

Environmental and/or social characteristics

Product name: Grünfin Managed Portfolio

Legal entity identifier of Grünfin AS: 894500RO1RHONV67AR47

Enforced as of 30th of December 2022

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ____% <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____%	<input type="checkbox"/> 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 <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments

What environmental and/or social characteristics are promoted by this financial product?

In fund selection process we choose investments that are categorised as Article 8 or Article 9 according to SFDR, we apply a due diligence process including screening against non-sustainability characteristics such as excluding oil & gas, controversial weapons, tobacco or very severe controversies. We do weighted screening in favour for example of % women on corporate boards, % board independence, tons of CO2 emissions for every \$1mn in sales.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

As an indicator we use third party ESG ratings, fund categorisation according to SFDR as Article 8 or Article 9.



Does this financial product consider principal adverse impacts on sustainability factors?

✘ Yes, the product considers principal adverse impacts on sustainability factors. The analysis of principal adverse impacts is performed on an aggregated level for all investments included to the portfolio. Data processing takes place in different forms, the preference is always to have data acquisition directly from funds asset managers. It is currently complex to report sufficiently accurate yet broad numbers on the proportion of data that is estimated. Evaluating the proportion of sourced data that is estimated remains a challenge due to insufficient metadata. The product promotes environmental and social characteristics, however it does not make a commitment to make solely or to a predetermined extent investments that take into account EU criteria for sustainable investments or EU taxonomy aligned investments, incl. we will not select investments based on economic activities that contribute to an environmental objective under relevant EU criteria. Further information on principal adverse impacts on sustainability factors will be made available on the website.



What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Grünfin managed portfolio is a discretionary portfolio product that invests in sustainable exchange-traded ETFs and index funds that are traded on European stock exchanges. Customers can choose sustainability preference by selecting between „Climate Change“, „Gender Equality“ and „Health“ themes as their investment focus. Some or all themes can be chosen, whereas portfolios will be composed based on preference selection.

- ***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?***

In fund selection process we use due diligence, sustainability and characteristics screening on a continuous basis in order to evaluate good governance and E/S goals. This includes for example severe controversy exclusions, asset managers PRI and Climate action 100 signatories etc

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The product promotes E and S characteristics on portfolio level, therefore the commitment to reduce the scope of investments by a minimum rate is not applicable.

- ***What is the policy to assess good governance practices of the investee companies?***

We monitor the investments' ESG ratings provided by third-party data providers which, among other factors, consider good governance of the companies. We also monitor compliance of funds with exclusion lists applicable.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

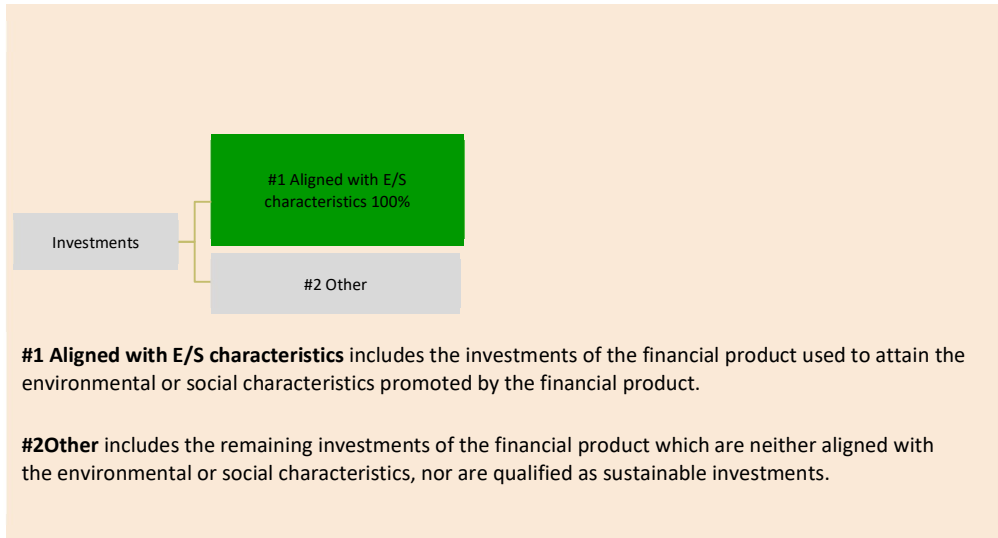


What is the asset allocation planned for this financial product?

The product invests assets in article 8 or article 9 instruments according to SFDR. Promoting

Asset allocation describes the share of investments in specific assets.

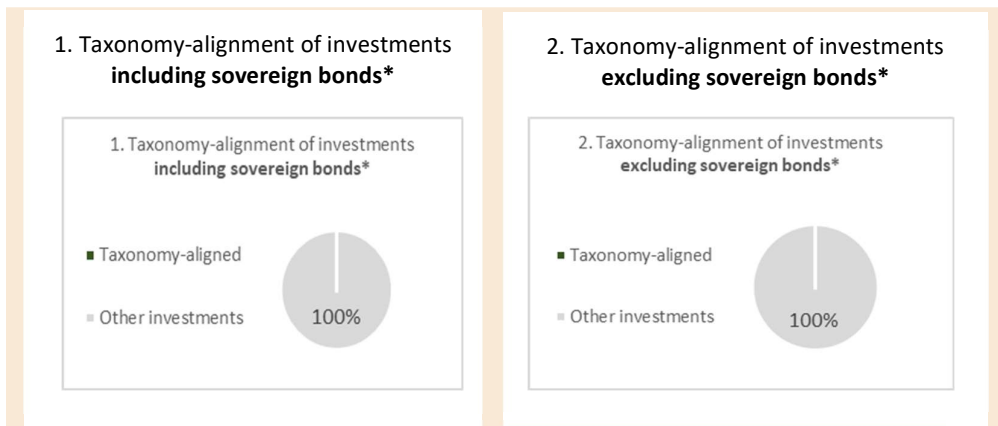
environmental and social characteristics is achieved on a consolidated portfolio level as the investment process and its elements are applied at the portfolio level. Product may contain in time assets grouped as ‘other’ investments. The reason can be that at the time of purchasing the investment fulfilled the criteria of being article 8 or article 9, however later was downgraded. Such investments may remain passively in the portfolio.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The product has no commitment to make a certain proportion of investments in accordance with the EU Taxonomy. However, it cannot be ruled out that individual holdings in the portfolio will be classified in whole or in part as compatible with the EU Taxonomy.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*





What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

As described above, from time to time the product may contain assets grouped as ‘#2 other’ investments. The reason could be that at the time of purchase the investment fulfilled the criteria of being article 8 or article 9, however later was downgraded by its Fund Manager. Such investments may remain passively in the portfolio, however are not or will not be actively acquired by us.



Where can I find more product specific information online? More product-specific information can be found on the website:

for additional info see: [Grünfin - Sustainability at Grünfin \(grunfin.com\)](http://grunfin.com)