Template pre-contractual 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: Captor Aster Global Credit Short-Term
Legal entity identifier: 636700XQ09SAPW2JA246

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☐ 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
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

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

The fund promotes environmental or social characteristics by integrating environmental, social, and governance factors into investment decisions.

The fund promotes environmental characteristics by excluding companies that derive more than 5% of their revenue from fossil fuels (oil, coal, oil sands, and natural gas).

The fund promotes social characteristics by excluding companies that derive more than 5% of their revenue from alcohol, tobacco, pornography, and commercial gambling activities. The fund excludes companies that derive more than 0% of their revenue from controversial weapons and nuclear weapons.

The fund promotes environmental and social characteristics by, where possible, making sustainable investments. The fund does not have a predetermined minimum share for sustainable investments but may still make sustainable investments when aligned with the fund's liquidity and return requirements. This is achieved by selecting green, social, and other sustainable bonds.

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

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

Share of sustainable investments
Share of sustainable investments aligned with the taxonomy
Emissions reduction in the portfolio
Compliance with international norms and conventions (PAI 10)
Exposure to controversial weapons (PAI 14)

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The fund does not have a minimum level for sustainable investments, but where deemed possible, based on the fund's liquidity and return requirements, sustainable investments may be selected. For example, through green covered bonds.

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.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

If a sustainable investment is made, it must meet the requirements for good governance and ensure that it does not cause significant harm to any other environmental or social objective (Do No Significant Harm, DNSH). The investment must also not be in violation of the UN Global Compact's ten principles or be exposed to controversial weapons, in accordance with PAI indicators 10 and 14.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The fund considers how negative impacts on sustainability factors are affected in accordance with Article 7 of Regulation (EU) 2019/2088 (the SFDR) and the company will report in accordance with Article 11(2) of Regulation (EU) 2019/2088. More information can be found in Captor's statement on principal adverse impacts on sustainability, https://captor.se/hallbarhet/

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

Although the fund does not have sustainable investments as its objective, all investments undergo a screening to ensure that they do not violate international norms and conventions such as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set

out in the eight fundamental conventions identified in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and in the international framework for human rights.

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 EU criteria.

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

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

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

- [x] Yes
- [ ] No

For an investment to be classified as sustainable and contribute to an environmental or social objective, it must ensure that it does not cause significant harm (Do No Significant Harm, DNSH) to any other environmental or social objective.

Captor evaluates this by ensuring that the investment does not violate the UN's ten fundamental principles or the OECD Guidelines for Multinational Enterprises, and is not exposed to controversial weapons, in accordance with PAI indicators 10 and 14.

Captor then reports annually on the fund's impact across all sustainability factors, and this reporting is published on the company's 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.

The fund initially follows Captor's policy for responsible investments and Captor's principles for shareholder engagement.

In the investment decision-making process, three methods are applied:

1. Positive Screening (Selecting In)

The "selecting in" method means that the fund's manager integrates sustainability aspects into the investment process.

The fund promotes environmental and social characteristics by, where possible, making sustainable investments. A sustainable investment is a green, social, or sustainability bond. To ensure quality and transparency, the framework for these bonds must have undergone an external review (second party opinion). This review should verify that the

framework adheres to ICMA's principles or, in the case of an EU-classified green bond, that it complies with EU standards.

The purpose of the sustainable investment must be approved by the company's Head of Sustainability, which means the framework must include ambitious targets for the use of the proceeds.

2. Negative Screening (Excluding)

The "excluding" method means that the fund excludes investments in companies involved in certain controversial products and services, that have negative impacts on sustainability factors, or that have a high sustainability risk.

The fund does not invest in companies with exposure exceeding the following thresholds:

- Controversial weapons (0%)
- Nuclear weapons (0%)
- Alcohol (maximum 5% of revenue)
- Tobacco (maximum 5% of revenue)
- Pornography (maximum 5% of revenue)
- Commercial gambling activities (including operation, service provision, and customized equipment and accessories, maximum 5% of revenue)
- Fossil fuels (oil, oil sands, coal, natural gas) (maximum 5% of revenue)

The fund also excludes investments in countries listed on UN and EU sanctions lists.

The fund excludes companies that systematically violate international norms and conventions, such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

Good governance practices cover sound management structures, employee working conditions, staff remuneration, and tax compliance. Before each investment, a thorough assessment is conducted to ensure that the company meets these requirements. If an investment systematically violates, for example, the ILO conventions, it is excluded.

3. Engagement (Influencing)

The "influencing" method means that the fund uses its ownership influence or dialogue to impact companies on sustainability issues. Since bondholders do not have voting rights at general meetings, Captor, if necessary, will influence through dialogue and engagement in ESG-related matters.

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?

The fund is bound to follow Captor's guidelines for responsible investments and the shareholder engagement policy. At least 90% of the fund's investments must be aligned with environmental or social characteristics.

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

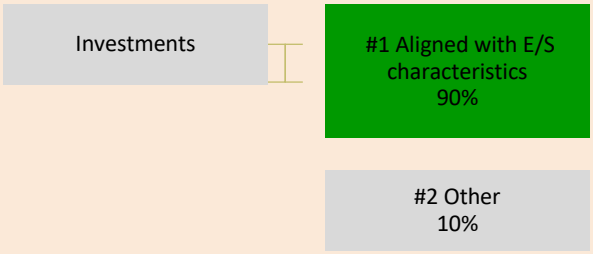
What is the policy to assess good governance practices of the investee companies?

Good governance practices include sound management structures, employee relations, staff remuneration, and compliance with tax regulations. Before each investment, an assessment is carried out to ensure that the investment adheres to good governance practices. This means that the investment must not systematically violate, for example, the ILO conventions.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

At least 90% of the fund's investments are expected to be aligned with environmental or social characteristics.



#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.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product*?**

The fund may use derivatives. Captor ensures through an internal process that the use of derivatives is in line with the fund's sustainability criteria. The same criteria are applied when assessing the sustainability of derivatives as when assessing the sustainability of securities.

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

The fund does not have a minimum level for taxonomy-aligned investments, but we disclose the share of the fund's green bonds, that is, sustainable investments, which are aligned with the EU Taxonomy. The initially reported minimum level is therefore set at 0%.

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.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU taxonomy[1]?

☐ **Yes**

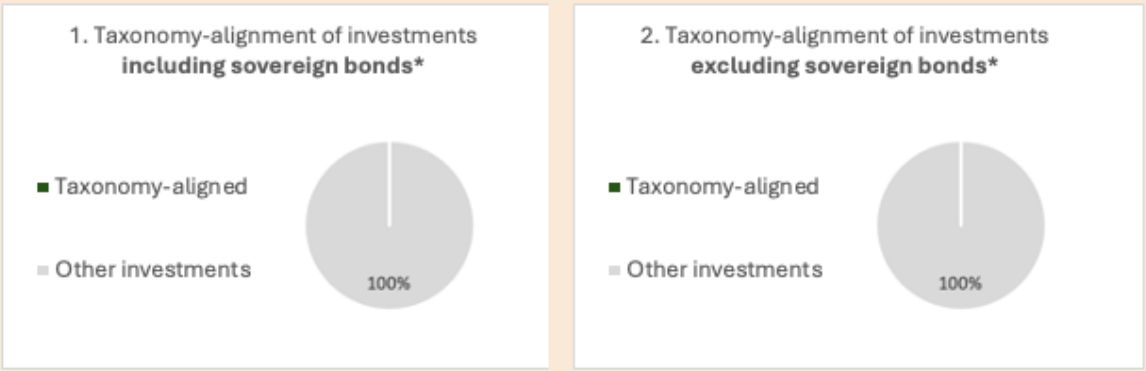
☐ **In fossil gas** ☐ **In nucelar energy**

☒ **No**

What is the minimum share of investments in transitional and enabling activities?

The fund does not have a defined minimum share for investments in transitional activities or enabling activities.

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.



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

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Not applicable, as the fund has no commitment to make sustainable investments according to the EU Taxonomy or other types of sustainable investments. There is also no defined minimum share for sustainable investments that are not aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

Not applicable, as the Fund has no commitment to make socially sustainable investments.

[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.

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

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

Under "No. 2 Other" are included such liquid assets as are necessary for the management of the fund.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No index has been designated for the purpose of determining whether the financial product is aligned with the environmental and/or social characteristics promoted by the Fund.

Where can I find more product specific information online?

More product-specific information can be found**:** https://captor.se/fonder/asterst