

ANNEX

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

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.

Product name: Maj Invest Funds - Maj Invest Global Value Equities
Legal entity identifier: (LEI-Code): 5299006XINKIRZM4WN76

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes

- It made **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 made **sustainable investments with a social objective**: ___%

No

- It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 0 % 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 promoted E/S characteristics, but **did not make any sustainable investments**.



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

This (Sub)Fund promoted environmental and social characteristics within the meaning of Article 8 of the Disclosure Regulation.

The Sub-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 Sub-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.

In accordance with the UN Global Compact the Sub-Fund primarily promotes pollution prevention and control.

The (Sub)Fund applied activity-based exclusions. Companies with the following activities are excluded:

- Pornography/Adult Entertainment (Produktion) > 1000,0 % Umsatzerlöse / Revenue
- Tobacco (Produktion, Downstream > 1000,0 % Umsatzerlöse / Revenue
- Gambling (Produktion, Downstream) > 1000,0 % Umsatzerlöse / Revenue
- Nuclear Weapons (Produktion, Downstream) > 0 % Umsatzerlöse / Revenue
- Unconventional Weapons (Produktion, Downstream > 0 % Umsatzerlöse / Revenue

The (Sub) fund applied norm-based screening in connection with UN Global Compact, OECD-Leitsätze, ILO (International Labour Organization) .

No

Engagement is also used as a sustainability indicator to measure the attainment of each of the environmental and social characteristics promoted by the Sub-Fund I. The Sub-Fund initiates engagement (using a service provider) with companies violating or is at risk of violating UN Global Compact. If the engagement process does not result in changed behaviour from the company, the company will as a result be included on Sustainalytics' disengage list and Maj Invest may consequently divest from the investment.

● **How did the sustainability indicators perform?**

All sustainability indicators of the fund, which serve to fulfill the ecological and/or social characteristics of the fund, were complied with during the reference period. Compliance with the environmental and/or social criteria for the selection of assets was verified before as well as after acquisition.

In addition, the fund took the following sustainability factors into account in its strategy in a binding manner and discloses the adverse effects to these:

Exposure to companies active in the fossil fuels sector 5.37%

(Measure: percentage of investments in companies active in the fossil fuel sector)

Violations of the UNGC Principles and the Organisation for Economic Co-operation and Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises 3.09%

(Measure: percentage of investments in companies that have been involved in violations of the UNGC Principles or the OECD Guidelines for Multinational Enterprises)

Engagement in controversial weapons (anti-personnel landmines, cluster munitions, chemical and biological weapons) 0.00%

(Measure: Proportion of investments in companies involved in the production or sale of controversial weapons)

● ***...and compared to previous periods?***

Not applicable.

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

Not applicable.

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable.

----- *How were the indicators for adverse impacts on sustainability factors taken into account?*

Not applicable.

----- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

Maj Invest considers principal adverse impacts on sustainability factors in its investment advisory services and investment decisions. Global Value Equities will monitor selected principal adverse impact indicators, more specifically: Table 1: 10 and 14 (social); Table 2: 5 (environment); Table 3: 9 (social). Consideration of the selected PAI will be implemented via a quarterly portfolio screening, both norms-based and exclusionary. In addition, we drive an engagement process with portfolio companies via the external service provider Sustainalytics. The engagement process is initiated if a company is at risk of violating or has a confirmed violation of the UN Global Compact and the OECD Guidelines, incl. underlying guidelines and conventions.

Maj Invest has published a Principal adverse sustainability impact statement, a Sustainability Risk Policy, and a Responsible Investment Policy on its website.



What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 01.01.2022 - 31.12.2022

Largest investments as at December 31, 2022	Sector	In % of the net asset value	Country
Samsung Electronics Co. Ltd. R.Sh(sp.GDRs144A/95) 25/SW 100	Information Technology	5.32	South Korea
Sony Group Corp. Registered Shares o.N.	Consumer Discretionary	4.67	Japan
Lowe's Companies Inc. Registered Shares DL -,50	Consumer Discretionary	4.66	USA
Roche Holding AG Inhaber-Genussscheine o.N.	Health Care	4.65	Switzerland
Union Pacific Corp. Registered Shares DL 2,50	Industrials	4.61	USA
American Express Co. Registered Shares DL -,20	Financials	4.50	USA
CSX Corp. Registered Shares DL 1	Industrials	4.47	USA
eBay Inc. Registered Shares DL -,001	Consumer Discretionary	4.46	USA
Meta Platforms Inc. Reg.Shares Cl.A DL-,000006	Communication Services	4.31	USA
SoftBank Group Corp. Registered Shares o.N.	Communication Services	4.23	Japan
Goldman Sachs Group Inc., The Registered Shares DL -,01	Financials	4.19	USA
Barrick Gold Corp. Registered Shares o.N.	Materials	4.15	Canada
Packaging Corp. of America Registered Shares DL -,01	Materials	3.86	USA
Alphabet Inc. Reg. Shs Cl. A DL-,001	Communication Services	3.71	USA
Ahold Delhaize N.V., Konkinkl. Aandelen aan toonder EO -,01	Consumer Staples	3.52	Netherlands



What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

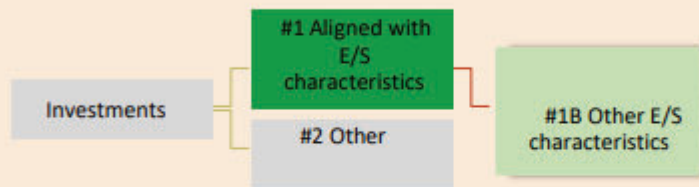
● *What was the asset allocation?*

The sub-fund was 99.01% invested in equities and other equity securities at the end of the financial year on 31.12.2022. The remainder was accounted for by the fund's liquid assets.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



#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.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments

● *In which economic sectors were the investments made?*

Investments in equities were mainly made in Consumer Discretionary (25.09%), Information Technology (19.76%), Communication Services (14.18%), Financials (11.54%), Industrials (10.79%), Materials (8.00%), Health Care (4.65%) and Consumer Staples (3.52%) sectors.



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

Not applicable.

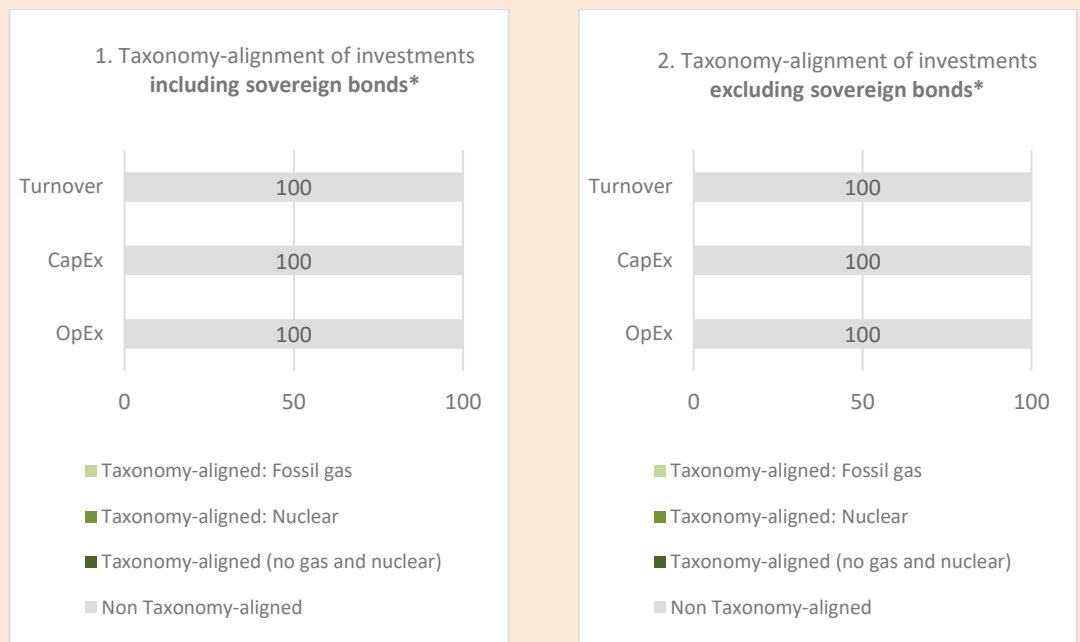
● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy ¹?**

- Yes:
- In fossil gas In nuclear energy
- No

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were 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.*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

Not applicable.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Not applicable.

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.



What was the share of socially sustainable investments?

Not applicable.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

For "Not sustainable investment" that are not part of the (Sub) Fund's sustainability strategy, there are no binding criteria to consider minimum environmental and/or social safeguards. This is also due to the nature of the assets, where at the time of the preparation of the (Sub) Fund's reporting there are no legal requirements or standard market procedures on how to consider minimum environmental and/or social safeguards for such assets.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The fulfillment of the environmental and/or social characteristics of the (sub-)fund during the reference period was decisively ensured by compliance with the quantitative sustainability indicators described above and the binding elements of the investment strategy. The monitoring of compliance with the criteria is carried out before the acquisition of the assets by the portfolio management and after acquisition by further, corresponding, daily checks by the investment controlling of the management company/the AIFM as well as continuously by the portfolio manager.

The engagement policy of the Management Company/the AIFM (in the following "KVG") was exercised in the form of voting. In order to protect the interests of the investors in the managed (Sub)funds and to fulfil the associated responsibility, the KVG exercised the shareholder and creditor rights from the equity portfolios held in the managed (Sub)funds in the interests of the investors. For the KVG, the decision criterion for exercising or not exercising voting rights was the interests of the investors and the integrity of the market as well as the benefit for the investment fund in question and its investors.

The KVG based its domestic voting behaviour on the BVI's "Analysis Guidelines for Shareholders' Meetings", which are considered ESG-compliant and which, as an industry standard, form the basis for responsible dealings with investors, capital and rights.

For votes abroad, the KVG used the respective country-specific guidelines from Glass Lewis, which take into account the local framework conditions. In addition, the Glass Lewis Guidelines "Environmental, Social & Governance (ESG) Initiatives" were applied to the specific country guidelines and are used as a matter of priority. The application of these guidelines ensured 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 (sub-)funds managed by the KVG and are therefore generally applied to all (sub-)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 KVG publishes the principles of its participation policy as well as 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 attain the sustainable investment objective as part of their corporate engagement activities. However, this engagement is not done on behalf of the (sub)fund.

How did this financial product perform compared to the reference benchmark?

Not applicable.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.