or investee companies, the evaluation of the reported data is done as part of the due diligence process on the underlying investments, general partners and fund managers.

### **c) How is data processed?**

As described above, the data used primarily derived from the underlying companies, general partners or fund managers. We seek to obtain as much and the most granular company data possible.

### **d) What proportion of data is estimated?**

The investment manager relies on reported data, which may partly be based on estimates.

## Limitations to methodologies and data

### a) Are there any limitations to the methodologies and data sources used?

Information is mainly based on historical data and may not reflect the future ESG performance or risks of the investments.

### b) How do those limitations not affect how the environmental or social characteristics promoted by the financial product are met?

The fact that each investment is assessed individually by the investment manager, mitigates the data limitations. However, there may be data that are insufficient or are not reported by the fund manager or general partner.

## Due diligence

### Description of the due diligence carried out on the underlying assets of the fund, including the internal and external controls on that due diligence.

As part of the due diligence of any new investment, the fund manager or the general partner is requested to send an overview of their internal ESG policies and procedures and confirmation of commitment to ESG standards and initiatives. Also, the general partner or fund manager is required to fill in an ESG-questionnaire tailored to the respective investment strategy based on the ILPA, UNDP and Nordea standards for ESG due diligence. Based on the questionnaire, a dedicated ESG due diligence session is conducted in order to understand and assess three main areas: i) ESG governance framework, policies and beliefs, ii) ESG investment considerations and processes, and iii) ESG reporting and regulation.

The ESG due diligence ultimately leads to an internal ESG-scoring of the general partner or fund manager, where the poorly scored are deemed non-investable.

## Engagement policies

### Description of the engagement policies implemented where engagement is part of the environmental or social investment strategy, including any management procedures applicable to sustainability-related controversies in investee companies.

Engagement is not part of the investment strategy of the fund, however, the investment manager undertakes a range of activities on behalf of its funds to encourage environmental, social and governance practices, and promotes a long-term approach to decision-making. This includes a close monitoring of investments and engagement on ESG standards in respect of the individual managers and underlying assets.

## Designated reference benchmark

### Description of whether an index has been designated as a reference benchmark to meet the environmental or social characteristics of the financial product and how such index would be aligned with the environmental or social characteristics of the financial product.

There is no reference benchmark designated for the purpose of attaining the E/S characteristics of the fund.

## Appendix

### Amendments

Date	Version	Amendment
2024-06-30	1	Initial version