PRI Principles for Responsible Investment

RI TRANSPARENCY REPORT

2013/14

CB Asset Management AB

UNEP Finance Initiative Changing finance, financing change | United Nations Global Compact

An investor initiative in partnership with UNEP Finance Initiative and UN Global Compact

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the PRI website, ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2013-14 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six Principles for Responsible Investment. It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
🚩	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

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Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	n/a							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	✓	Private							✓
OO 08	Breakdown of AUM by market	✓	Private							✓
OO 09	Additional information about organisation	✓	Private							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Private							✓
OA 07	Governance, management structures and RI processes	✓	Private							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Private							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Private	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
OA 15	ESG issues for internally managed assets not reported in framework	✓	Private							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Private							✓
OA 19	Internal and external review and assurance of responses	✓	Private							✓

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Indirect – Manager Selection, Appointment and Monitoring				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SAM 01	Description of RI considerations	✓	Private	✓					✓	
SAM 02	Role of investment consultants	✓	Public				✓			
SAM 03	RI factors in selection, appointment and monitoring across asset classes	✓	Public							✓
SAM 04	Breakdown of passive, active quant and active fundamental	✓	Private							✓
SAM 05	ESG incorporation strategies	✓	Public	✓	✓					
SAM 06	Selection processes (listed assets)	✓	Public	✓					✓	
SAM 07	Appointment considerations (listed assets)	✓	Private				✓			
SAM 08	Monitoring processes (listed assets)	✓	Public	✓						
SAM 09	Percentage of (proxy) votes cast	🔒	n/a		✓					
SAM 10	Selection processes (non-listed assets)	🔒	n/a	✓					✓	
SAM 11	Appointment considerations (non-listed assets)	🔒	n/a				✓			
SAM 12	Monitoring processes (non-listed assets)	🔒	n/a	✓					✓	
SAM 13	Description of RI considerations in 'other' asset classes	🔒	n/a	✓					✓	
SAM 14	Percentage of externally managed assets managed by PRI signatories	✓	Private	✓					✓	
SAM 15	Examples of ESG issues in selection, appointment and monitoring processes	✓	Private		✓					
SAM 16	Disclosure of RI considerations	✓	Public						✓	

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Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Private	✓						
LEI 02	Description of ESG incorporation	✓	Private	✓						
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	✓	Private	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	✓	Private	✓						
LEI 06	Types of screening applied	✓	Public	✓						
LEI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 08	Processes to ensure fund criteria are not breached	✓	Private	✓						
LEI 09	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
LEI 10	Description of ESG integration	🔒	n/a	✓						
LEI 11	Review ESG issues while researching companies/sectors	🔒	n/a	✓						
LEI 12	Processes to ensure integration is based on robust analysis	🔒	n/a	✓						
LEI 13	Aspects of analysis ESG information is integrated into	🔒	n/a	✓						
LEI 14	ESG issues in index construction	🔒	n/a	✓						
LEI 15	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	✓	Private	✓						
LEI 17	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
LEI 18	Disclosure of approach to ESG incorporation	✓	Public		✓				✓	

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Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Private		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	🔒	n/a		✓					
LEA 04	Objectives for engagement activities	🔒	n/a		✓					
LEA 05	Process for identifying and prioritising engagement activities	🔒	n/a		✓					
LEA 06	Objectives for engagement activities	🔒	n/a		✓					
LEA 07	Role in engagement process	🔒	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	🔒	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	🔒	n/a	✓	✓					
LEA 10	Tracking number of engagements	🔒	n/a		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	🔒	n/a		✓					
LEA 12	Engagements on E, S and/or G issues	🔒	n/a		✓					
LEA 13	Companies changing practices / behaviour following engagement	🔒	n/a		✓					
LEA 14	Examples of ESG engagements	🔒	n/a		✓					
LEA 15	Disclosure of approach to ESG engagements	🔒	n/a		✓				✓	
LEA 16	Description of approach to (proxy) voting	✓	Private		✓					
LEA 17	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 18	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 19	Confirmation of votes	✓	Private		✓					
LEA 20	Securities lending programme	✓	Private		✓					
LEA 21	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 22	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 23	Proportion of ballot items that were for/against/abstentions	✓	Private		✓					
LEA 24	Shareholder resolutions	✓	Private		✓					
LEA 25	Examples of (proxy) voting activities	✓	Private		✓					
LEA 26	Disclosing voting activities	✓	Public		✓				✓	

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Reported Information

Public version

Organisational Overview

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Basic Information

OO 01	Mandatory	Gateway/Peering	General

OO 01.1 Select the services you offer.

☑ Fund management

% of assets under management (AUM) in ranges

○ <10%

○ 10-50%

◉ >50%

☑ Fund of funds, manager of managers, sub-advised products

% of assets under management (AUM) in ranges

○ <10%

◉ 10-50%

○ >50%

☐ Other, specify

☐ Execution and advisory only services

OO 02	Mandatory	Peering	General

OO 02.1 Select the location of your organisation's headquarters.

Sweden

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

◉ 1

○ 2-5

○ 6-10

○ >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

4

OO 03	Mandatory	Descriptive	General

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OO 03.1	Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

○ Yes

◉ No

OO 04	Mandatory	Gateway/Peering	General

OO 04.1	Indicate the year end date for your reporting year.

31/12/2013

OO 04.2	Indicate your total AUM at the end of your reporting year.

	trillions	billions	millions	thousands	hundreds
Total AUM			88	000	000
Currency	EUR				
Assets in USD			115	913	080

OO 04.3	Indicate the level of detail you would like to provide about your asset class mix.

○ Approximate percentage breakdown to the nearest 5% (e.g. 45%)

◉ Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

OO 06	Mandatory	Descriptive	General

OO 06.1	To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

◉ Publish our asset class mix as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	>50%	10-50%
Fixed income – corporate	0	0
Fixed income – government	0	0
Fixed income – other	0	0
Private debt	0	0
Private equity	0	0
Property	0	0

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Infrastructure	0	0
Commodities	0	0
Hedge funds	<10%	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	<10%	<10%
Other (1), specify	0	0
Other (2), specify	0	0

○ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png,.bmp and .gif)

Gateway asset class implementation indicators

OO 10	Mandatory	Gateway	General

OO 10.1 Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.

☑ We incorporate ESG issues into investment decisions on our internally managed assets

☑ We address ESG incorporation, engagement and/or (proxy) voting in our external manager selection, appointment and/or monitoring processes

☑ We engage with companies on ESG issues via our staff, collaborations or service providers

☑ We cast our (proxy) votes directly or via service providers

☐ None of the above

OO 11	Mandatory	Gateway	General

OO 11.1 Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

☑ Hedge funds

☐ Cash

☐ None of the above

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OO 11.2	Indicate if in the reporting year you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes in the following externally managed asset classes.

☐ Cash

☑ None of the above

OO 12	Mandatory	Gateway	General

OO 12.1	The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, you are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Direct - Fixed Income and Infrastructure are always voluntary.

Core modules

☑ Organisational Overview

☑ Overarching Approach (including assets which do not have a separate module)

RI implementation directly or via service providers

	Direct - Listed Equity incorporation

☑ Listed Equity incorporation

	Direct - Listed Equity active ownership

☑ Engagements

☑ (Proxy) voting

RI implementation via external managers

	Indirect - Selection, Appointment and Monitoring of External Managers

☑ Listed Equities

Closing module

☑ Closing module

Note: Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

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Overarching Approach

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Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General

OA 01.1 Indicate if you have a responsible investment policy.

- (●) Yes
- ( ) No

OA 01.2 Indicate if you have other guidance documents or more specific policies related to responsible investment.

- (●) Yes
- ( ) No

OA 02	Mandatory	Core Assessed	PRI 6

OA 02.1 Indicate if your responsible investment policy is publicly available.

- (●) Yes

OA 02.2 Provide a URL to your responsible investment policy.

URL

http://www.cbfonder.se/om-oss/etiska-riktlinjer.html

- ( ) No

OA 02.3 Indicate if your other policies or guidance documents related to responsible investment are publicly available.

- (●) Yes
  - (●) Yes, all
  - ( ) Yes, some

OA 02.4 List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.

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Policy or document name	URL
UNPRI	http://www.cbfonder.se/om-oss/unpri.html
Strategy Save Earth Fund	http://www.cbfonder.se/vara-fonder/vara-fonder-save-earth-fund/save-earth-fund-sef-strategi.html
Strategy European Quality Fund	http://www.cbfonder.se/vara-fonder/vara-fonder-european-quality-fund/european-quality-fund-eqf-strategi.html

○ No

OA 03	Mandatory	Core Assessed	PRI 1,2

OA 03.1 Indicate the components/types and coverage of your responsible investment policy and guidance documents.

Select all that apply

Policy components/types	Coverage by AUM
☑ Policy setting out your overall approach	○ Applicable policies cover all AUM
☐ (Proxy) voting policy	◉ Applicable policies cover a majority of AUM
☐ Engagement/active ownership policy	○ Applicable policies cover a minority of AUM
☐ Specific guidelines on corporate governance	
☑ Specific guidelines on environmental issues	
☐ Specific guidelines on social issues	
☐ Asset class-specific guidelines	
☑ Screening/exclusion policy	
☐ Other, specify	
☐ Other, specify	

OA 04	Mandatory	Core Assessed	General

OA 04.1 Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

◉ Yes

○ No

Objectives and strategies

OA 05	Mandatory	Gateway/Core Assessed	General

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OA 05.1	Indicate if your organisation sets objectives for its responsible investment activities.

◉ Yes

OA 05.2	Indicate how frequently your organisation sets or revises objectives for responsible investment.

◉ At least once per year

○ Less than once per year

OA 05.3	Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

◉ Quarterly

○ Biannually

○ Annually

○ Every two years or less

○ It is not reviewed

○ No

Governance and human resources

OA 08	Mandatory	Gateway/Core Assessed	General

OA 08.1	Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

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	Roles present in your organisation

☑ Board members or trustees

- ☑ Oversight/accountability for responsible investment
- ☐ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment

☐ Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee

☐ Other Chief-level staff or head of department, specify

☑ Portfolio managers

- ☐ Oversight/accountability for responsible investment
- ☑ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment

☐ Investment analysts

☐ Dedicated responsible investment staff

☑ External managers or service providers

- ☐ Oversight/accountability for responsible investment
- ☑ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment

☑ Other role, specify

Business developer

- ☐ Oversight/accountability for responsible investment
- ☑ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment

☐ Other role, specify

OA 08.3	Additional information. [Optional]

All portfolio managers have implementation responsibilities. The board has no direct involment in investments but are involved in most policy making.

Promoting responsible investment

OA 10	Mandatory	Core Assessed	PRI 4,5

OA 10.1	Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.

○ Yes

◉ No

OA 11	Mandatory	Core Assessed	PRI 4

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OA 11.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

◉ Yes

OA 11.2	Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

☐ Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations

☐ Provided financial support for academic or industry research on responsible investment

☐ Encouraged better transparency and disclosure of responsible investment practices across the investment industry

☐ Spoke publicly at events and conferences to promote responsible investment

☑ Wrote and published in-house research papers on responsible investment

☑ Encouraged the adoption of the PRI

☐ Other, specify

○ No

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Indirect – Manager Selection, Appointment and Monitoring

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PRI Principles for Responsible Investment

Overview

SAM 02	Mandatory	Core Assessed	PRI 4

SAM 02.1	Indicate if your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers.

○ Yes

◉ No

SAM 03	Mandatory	Gateway	General

SAM 03.1	Indicate for which of the following externally managed asset classes your organisation, and/or your investment consultants, consider responsible investment factors in investment manager: (a) Selection, (b) Appointment (investment management agreements/contracts), and (c) Monitoring

Select all that apply

Asset classes	(a) Selection	(b) Appointment	(c) Monitoring
Listed equity	☑	☑	☑

Listed equity (LE), fixed income corporate (FIC) and fixed income government (FIG)

Overview

SAM 05	Mandatory	Gateway	PRI 1,2

SAM 05.1	Indicate which of the following ESG incorporation strategies you encourage or require your external manager(s) to implement on your behalf:

	Active investment strategies

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Active investment strategies	LE		
Screening	☑		
Thematic	☑		
Integration	☑		
None of the above	☐		

SAM 05.2	Indicate if - on your externally managed assets - you engage directly, via service providers, or via your external manager.

	LE	
We engage directly or via service providers on our externally managed assets	☐	
We require our external managers to engage on our behalf	☑	
None of the above	☐	

SAM 05.3	Indicate if - on your externally managed listed equities - you cast your (proxy) votes directly, via service providers, or via your external manager.

	LE
We cast our (proxy) votes directly or via service providers on our externally managed assets	☐
We require our external managers to cast our (proxy) votes on our behalf	☑
None of the above	☐

Selection

SAM 06	Mandatory	Core Assessed	PRI 1-6

SAM 06.1	Indicate whether your organisation, and/or your investment consultant, in the manager selection process for listed assets, typically do any of the following:

	General

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	LE		
Review the manager's responsible investment policies	☑		
Discuss managers' governance and management of responsible investment activities	☑		
Meet staff with responsible investment responsibilities to assess their skills and competence	☑		
Discuss minimum responsible investment expectations that managers must meet	☑		
Discuss the role managers have played in collaborative initiatives	☑		
Ask whether the organisation is a signatory to the PRI and/or other relevant organisations	☑		
Review the manager's responsible investment reporting to clients and/or the public, including PRI reporting	☐		
Discuss the type of ESG reporting you expect	☑		
Assign specific weighting to ESG factors in your manager evaluation	☐		
Other general aspects in your selection process, specify	☐		
None of the above	☐		

ESG incorporation

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	LE		
Evaluate the quality and coverage of ESG research used by managers	☐		
Assess how the manager incentivises brokers to provide ESG research	☐		
Assess managers' ESG incorporation strategies and ability to identify and manage ESG issues	☑		
Discuss with managers how ESG issues have impacted specific investment decisions and, where relevant, stock or portfolio performance	☑		
Other ESG incorporation issues in your selection process, specify	☐		
None of the above	☐		

Engagements

	LE	
Discuss the managers' engagement processes	☑	
Discuss the role managers have played in influencing companies' ESG practices and performance	☑	
Discuss how information gained though engagement is incorporated into investment decision-making	☑	
Other engagement issues in your selection process, specify	☐	
None of the above	☐	

(Proxy) voting

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	LE
Discuss the managers' voting processes	☐
Discuss how information gained through research for (proxy) voting is used in investment-decision making	☐
Other (proxy) voting issues in your selection process, specify	☐
None of the above	☐

Monitoring

SAM 08	Mandatory	Core Assessed	PRI 1

SAM 08.1	Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager typically do any of the following:

General

	LE		
Include responsible investment as a standard agenda item at performance review meetings	☑		
Highlight examples of good responsible investment practice by other managers	☐		
Review the manager's responsible investment reporting, for example PRI-generated responsible investment reports	☑		
Encourage your managers to consider joining responsible investment initiatives/organisations or participate in collaborative projects with other investors	☐		
Include responsible investment criteria as a formal component of overall manager performance evaluation	☑		
Other general aspects of your monitoring, specify	☐		
None of the above	☐		

ESG incorporation

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	LE		
Request information on ESG incorporation in specific investment decisions	☑		
Other ways you monitor ESG incorporation, specify	☐		
None of the above	☐		

Engagements

	LE	
Review the ESG information relevant to the engagements	☑	
Discuss the number of engagements and their comprehensiveness	☑	
Discuss the type of role played (i.e. leading or supporting)	☑	
Review the progress of ongoing engagements and/or outcomes of completed engagements	☑	
Other ways you monitor engagement activities, specify	☐	
None of the above	☐	

(Proxy) voting

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	LE
Review the number or percentage of votes cast	☐
Request an explanation of reasons for votes cast	☐
Discuss whether companies were informed of the reasons for votes against management recommendations or abstentions/withheld votes	☐
Review the number of resolutions on ESG issues filed or co-filed	☐
Discuss the changes in company practice (outcomes) that have been achieved from voting activities	☑
Other ways you monitor (proxy) voting activities, specify	☐
None of the above	☐

Communication

SAM 16	Mandatory	Core Assessed	PRI 6

SAM 16.1 Indicate if your organisation proactively discloses any information about responsible investment considerations in your indirect investments.

◉ Yes, we disclose information publicly

provide URL

http://www.cbfonder.se

provide URL

http://www.saveearthfund.se/

SAM 16.2 Indicate if the level of information you disclose to the public is the same as that disclosed to clients and/or beneficiaries.

○ Yes

◉ No

SAM 16.3 Indicate what type of information your organisation proactively discloses to the public and clients and/or beneficiaries about your indirect investments.

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Information	Public	Clients/beneficiaries
How responsible investment considerations are included in manager selection, appointment and monitoring processes	☑	☑
Details of the responsible investment activities carried out by managers on your behalf	☐	☐
E, S and/or G impacts and outcomes that have resulted from your managers' investments and active ownership	☐	☑
Other, specify below	☐	☐

○ Yes, we disclose information to clients/beneficiaries only

○ We do not proactively disclose information to the public and/or clients/beneficiaries

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CB Asset Management AB

Reported Information

Public version

Direct - Listed Equity Incorporation

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ESG incorporation in actively managed listed equities

Implementation processes

LEI 03	Mandatory	Gateway/Core Assessed	PRI 1

LEI 03.1	Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies.

ESG incorporation strategy (select all that apply)

☑ Screening alone (i.e. not combined with any other strategies)

Percentage of active listed equity to which the strategy is applied (estimate +/- 10%)	% 100

☐ Thematic alone (i.e. not combined with any other strategies)

☐ Integration alone (i.e. not combined with any other strategies)

☐ Screening + Integration strategies

☐ Thematic + integration strategies

☐ Screening + thematic strategies

☐ All three strategies combined

☐ No incorporation strategies applied

	Total actively managed listed equities

100%

LEI 03.2	Describe your primary reasons for choosing a particular ESG incorporation strategy.

We do not invest in pornography, gambling or manufacturing of weapons or tobacco because we do not see long-term growth potential there. We have not chosen specific themes for this fund - we have another fund for investors that want theme-based investments, but of course this fund is free to choose the same stocks as well if they fulfill the other criterias for this fund. If a company management misbehaves we sell the stock - we believe that is the strongest signal you can send to the management that they must change.

(A) Implementation: Screening

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LEI 06	Mandatory	Descriptive	PRI 1

LEI 06.1	Indicate and describe the type of screening you apply to your internally managed active listed equities.

Type of screening

☑ Negative/exclusionary screening

Screened by

☑ Product
☐ Activity
☑ Sector
☑ Country/geographic region
☐ Environmental and social practices and performance
☐ Corporate governance

Description

As mentioned earlier, the fund does not invest in gambling, pornography or production of weapons or tobacco. In addition to the geographic criteria that we choose stocks from countries in MSCI Europe some countries are excluded because of poor environment for fair competition. Excluded countries are Spain, Portugal, Italy and Greece.

☑ Positive/best-in-class screening

Screened by

☐ Product
☐ Activity
☐ Sector
☑ Country/geographic region
☐ Environmental and social practices and performance
☐ Corporate governance

Description

As mentioned earlier some countries are excluded, but current investments have an even narrower geographic focus including only the best countries: United Kingdom, Germany, France, the Netherlands, Switzerland, Sweden and Denmark.

☐ Norms-based screening

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LEI 06.2	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.

Criteria are reviewed continuously but not changed often. Current criteria to exclude products, sectors and countries have been in effect many years. We do not believe that changing criteria a lot will be helpful to investors. We believe investors want a long-term strategy that they can rely on to be the same so that they know what kind of investments that can be included. Criteria are part of marketing material and published on web page, available to investors and to the public.

LEI 07	Mandatory	Core Assessed	PRI 1

LEI 07.1	Indicate which processes your organisation uses to ensure that screening is based on robust analysis.

☑ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.

☐ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies

☐ External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar

☑ Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies

☐ A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions

☐ A periodic review of the quality of the research undertaken or provided is carried out

☐ Other, specify

☐ None of the above

Communication

LEI 18	Mandatory	Core Assessed	PRI 2,6

LEI 18.1	Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.

⦿ We disclose it publicly

	Provide URL

http://www.cbfonder.se/en/about-us/ethical-guidelines.html

	Provide URL

http://www.cbfonder.se/images/stories/cb/PDF/EQF/statiska_rapporter/european_quality_fund-presentation_en.pdf

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LEI 18.2	Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

○ Yes

◉ No

LEI 18.3	Indicate the information your organisation proactively discloses to clients/ beneficiaries and/or the public regarding your approach to ESG incorporation.

Reporting to public	Reporting to clients/beneficiaries
◉ Broad approach to ESG incorporation ○ Detailed explanation of ESG incorporation strategy used	○ Broad approach to ESG incorporation ◉ Detailed explanation of ESG incorporation strategy used

LEI 18.4	Indicate how frequently you typically report this information.

Reporting to public	Reporting to clients/beneficiaries
○ Quarterly or more frequently ○ Between quarterly and annually ○ Less frequently than annually ◉ Other, specify Information available on web page and on request. In addition seminars have been held for those who are interested.	○ Quarterly or more frequently ○ Between quarterly and annually ○ Less frequently than annually ◉ Other, specify In addition to public information private meetings are often held.

○ We disclose it to clients and/or beneficiaries only

○ We do not proactively disclose it to the public and/or clients/beneficiaries

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PRI Principles for Responsible Investment

Engagement

Overview

LEA 02	Mandatory	Gateway	PRI 1,2,3

LEA 02.1	Indicate your reasons for interacting with companies on ESG issues and indicate who carries out these interactions.

Type of engagement	Reason for interaction
Individual/Internal staff engagements	☐ To support investment decision-making (e.g. company research) ☐ To influence corporate practice (or identify the need to influence) on ESG issues ☐ To encourage improved ESG disclosure ☐ Other, specify ☑ We do not engage via internal staff
Collaborative engagements	☐ To support investment decision-making (e.g. company research) ☐ To influence corporate practice (or identify the need to influence) on ESG issues ☐ To encourage improved ESG disclosure ☐ Other, specify ☑ We do not engage via collaborative engagements
Service provider engagements	☐ To support investment decision-making (e.g. company research) ☐ To influence corporate practice (or identify the need to influence) on ESG issues ☐ To encourage improved ESG disclosure ☐ Other, specify ☑ We do not engage via service providers

(Proxy) voting and shareholder resolutions

Process

LEA 17	Mandatory	Descriptive	PRI 2

LEA 17.1	Indicate how you typically make your (proxy) voting decisions and what this approach is based on.

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	Approach

◉ We use our own research or voting team and make our own voting decisions without the use of service providers.

	Based primarily on

◉ our own voting policy

○ our clients requests or policy

○ other, explain

○ We hire service provider(s) which make voting recommendations or provide research that we use to inform our voting decisions.

○ We hire service provider(s) which make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.

○ We hire service provider(s) which make voting decisions on our behalf.

LEA 21	Mandatory	Core Assessed	PRI 2

LEA 21.1	Indicate if you ensure that companies are informed of the rationale when you and/or the service providers acting on your behalf abstain or vote against management recommendations.

◉ Yes, in most cases

○ Sometimes, in the following cases:

○ No

○ Not applicable as we and/or our service providers do not abstain or vote against management recommendations

Outputs and outcomes

LEA 22	Mandatory	Core Assessed	PRI 2

LEA 22.1	For listed equities where you and/or your service provider has the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

○ We do track or collect this information

◉ We do not track or collect this information

Communication

LEA 26	Mandatory	Core Assessed	PRI 2,6

LEA 26.1	Indicate if your organisation proactively discloses information on your voting activities.

○ We disclose it publicly

◉ We disclose it to clients/beneficiaries only

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LEA 26.3	Indicate the voting information your organisation proactively discloses to clients/beneficiaries.

	Indicate how much of your voting record you disclose

- ◉ All voting decisions
- ○ Some voting decisions
- ○ Only abstentions and opposing vote decisions
- ○ Summary of votes only

	Indicate what level of explanation you provide

- ◉ Explain all voting decisions
- ○ Explain some voting decisions
- ○ Only explain abstentions and votes against management
- ○ No explanations provided

LEA 26.4	Indicate how frequently you typically report voting information.

- ○ Continuously (primarily before meetings)
- ○ Continuously (soon after votes are cast)
- ○ Quarterly or more frequently
- ○ Between quarterly and annually
- ○ Less frequently than annually
- ◉ Other, specify

When requested as well as when we meet or discuss with clients and others.

○ We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

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