



Table 1

Statement on principal adverse impacts of investment decisions on sustainability factors

Financial market participant	
Carnegie Holding AB	LEI 549300KVFSCITWV18U91
Summary	
<p>Carnegie Holding AB (Carnegie Group), identified by the Legal Entity Identifier (LEI) 549300KVFSCITWV18U91, takes into consideration the principal adverse impacts of its investment decisions on sustainability factors. This statement serves as the consolidated report on the principal adverse impacts on sustainability factors of Carnegie Holding AB and its subsidiaries, namely Carnegie Investment Bank AB, Carnegie Fonder AB, and Holberg Fondsforvaltning AS. Within Carnegie Investment Bank AB, two units, namely Carnegie Private Banking Sweden and Wealth Management in Denmark, provide separate reports.</p> <p>This statement specifically addresses the principal adverse impacts on sustainability factors during the reference period from 1 January to 31 December 2022.</p> <p>Carnegie Group operates three different subsidiaries, each with its own unique approach to addressing and mitigating environmental, social, and governance (ESG) risks, as well as the principal adverse impacts of investment decisions on sustainability factors. These approaches are governed by a group Sustainability Policy. Carnegie encourages each subsidiary to implement six safeguards in the screening of potential investments.</p> <p>The data used for group reporting has been sourced from MSCI, Bloomberg and Sustainalytics and the reporting period of 2022 represents the first reported period. Historical comparisons with preceding reporting periods will commence in 2024, once the necessary data becomes available. Only reported data has been utilized in this statement. In instances where data for certain holdings is unavailable, the table under the "Explanation" section provides information on portfolio coverage for each indicator. Furthermore, each subsidiary employs its preferred data supplier for product reporting purposes.</p> <p>Links to separate reports (PAI statements):</p> <p>Carnegie Investment Bank AB - Private Banking Sweden</p> <p>Carnegie Investment Bank AB - Wealth Management Denmark</p> <p>Carnegie Fonder AB</p> <p>Holberg Fondsforvaltning AS</p>	

Description of the principal adverse impacts on sustainability factors

Indicators applicable to investments in investee companies						
Adverse sustainability indicator	Metric	Impact 2022	Impact 2021	Explanation	Actions taken, and actions planned and targets set for the next reference period	
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	204 125,14	N/A	69,74%	<p>Carnegie Group aims to, through our asset management products, decrease emissions over time by offering clients products screened for compliance with environmental principles, including exclusion of fossil fuels. Each subsidiary has set their own targets to achieve this aim.</p> <p>Carnegie Private Banking in Sweden offers clients a choice of portfolios ranging from discretionary portfolios and funds which are screened for compliance with environmental principles, including the exclusion of fossil fuels.</p> <p>Carnegie Wealth Management in Denmark offers clients a choice of portfolios ranging from discretionary portfolios and funds which are screened for compliance with environmental principles, including the exclusion of fossil fuels.</p> <p>Carnegie Fonder seeks to decrease emissions over time in line with the Paris Agreement and analyses the company's emissions historically, but also includes forward-looking components in the</p>
		Scope 2 GHG emissions	50 319,43	N/A	69,30%	
		Scope 3 GHG emissions	2 142 060,94	N/A	68,34%	
		Total GHG emissions	2 390 579,25	N/A	68,32%	
	2. Carbon footprint	Carbon footprint	222,28	N/A	68,32%	

	3. GHG intensity of investee companies	GHG intensity of investee companies	406,55	N/A	82,39%	form of corporate targets, primarily Science-Based Targets. Holberg seeks to increase coverage for the next reference period. For a more detailed explanation, please visit each subsidiary's PAI statement, see link above. Carnegie Group intends to update processes and actions over time in line with CSRD.
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	3,48%	N/A	89,15%	
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	33,49%	N/A	76,94%	
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	NACE Code: A: 0,18% B: 0,50% C: 0,40% D: 0,47% E: 0,22% F: 0,18% G: 0,18% H: 2,21% L: 0,55%	N/A	62,13%	
Biodiversity	7. Activities negatively affecting bio-diversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	5,01%	N/A	34,88%	We do not have any specific targets set for the group due to scarce company data available. Wealth Management in Denmark excludes companies with revenue from production of palm oil and biocides in the majority of managed portfolios with the purpose to limit exposure to sites/operations negatively affecting biodiversity. For a more detailed explanation, please visit each subsidiary's PAI statement, see link above. Carnegie Group intends to update processes and actions over time in line with CSRD.
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	1,91	N/A	6,93%	Carnegie Group aims to decrease emissions to water over time, through its asset management products, but has no targets set for the group. Each subsidiary has their own processes in place to retain this ambition. Private Banking has for several years been invested in funds and companies that try to provide solutions to the problems related to water scarcity such as water treatment, upgrading of water infrastructure, and ways to use water in a more efficient way. Carnegie Fonder wants to see emissions to water decrease over time and takes forward-looking components into account such as corporate targets. For a more detailed explanation, please visit each subsidiary's PAI statement, see link above. Carnegie Group intends to update processes and actions over time in line with CSRD.

Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	4,15	N/A	36,35%	Carnegie Group aims to decrease hazardous waste over time through its asset management products, but has no targets set for the group. Each subsidiary has their own process in place to retain this ambition. In some of Private Banking Sweden's thematic investments, smart materials, water, circular economy, recycling and waste treatment are included as part of their investment universe. Carnegie Fonder aims to decrease the quantity of hazardous waste over time and takes forward-looking components into account here, such as corporate targets. Holberg and Wealth Management in Denmark intends to update coverage, processes and actions over time. For a more detailed explanation, please visit each subsidiary's PAI statement, see link above. Carnegie Group intends to update processes and actions over time in line with CSRD.
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INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS

Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0,33%	N/A	89,16%	Through the subsidiaries' participation in the UN Global Compact (UNGC), Carnegie Group commits to the ten corporate sustainability principles in the areas of environment, labor conditions and anti-corruption. In the investment decision-making process, we screen all of our discretionary portfolios and funds for compliance with these principles. Our aim is to avoid investments in companies that have been involved in violations of the UNGC principles or the OECD Guidelines for Multinational Enterprises.
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	29,47%	N/A	78,45%	Through the subsidiaries' participation in the UN Global Compact (UNGC), Carnegie Group commits to the ten corporate sustainability principles in the areas of environment, labor conditions and anti-corruption. In the investment decision-making process, we screen all of our discretionary portfolios and funds for compliance with these principles. Our aim is to avoid investments in companies that have been involved in violations of the UNGC principles or the OECD Guidelines for Multinational Enterprises.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	35,81%	N/A	8,03%	Carnegie Group's aim is to reduce the pay gap in investees and intend to update processes and actions over time in line with CSRD.
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	33,41%	N/A	38,45%	We do not have any specific targets set for the group and refer to the specific target of our subsidiary companies. For a more detailed explanation, please visit each subsidiary's PAI statement, see link above. Carnegie Group intends to update processes and actions over time.
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0,01%	N/A	89,15%	Our aim is to avoid investments in companies involved in the manufacture or selling of controversial weapons. We therefore screen and exclude all companies with revenues from distribution or production of controversial weapons.

Indicators applicable to investments in sovereigns and supranationals

Adverse sustainability indicator	Metric	Impact 2022	Impact 2021	Explanation	Actions taken, and actions planned and targets set for the next reference period	
Environmental	15. GHG intensity	GHG intensity of investee countries	40,70	N/A	13,85%	Both Carnegie Private Banking in Sweden and Carnegie Wealth Management in Denmark will update processes and actions over time.

Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	0,00%	N/A	13,81%	N/A
Indicators applicable to investments in real estate assets						
Adverse sustainability indicator		Metric	Impact 2022	Impact 2021	Explanation	Actions taken, and actions planned and targets set for the next reference period
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	No data available.	N/A	Exposure believed to be limited. No data available.	N/A
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	No data available.	N/A	Exposure believed to be limited. No data available.	N/A

Table 2

Additional climate and other environment-related indicators						
Adverse sustainability impact	Adverse impact on sustainability factors (qualitative or quantitative)	Metric	Impact 2022	Impact 2021	Explanation	Actions taken, and actions planned and targets set for the next reference period
Indicators applicable to investments in investee companies						
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Emissions	4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	59,20%	N/A	34,14%	Carnegie Group intends to update processes and actions over time in line with CSRD. We do not have group specific targets in place. For a more detailed explanation, please visit each subsidiary's PAI statement, see link above.

Table 3

Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters						
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
Adverse sustainability impact	Adverse impact on sustainability factors (qualitative or quantitative)	Metric	Impact 2022	Impact 2021	Explanation	Actions taken, and actions planned and targets set for the next reference period
Indicators applicable to investments in investee companies						
Social and employee matters	6. Insufficient whistleblower protection	Share of investments in entities without policies on the protection of whistleblowers	21,01%	N/A	34,36%	Carnegie Group intends to update processes and actions over time in line with CSRD. We do not have group specific targets in place. For a more detailed explanation, please visit each subsidiary's PAI statement, see link above.

Description of policies to identify and prioritise principal adverse impacts on sustainability factors

Carnegie Group has decided on a common sustainability policy adopted by the board in November 2022. For detailed information on subsidiaries' policies and processes, please refer to each subsidiary.

Responsibility and methods for "the group's" implementation of these strategies

Carnegie Group encourages each subsidiary to include certain safeguards for their asset management offering to ensure that our investments fulfil minimum ESG standards.

1. As part of the analysis and due diligence process for new investments, an assessment is required to examine their sustainability policies and practices.
2. We actively engage, when appropriated, with the manager to ensure their commitment to sustainability. In cases where their sustainability practices are unclear, we inquire how the manager addresses sustainability risks related to environmental, social, and governance issues, as well as their exposure to salient risk sectors.
3. Promote renewable energy and sustainable resources by actively investing in companies that contribute to the transition to a low-carbon economy.
4. Avoid investments in companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises.
5. Avoid investments in companies involved in the manufacture or selling of controversial weapons. We therefore screen and exclude all companies with revenues from distribution or production of controversial weapons.
6. Encourage social responsibility and inclusion by supporting companies that priorities diversity, equal opportunities, and fair labor practices.

This is achieved by applying pre-investment screening criteria and limiting investments in companies with a negative impact on sustainability factors. In cases of high negative impact on sustainability factors, further analysis and, in some cases, exclusions are carried out.

Monitoring of the adverse impact is conducted by agregating data in a group level. Each subsidiary, in turn, employs its own chosen process to monitor, report, and oversee their holdings. All data that the group and its subsidiaries rely on is dependent on quality and availability from third parties.

Engagement policies

Engagement activities are carried out through the subsidiaries. Carnegie Group encourages that engagement activities are carried out on behalf of clients to safeguard good returns on its investments and sound practices in investee companies. Engagement activities consist primarily of monitoring and dialogues with management in investee companies but the level of ambition differs between the subsidiaries.

Carnegie Investment Bank conducts engagement activities on behalf of its clients to safeguard good returns on its investments and sound practices in investee companies. Engagement activities consist primarily of monitoring and dialogues with management in investee companies. Carnegie may decide to abstain from investing if target companies do not meet our requirements. Also, Carnegie may divest existing holdings for the same reason. Meeting investee companies' management on a regular basis is an integral part of the investment process so dialogues are an ongoing subject.

Carnegie Fonder exerts influence on investee companies by means of active shareholder engagement. Policies for shareholder engagement and voting have been established for this purpose. These policies apply to Carnegie Fonder's shareholder engagement in companies that have issued shares admitted to trading on a regulated market in Sweden or the equivalent abroad, and are applied to both equity and bond holdings or other debt instruments. The express purpose of shareholder engagement at Carnegie Fonder is to safeguard or increase returns from the funds' investments. Shareholders, boards of directors and company management have different roles and it is important that there is a balance between these roles.

Shareholder engagement is the influence of shareholders on, and their monitoring of, the work performed by company boards and management. Carnegie Fonder's shareholder engagement takes place mainly on three levels: dialogues with representatives from investee companies, voting at general meetings and our work on nomination committees. Carnegie Fonder is not part of any fixed shareholder group, but may collaborate with other shareholders concerning certain issues if it improves the opportunities for active and effective shareholder engagement. To avoid restricting the freedom of Carnegie Fonder to trade in securities in listed companies, employees of Carnegie Fonder are not allowed to serve on the boards of directors of listed companies.

Holberg practices active ownership to encourage the portfolio companies to improve sustainability performance. As an active fund manager with concentrated portfolios, we have an investment philosophy that is founded on close follow-up of the companies we are invested in. We have dialogues with the company management and vote at general meetings to contribute to transparency for the shareholders. Holberg's voting guidelines and an overview of what we have voted for or against on general meetings is available on our webpage.

References to international standards

All international standards are adhered to at the subsidiary level. As a holding company, Carnegie Group, does not have a formal commitment as a separate entity; instead, the commitments are incorporated within the subsidiaries where the business operations are conducted.

Carnegie Investment Bank, Carnegie Fonder and Holberg are all members of the UN Global Compact initiative. We thereby support and follow the ten principles regarding human rights, the environment, labor law and anti-corruption.

Carnegie Investment Bank, Carnegie Fonder and Holberg are signatories of the Principles for Responsible Investments (PRI) initiative founded by the UN. This entails that we within our asset management operate in accordance with the following six principles:

- We incorporate sustainability issues into our investment analysis and into our decision-making processes.
- We must be active owners and include sustainability issues in our ownership policy.
- We will ask the objects we invest in for relevant information regarding sustainability.
- We will work for these principles to be implemented and accepted within our industry.
- We will work with others to improve the implementation of these principles.
- We will report on our activities and our progress regarding the implementation of these principles.

Carnegie Fonder and Holberg have joined the Task Force on Climate-related Financial Disclosures (TCFD). CDP (formerly Carbon Disclosure Program) encourages companies and cities to measure, disclose and reduce their climate impact. Carnegie Fonder and Holberg support CDP and encourage all holdings to report their GHG emissions. TCFD is an initiative to help companies and organisations improve and increase identification and reporting of climate-related financial risks and opportunities. Over 1,000 companies and organisations worldwide are members of TCFD.

Carnegie Fonder is the first Swedish fund company to have had its emissions reduction targets approved by SBTi. Within the framework of SBTi for Financial Institutions, all funds – both equity and credit funds in Sweden and globally – will be successively aligned with the Paris Agreement.

Historical comparison

As this is the first reporting period, a historical comparison will be provided in the next report, covering 2023.