

Nordic Swan Ecolabel Investment Criteria

Pareto Global Corporate Bond is highly selective when including companies in its investment universe. We take into account environment, social and corporate governance factors by excluding any company included in the Norwegian Government Pension Fund exclusion list. In addition, we further exclude companies based on our own assessment and the Swan Ecolabel requirements.

A Nordic Swan Ecolabelled fund is a sustainably-labelled alternative for savers and investors that are committed to the impact on the world of tomorrow, and an instrument for fund management companies to show that their funds fulfil stringent requirements.

The label was founded by the Nordic Council of Ministers in 1989, to assist consumers in making active choices that would benefit the environment. A Swan labelled fund is expected to be a sustainable alternative for both retail and professional fund investors, and means that the fund will include/exclude holdings and work in a transparent way to influence companies to support sustainability.

Nordic Ecolabelling wants to go further than the traditional ethical fund, and steer the industry towards funds that are transparent and act as active owners with the objective of influencing companies.

The application of the Swan label is conducted by Miljömärkning Sverige AB, which works on behalf of the government, and which does not represent any fund industry interests.

Obligatory Requirements

The fund must fulfil 25 obligatory requirements that cover; disregarding poor companies (exclusion), choosing the better companies (inclusion) and operating openly (transparency) in order to receive a Swan-label. The fund excludes or limits investments in certain industries and companies that are particularly problematic (fossil fuels, weapons and tobacco). The Nordic Swan Ecolabelling highlight that the fund must include companies that work actively with sustainability, which entails:

- At least 90% of the fund's direct holdings must have been subject to a sustainability analysis/Environmental Social Governance analysis.
- At least 50% of the fund's holdings must be investments in companies that have a good ESG rating.
- Investments in green industries, such as renewable energy, wastewater treatment, etc. are rewarded.

Information

For more information regarding the Nordic Swan Ecolabel investment fund criteria, please visit: www.nordic-ecolabel.org/investmentfunds

