

## Sustainability related disclosures pursuant to Article 10 of Regulation (EU) 2019/2088 in conjunction with Article 24 of Delegated Regulation (EU) 2022/1288

**The subject of this document is mandatory information on the environmental and/or social characteristics of this fund. It is not promotional material. This information is required by law in order to transparently explain the environmental and/or social characteristics promoted by the fund.**

### Maj Invest Funds - Maj Invest Global Value Equities

WKN / ISIN: A12FMS / LU0976026038; A2H6RB / LU1321539493; A2JNT3 / LU1650063990; A2H6RA / LU1321539576; A2PKTE / LU1321540079; A12FEN / LU0976026111; A2PYJM / LU2107333531; A2PYJL / LU2107333457

The fund is managed by Universal-Investment-Luxembourg S.A. (the "management company").

#### a) „Summary“

##### No sustainable investment objective

Sustainable investments are not the objective of this funds.

##### Environmental or social characteristics of the financial product

This Fund promotes environmental and social characteristics within the meaning of Article 8 of the Disclosure Regulation.

The Fund promotes environmental and social characteristics by quarterly screening (using the data from a service provider) the portfolio in regard to the UN Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption and the OECD Guidelines for Multinational Enterprises. Companies are excluded from the portfolio if the investigation (Screening) exposes violations of UN Global Impact where engagement has not been effective or exposure to controversial weapons.

Furthermore, the Fund does not invest in companies directly involved in production of tobacco, production/direct involvement in adult entertainment and operations/ownership of gambling establishments, e.g. casinos, online gambling each with a 10% revenue threshold.

##### Investment strategy

After a thorough research and scoring process by the investment team, the best investment opportunities are to be found among approximately 100 companies. An important step when analyzing a new investment idea, is to check for possible ESG issues, test for manipulative accounting and finally go through the capital allocation discipline.

The fund seeks to promote both social and environmental characteristics. This is done via both engagement with portfolio companies and a norms-based and product involvement-based exclusionary screening. The fund excludes companies which produces selected products that can be considered controversial with health in general, including tobacco, gambling, and adult entertainment. Companies in which the revenue from these areas constitute more than 10% are excluded from the portfolio. In addition, the fund excludes companies involved in controversial weapons, incl. anti-personnel mines, nuclear weapons, cluster weapons, biological and chemical weapons, depleted uranium, and white phosphorus. In relation to environmental characteristics the fund will not invest in companies that breach international environmental (ESG) guidelines and principles and in which engagement has not proved effective.

Maj Invest has partnered with Sustainalytics on screening and engagement. The fund is screened on a quarterly basis both in relation to product involvement and for breaches of the UN Global Compact (norms-based screening). If a long-term engagement process, typically 24 months, does not result in an improvement in the issue(s) identified or the company's approach, then Sustainalytics will include the company on a disengage list, and the company will then be excluded from the fund portfolio.

##### Proportion of investments

The asset allocation of the Fund and the extent to which the Fund has direct or indirect exposures in investee entities can be found in the investment limits and guidelines.

For other investments that are not part of the Fund's sustainability strategy, there are no binding criteria to consider minimum environmental and/or social safeguards. This is either due to the nature of the assets, where at the time of the preparation of the Fund's documents there are no legal requirements or standard market procedures on how to consider minimum environmental and/or social safeguards for such assets or investments are specifically excluded from the sustainability strategy, which are then also not subject to the consideration of minimum environmental and/or social safeguards.

##### Monitoring of environmental or social characteristics

Initially, the environmental and/or social features and the sustainability indicators promoted by the fund are checked in a qualitative manner by the ESG Office of the management company/the AIFM. Compliance with the investment limits, based on the individual sustainability strategy, is measured and monitored daily by Investment Controlling of the management company/the AIFM and additionally by the portfolio manager for outsourced portfolio management mandates. Internal controls are carried out by portfolio management and risk controlling. External controls are carried out regularly by auditors in examining the annual reports and at state level by the national supervisory authority.

##### Methodologies for environmental or social characteristics

- We use sustainability indicators to measure the attainment of each environmental or social characteristics promoted by the Fund
- The sustainability indicators include activity-based exclusions and engagement
- We also promote PAI from table 1 including:
  - 4: exposure to companies active in the fossil fuel sector
  - 10: share of companies involved in violation of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises
  - 14: share of investments involved in controversial weapons
- These PAI are also used to measure the social and environmental characteristics.

#### Data sources and processing

Data from Sustainalytics is used to attain each of the environmental and/or social characteristics promoted by the Fund.

- Maj Invest has partnered with Sustainalytics on screening, engagement, EU Taxonomy data and SFDR data, including PAI data. The data is implemented in the portfolio management system SimCorp used at Maj Invest. Sustainalytics is a part of the international consultant house and data provider Morningstar which is recognized in the industry and by academics as being one of the leading providers of sustainability-related data. To be in an agreement with a recognized, international rating agency is assessed as a reliable and effective way to implement the comprehensive dataset needed to measure and attain the environmental and social characteristics promoted by the Fund

- The portfolio is screened quarterly, and we can retrieve the data we need to measure how the social and environmental characteristics promoted by the Fund. Sustainalytics is continuously developing their data coverage, and we aim in time to comply with the data needed to measure all sustainability indicators, however, as we are still in the early stages and data coverage is not complete, we may take an explain approach when data is not available.

#### Limitations to methodologies and data

Dependent on the data quality by Sustainalytics and engagement conducted by Sustainalytics.

#### Due diligence

Through the establishment and application of written policies and procedures effective arrangements are in place to ensure that investment decisions made on behalf of the fund are consistent with its objectives, investment strategy and, where applicable, risk limits.

#### Engagement policies

The engagement policy of the Management Company/the AIFM is exercised in the form of voting.

#### Designated reference benchmark

This Fund has not designated an index as reference benchmark to meet the environmental and/or social characteristics promoted by the Fund.

### b) „No sustainable investment objective”

This financial product promotes environmental and/or social characteristics, but does not have sustainable investment as its objective.

### c) „Environmental or social characteristics of the financial product”

This Fund promotes environmental and social characteristics within the meaning of Article 8 of the Disclosure Regulation.

The Fund promotes environmental and social characteristics by quarterly screening (using the data from a service provider) the portfolio in regard to the UN Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption and the OECD Guidelines for Multinational Enterprises. Companies are excluded from the portfolio if the investigation (Screening) exposes violations of UN Global Impact where engagement has not been effective or exposure to controversial weapons.

Furthermore, the Fund does not invest in companies directly involved in production of tobacco, production/direct involvement in adult entertainment and operations/ownership of gambling establishments, e.g. casinos, online gambling each with a 10% revenue threshold.

### d) „Investment strategy“

After a thorough research and scoring process by the investment team, the best investment opportunities are to be found among approximately 100 companies. An important step when analyzing a new investment idea, is to check for possible ESG issues, test for manipulative accounting and finally go through the capital allocation discipline.

The fund seeks to promote both social and environmental characteristics. This is done via both engagement with portfolio companies and a norms-based and product involvement-based exclusionary screening. The fund excludes companies which produces selected products that can be considered controversial with health in general, including tobacco, gambling, and adult entertainment. Companies in which the revenue from these areas constitute more than 10% are excluded from the portfolio. In addition, the fund excludes companies involved in controversial weapons, incl. anti-personnel mines, nuclear weapons, cluster weapons, biological and chemical weapons, depleted uranium, and white phosphorus. In relation to environmental characteristics the fund will not invest in companies that breach international environmental (ESG) guidelines and principles and in which engagement has not proved effective.

Maj Invest has partnered with Sustainalytics on screening and engagement. The fund is screened on a quarterly basis both in relation to product involvement and for breaches of the UN Global Compact (norms-based screening). If a long-term engagement process, typically 24 months, does not result in an improvement in the issue(s) identified or the company's approach, then Sustainalytics will include the company on a disengage list, and the company will then be excluded from the fund portfolio.

The assessment of the portfolio companies governance is taking place in connection with the selection of portfolio companies.

## e) „Proportion of investments“

The asset allocation of the Fund and the extent to which the Fund has direct or indirect exposures in investee entities can be found in the investment limits and guidelines.

For other investments that are not part of the Fund's sustainability strategy, there are no binding criteria to consider minimum environmental and/or social safeguards. This is either due to the nature of the assets, where at the time of the preparation of the Fund's documents there are no legal requirements or standard market procedures on how to consider minimum environmental and/or social safeguards for such assets or investments are specifically excluded from the sustainability strategy, which are then also not subject to the consideration of minimum environmental and/or social safeguards.

## f) „Monitoring of environmental or social characteristics“

The environmental and/or social characteristics promoted by the fund and the sustainability indicators used to measure the fulfilment of these environmental and/or social characteristics are subject to an initial qualitative review by the ESG Office of Universal Investment against the strategy pursued:

- (a) upon the launch of a fund to be classified as an Article 8 fund under the Disclosure Regulation,
- (b) upon a fund transfer from another management company/AIFM or
- (c) upon a change of classification of an Article 6 fund into an Article 8 fund.

The individual sustainability strategy of the fund is contractually agreed and disclosed in pre-contractual documents of the fund. Compliance with the investment limits, based on the individual sustainability strategy, is measured and monitored daily by the Investment Controlling department of the management company/the AIFM and additionally the portfolio manager in the case of outsourced portfolio management mandates.

MSCI data as well as the portfolio manager's own research or data from third-party providers are used, whereby the portfolio manager's research is checked by Investment Controlling.

The control of outsourced portfolio management companies takes place initially when the portfolio managers are appointed and on an ongoing basis, e.g. by means of specific ESG reports. External controls are carried out regularly by auditors in examining the annual reports and at the state level by the national supervisory authority.

## g) „Methodologies for environmental or social characteristics“

- We use sustainability indicators to measure the attainment of each environmental or social characteristics promoted by the Fund
- The sustainability indicators include activity-based exclusions and engagement
- We also promote PAI from table 1 including:
  - 4: exposure to companies active in the fossil fuel sector
  - 10: share of companies involved in violation of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises
  - 14: share of investments involved in controversial weapons
- These PAI are also used to measure the social and environmental characteristics.

## h) „Data sources and processing“

Data from Sustainalytics is used to attain each of the environmental and/or social characteristics promoted by the Fund.

- Maj Invest has partnered with Sustainalytics on screening, engagement, EU Taxonomy data and SFDR data, including PAI data. The data is implemented in the portfolio management system SimCorp used at Maj Invest. Sustainalytics is a part of the international consultant house and data provider Morningstar which is recognized in the industry and by academics as being one of the leading providers of sustainability-related data. To be in an agreement with a recognized, international rating agency is assessed as a reliable and effective way to implement the comprehensive dataset needed to measure and attain the environmental and social characteristics promoted by the Fund
- The portfolio is screened quarterly, and we can retrieve the data we need to measure how the social and environmental characteristics promoted by the Fund. Sustainalytics is continuously developing their data coverage, and we aim in time to comply with the data needed to measure all sustainability indicators, however, as we are still in the early stages and data coverage is not complete, we may take an explain approach when data is not available.

## i) „Limitations to methodologies and data“

Dependent on the data quality by Sustainalytics and engagement conducted by Sustainalytics.

## j) „Due diligence“

The fund's underlying assets are managed by the Management Company/AIFM exclusively in the interest of the investors and in accordance with strict statutory and regulatory requirements.

Before the assets are acquired, portfolio management checks whether the asset can be acquired in accordance with the legal and contractual requirements. Effective arrangements are in place through the establishment and application of written policies and procedures to ensure that investment decisions made on behalf of the fund are consistent with its objectives, investment strategy and, where applicable, risk limits. After the assets have been acquired, a further corresponding daily check is carried out by the investment controlling department of the Management Company/AIFM and on an ongoing basis by the portfolio manager. The internal control of these due diligence obligations is carried out in the Risk Controlling department as the second line of defence and at a downstream level by the Internal Audit department as the third line of defence.

The control of outsourced portfolio managers is carried out by means of ISAE or comparable reports. These reports are evaluated by subject matter experts of the Management Company/AIFM within the framework of outsourcing controlling. Before commencing business activities in new products or new markets, including the acquisition of assets, the Management Company/AIFM ensures that the associated risks and the impact on the overall risk profile of the fund are appropriately captured, measured, monitored and managed.

When complying with their respective duties, the Management Company/AIFM, the portfolio manager, in case the investment decision making is outsourced, or, if applicable, an appointed investment advisor, take into account sustainability risks and - at their entity level - the principal adverse impacts of investment decisions on sustainability factors.

The fund's underlying assets are under the independent supervision, safekeeping and monitoring of the depositary. Further external controls are carried out regularly by auditors in examining the annual reports and at state level by the national supervisory authority.

## k) „Engagement policies“

The engagement policy of the Management Company/the AIFM is exercised in the form of voting. In order to safeguard the interests of the investors in the managed funds and to fulfil the associated responsibility, the management company/the AIFM shall exercise the shareholder and creditor rights from the shareholdings held in the managed funds in the interests of the investors. The decision-making criterion for the exercise or non-exercise of voting rights for the management company/the AIFM shall be the interests of the investors and the integrity of the market as well as the benefit for the investment fund concerned and its investors.

The Management Company/AIFM shall base its domestic voting on voting guidelines ("Voting Guidelines"). These Voting Guidelines shall be considered as the basis for the responsible management of the capital and the rights of the investors.

For votes abroad, the management company/the AIFM shall use to the respective country-specific guidelines of Glass Lewis, which take into account the local framework conditions. In addition, the Glass Lewis Guidelines "Environmental, Social & Governance ("ESG") Initiatives" are applied to the specific country guidelines and are used as a matter of priority. The application of these guidelines ensures that the voting criteria are country-specific and based on transparent and sustainable corporate governance policies as well as other environmental and social criteria aimed at the long-term success of the companies held by investment funds (so-called portfolio companies).

These voting standards used are based on the interests of the funds managed by the management company/the AIFM and are therefore in principle applied to all funds, unless it is necessary to deviate from these voting guidelines for individual funds in the interest of investors, market integrity or the benefit for the respective investment fund.

The management company/the AIFM shall publish the principles of its participation policy and an annual participation report on its website.

The Asset Manager, if the portfolio management is outsourced, or an appointed investment adviser, if applicable, may take further action to meet environmental and/or social characteristics as part of their corporate engagement activities. However, this engagement is not done on behalf of the fund.

## l) „Designated reference benchmark“

This Fund has not designated an index as reference benchmark to meet the environmental and/or social characteristics promoted by the Fund.

## m) „Status and document version“

| Version | Date       | Description   |
|---------|------------|---------------|
| 1.0     | 01.12.2023 | First Version |