

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

Product name: Captor Dahlia Green Bond

Legal entity identifier: 5493005PEZZP7RXS7910

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

<p><input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: 85%</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <p><input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%</p>	<p><input type="radio"/> <input type="radio"/> <input type="checkbox"/> No</p> <p><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</p> <ul style="list-style-type: none"> <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 <p><input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments</p>
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What environmental and/or social characteristics are promoted by this financial product?

Captor Dahlia Green Bond aims to make sustainable investments. The fund has a minimum of 85% sustainable investments with an environmental objective. The fund invests in economic activities that are both classified as environmentally sustainable and those that are not, according to the EU Taxonomy. There is no defined minimum level for the share of investments that are taxonomy-aligned.

The objective is to contribute to emissions reductions. The fund also promotes other environmental impacts, such as an increased share of renewable energy, energy efficiency, positive development of biodiversity, sustainable transport, sustainable water management, green buildings, and the efficient use of raw materials.

The fund targets that at least 20% of the fund’s assets are invested in key areas. Key areas include sectors that enable the climate transition, regardless of whether they have high

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.



emissions or not. Transition companies, which are high-emitting actors actively reducing their emissions, are included in the concept of key areas. Both are crucial to driving real change.

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

The fund's objective is achieved by investing in green bonds, as well as bonds and other fixed income financial instruments with various sustainability themes, such as social bonds, sustainability bonds, and sustainability-linked bonds.

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

Sustainability indicators for measuring the level of sustainability in the portfolio

- Share of sustainable investments
- Share of sustainable investments that are taxonomy-aligned
- Share of sustainable investments in key areas
- Share of sustainable investments in transition companies

Sustainability indicators for measuring the impact of the investments

- Distribution of sustainability-labeled bonds
- Distribution by project category
- Emissions reduction in the portfolio
- Share of investments with Science Based Targets
- Sustainability incidents resulting in divestment or review
- Compliance with international norms and conventions (PAI 10)
- Exposure to controversial weapons (PAI 14)

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?

A sustainable investment that contributes to an environmental or social objective must, in addition, ensure that good governance practices are upheld and that the investment does not cause significant harm (Do No Significant Harm, or DNSH) to any other environmental or social objective for sustainable investment.

The investment must not violate the UN's ten fundamental principles (UN Global Compact) or be exposed to controversial weapons (PAI indicators 10 and 14).

When investing in a transition company, Captor selects an additional PAI indicator to ensure that the investment does not cause significant harm. For a company with high emissions, for example, "PAI 1: Greenhouse gas emissions" may be used.

To ensure that the fund limits or avoids investments in activities assessed to have high sustainability risks, companies with revenue from certain selected products and services are excluded. The thresholds are continuously monitored and relate to the share of the issuer's revenue derived from the relevant activities.

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.



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

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 neither violates the UN's ten fundamental principles nor the OECD Guidelines for Multinational Enterprises, nor is exposed to controversial weapons, in accordance with PAI indicators 10 and 14.

When investing in a transition company, an additional PAI indicator is applied to ensure that the investment does not cause significant harm. For companies with high emissions, for example, PAI 1: Greenhouse gas emissions may be used as an assessment basis. Captor then reports annually on the fund's impact across all sustainability factors, and this reporting is published on the company's website.

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.



What investment strategy does this financial product follow?

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 makes sustainable investments by investing in sustainability-classified bonds, such as green, social, sustainability, or sustainability-linked bonds. 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 follows ICMA's principles or, in the case of an EU-classified green bond, that it complies with EU standards.

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

The fund also strives to promote investments in key areas – sectors that enable the climate transition, regardless of whether they currently have high emissions or not. Transition companies, meaning high-emission actors actively working to reduce their emissions, are also included in this concept. Both types of investments are crucial to driving real change.

2. Negative Screening (Excluding)

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

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

- Controversial weapons (0%)
- Nuclear weapons (0%)
- Weapons and military equipment (maximum 5% of revenue)
- Alcohol (maximum 5% of revenue)
- Tobacco (maximum 5% of revenue)
- Pornography (maximum 5% of revenue)
- Commercial gambling activities (including operation, services, 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.

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

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

* The fund may make sustainable investments that exceed the threshold for fossil fuels if the investment is in a transition company.

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. The fund makes sustainable investments by investing in green, social, sustainability, and sustainability-linked bonds that have undergone external review. At least 85% of the fund must consist of sustainable investments. At least 20% of the fund must be investments in key areas to achieve the objective of reducing emissions. In addition, strict exclusion criteria are applied.

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?

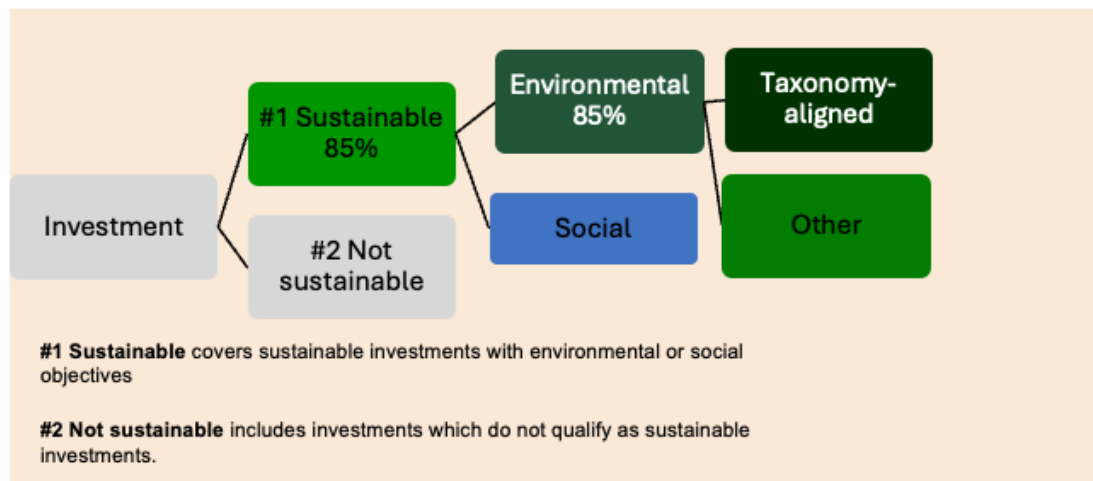
At least 85% of the fund’s investments will be in environmentally sustainable investments. The fund strives to achieve 100% sustainable investments. By temporarily investing in covered bonds in connection with large inflows, we can avoid purchasing sustainable bonds that are currently overpriced or do not fit the management strategy. This means that a certain share of the fund’s investments may fall under “No. 2: Not sustainable.” These investments must still meet the fund’s sustainability requirements but are not classified as sustainable investments.

Good governance

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

Asset allocation

describes the share of investments in specific assets.



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.

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.

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.



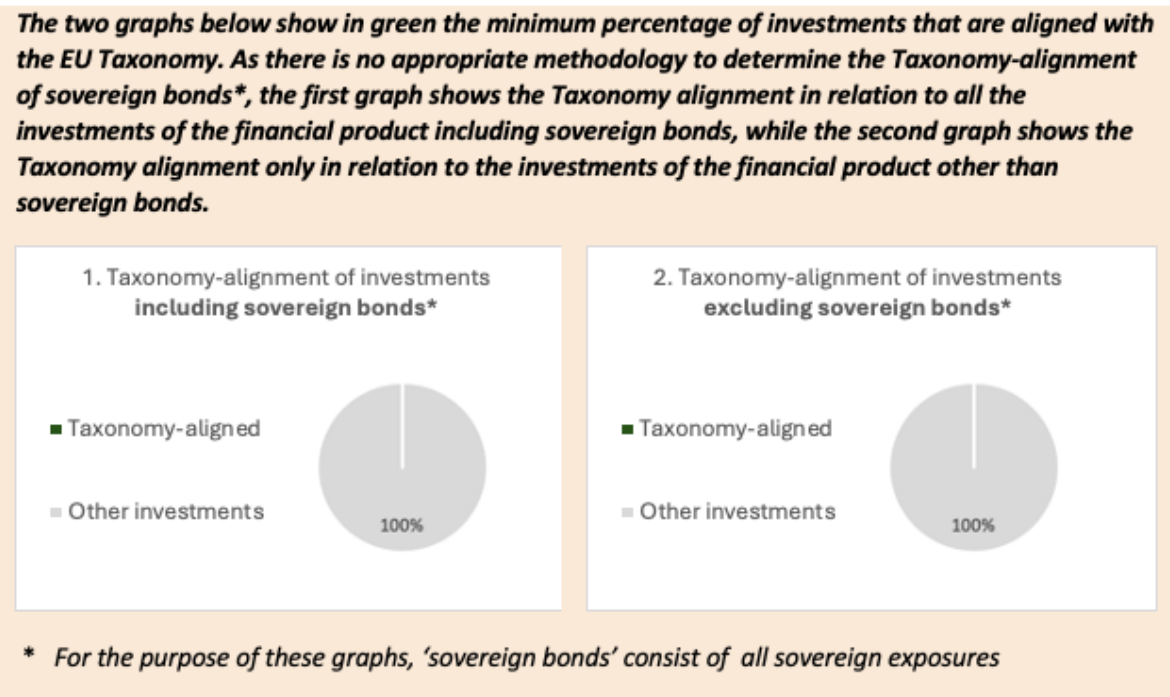
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

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. Therefore, the reported minimum level is set at 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU taxonomy¹?

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

The fund may invest in sustainable bonds that finance projects in the nuclear energy sector in line with the EU Taxonomy.



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 the EU Taxonomy.

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.

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

The fund has a minimum of 85% sustainable investments with an environmental objective. There is no defined minimum level for the share of investments that are taxonomy-aligned.

What is the minimum share of socially sustainable investments?

The fund has no minimum threshold for the share of sustainable investments with a social objective.

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

Other investments classified under “No. 2 Not sustainable” in the planned asset allocation include, for example, mortgage bonds and government bonds, cash holdings, interest rate swaps, and FX forwards. The fund uses derivatives, but not to maintain the fund’s sustainability criteria. However, these investments must also comply with Captor’s policy for responsible investments and may not be made in companies involved in any of the asset manager’s excluded products and services.

Reference benchmarks

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



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/dahlia>