

## Sustainability-related disclosure

### C WorldWide Centuria Global Equities (the “Strategy”)

This sustainability-related disclosure has been prepared in accordance with article 10 of Regulation (EU) 2019/2088 of the European Parliament and the Council of 27 November 2019 on sustainability-related disclosures in the financial sector (the “Disclosure Regulation”).

The information in this sustainability-related disclosure is a supplement to the pre-contractual disclosure prepared in accordance with article 8(1) of the Disclosure Regulation.

#### 1. Summary

The Strategy promotes environmental or social characteristics but does not have as its objective a sustainable investment.

The Strategy promotes environmental or social characteristics by avoiding investment in companies exceeding a certain level of involvement in the activities specified below:

	Description of Activities	Level of involvement
<b>Controversial weapons</b>	Companies involved in the core weapon system of controversial weapons, or components or services of the core weapon system that are considered tailor-made and essential for the lethal use of the weapon.	0%
	Companies providing components or services for the core weapon system of controversial weapons, which are either not considered tailor-made or not essential to the lethal use of the weapon.	0%
<b>Military contracting</b>	Companies manufacturing military weapon systems or integral, tailor-made components of these weapons.	5%
	Company providing tailor-made products or services that support military weapons.	5%
<b>Small arms</b>	Companies involved in the manufacturing, distribution, sale or retail sale of assault weapons.	5%
	Companies involved in the manufacturing, distribution, sale or retail sale of small arms or key components to small arms.	5%
<b>Adult entertainment</b>	Companies involved in the production or distribution of adult entertainment or owning or operating adult entertainment establishments.	5%
<b>Gambling</b>	Companies owning or operating gambling establishments, manufacturing specialized equipment	5%

	used exclusively for gambling or providing supporting products or services to gambling operations.	
<b>Tobacco products</b>	Companies involved in the manufacturing, distribution or retail sale of tobacco products or in the supply of tobacco-related products or services.	5%
<b>Oil &amp; gas</b>	Companies involved in oil and gas exploration, production, refining, transportation, or storage.	5%
	Companies involved in the generation of electricity from oil or gas.	25%
<b>Thermal coal</b>	Companies involved in thermal coal extraction.	5%
	Companies involved in the generation of electricity from thermal coal.	10%
<b>Oil sands</b>	Companies involved in oil sands extraction.	5%
<b>Shale energy</b>	Companies involved in shale energy exploration or production.	5%

Furthermore, the Strategy will avoid investments in companies which at the time of the initial investment in the opinion of the Investment Manager are non-compliant with the 10 principles of the UN Global Compact.

The companies in which the Strategy invests are systematically screened and monitored prior to the initial investment and continuously during the holding period to ensure that the companies follow good governance practices and are in accordance with the investment restrictions set out above (the “Investment Restrictions”).

All investments made by the Strategy are subject to the Investment Restrictions. The Strategy does not use derivatives.

The environmental or social characteristics of the Strategy will primarily be attained using data supplied by the global ESG research provider Sustainalytics. The quality of the research provided by Sustainalytics is evaluated on an ongoing basis to ensure a high data quality.

The assessment of whether the companies in which the investments are made follow good governance practices will be made based on data provided by Sustainalytics supplemented by internal research and research provided by a range of external research providers.

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## 2. No sustainable investment objective

The Strategy promotes environmental or social characteristics but does not have as its objective a sustainable investment.

### 3. Environmental or social characteristics of the financial product

The Strategy aims to achieve long-term capital growth from a diversified portfolio of investments consisting primarily of equities. The Strategy promotes environmental or social characteristics by avoiding investment in companies exceeding a certain level of involvement in the activities specified below:

	Description of Activities	Level of involvement
<b>Controversial weapons</b>	Companies involved in the core weapon system of controversial weapons, or components or services of the core weapon system that are considered tailor-made and essential for the lethal use of the weapon.	0%
	Companies providing components or services for the core weapon system of controversial weapons, which are either not considered tailor-made or not essential to the lethal use of the weapon.	0%
<b>Military contracting</b>	Companies manufacturing military weapon systems or integral, tailor-made components of these weapons.	5%
	Company providing tailor-made products or services that support military weapons.	5%
<b>Small arms</b>	Companies involved in the manufacturing, distribution, sale or retail sale of assault weapons.	5%
	Companies involved in the manufacturing, distribution, sale or retail sale of small arms or key components to small arms.	5%
<b>Adult entertainment</b>	Companies involved in the production or distribution of adult entertainment or owning or operating adult entertainment establishments.	5%
<b>Gambling</b>	Companies owning or operating gambling establishments, manufacturing specialized equipment used exclusively for gambling or providing supporting products or services to gambling operations.	5%
<b>Tobacco products</b>	Companies involved in the manufacturing, distribution or retail sale of tobacco products or in the supply of tobacco-related products or services.	5%
<b>Oil &amp; gas</b>	Companies involved in oil and gas exploration, production, refining, transportation or storage.	5%
	Companies involved in the generation of electricity from oil or gas.	25%

<b>Thermal coal</b>	Companies involved in thermal coal extraction.	5%
	Companies involved in the generation of electricity from thermal coal.	10%
<b>Oil sands</b>	Companies involved in oil sands extraction.	5%
<b>Shale energy</b>	Companies involved in shale energy exploration or production.	5%

Furthermore, the Strategy will avoid investments in companies which at the time of the initial investment in the opinion of the investment manager of the Strategy are non-compliant with the 10 principles of the UN Global Compact. A company will be considered non-compliant if it is determined to be causing or contributing to severe or systematic violations of the UN Global Compact principles and related international norms.

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#### **4. Investment strategy**

The investment strategy of the Strategy centres on the belief that businesses with durable moats, strong governance and a clear long-term strategy can sustain consistent growth levels well into the future.

The Strategy therefore favour investing in high quality, well managed businesses which emphasise long-term sustainable growth. These are companies with strong corporate governance practises and ethics, laying the foundation for a sustainable business model. In most cases, companies which prioritise long-term ESG excellence creates both good shareholder and stakeholder outcomes.

The Investment Restrictions are binding on all investments made by the Strategy.

The companies in which the Strategy invests are systematically screened and monitored prior to the initial investment and continuously during the holding period to ensure that the companies follow good governance practices and are in accordance with the Investment Restrictions. This includes paying attention to company strategy, financial and non-financial performance and risks, capital structure and environmental, social and governance matters.

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#### **5. Proportion of investments**

All investments made by the Strategy are subject to the Investment Restrictions. The Strategy does not use derivatives.

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#### **6. Monitoring of environmental or social characteristics**

The environmental or social characteristics of the Strategy and compliance with the Investment Restrictions are continuously monitored.

The companies in which the Strategy invests are systematically screened and monitored prior to the initial investment and continuously during the holding period to ensure that the investments are made in accordance with the Investment Restrictions and that the companies follow good governance practices.

Monitoring of investments can be described in two parts:

### **Initial investments**

Before an initial investment is made the company is screened via Sustainalytics and the investment will only be effectuated if the screening proves satisfactory that the investment will not cause a breach of the Investment Restrictions.

### **Holding period**

During the holding period, all companies are screened monthly via Sustainalytics. If a screening reveals a breach of the Investment Restrictions, the shares in the relevant company will be sold within a reasonable time-period and in accordance with the general obligation to execute all orders on terms most favourable to the client.

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## **7. Methodologies**

### **Level of involvement - general methodology**

The Strategy promotes environmental or social characteristic by avoiding investment in companies exceeding a certain level of involvement in specific activities.

Generally, level of involvement is measured as the percentage of a company's revenue derived from the relevant activity either directly or indirectly through corporate ownership. The estimation of revenue is either based on data provided by the companies or data estimated by Sustainalytics.

#### *Indirect involvement through corporate ownership*

- If a company holds a majority stake, i.e. more than 50%, of another company that is considered directly involved in a relevant activity, the parent company is considered involved in the same category of involvement as the subsidiary. In these cases, the revenues of the involved subsidiary are attributed to the parent.
- In the case of a minority stake, i.e. 10-50%, of another company that is considered directly involved in a relevant activity the revenues of the subsidiary are not attributed to the parent but instead the percentage of the ownership stake is captured in order to signal the level of control and influence present in the relationship.

### **Level of involvement - special methodologies**

#### **Controversial weapons**

Level of involvement does not provide information on revenues derived from the involvement. The involvement is binary – involved or not involved.

### **Generation of electricity from oil or gas**

Level of involvement does not provide information on revenues but on the share of generating capacity from oil and/or gas in relation to the total generating capacity of the company.

### **Generation of electricity from thermal coal**

Level of involvement provides information on revenues and on generating capacity from thermal coal in relation to the total generating capacity of the company.

### **Oil sands extraction**

Level of involvement does not provide information on revenues but on the share of production of oil sands in relation to the total oil and gas production of the company.

## **Non-compliance with the 10 principles of the UN Global Compact**

A company will be considered non-compliant with the 10 principles of the UN Global Compact if it is determined to be causing or contributing to severe or systematic violations of the UN Global Compact principles and related international norms.

The evaluation is based on the Global Standards Screening performed by Sustainalytics. The screening results in one of the three following statuses: Non-compliant, Watchlist or Compliant.

The Global Standards Screening analyses norms and standards that are enshrined in the UN Global Compact, the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises, and the United Nations Guiding Principles on Business and Human Rights, as well as their underlying conventions and treaties.

## **Controversial weapons**

Controversial weapons are defined as weapons that have a disproportionate and indiscriminate impact on civilian populations, sometimes even years after a conflict has ended. Some controversial weapons are illegal, as their production and use are prohibited by international legal instruments such as conventions or bans. Others are legal.

Controversial weapons include but are not restricted to anti-personnel mines, biological and chemical weapons, cluster weapons, depleted uranium munitions, white phosphorus munition and nuclear weapons.

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## **8. Data sources and processing**

The environmental or social characteristics of the Strategy will primarily be attained using data supplied by the global ESG research provider Sustainalytics. The quality of the research provided by Sustainalytics is evaluated on an ongoing basis to ensure a high data quality.

The assessment of whether the companies in which the investments are made follow good governance practices will be made based on data provided by Sustainalytics supplemented by internal research and research provided by a range of external research providers.

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## **9. Limitations to methodologies and data**

Sustainalytics generally update their company specific data annually based on annual reporting by the companies. Company specific data will therefore not always be fully updated.

In relation to IPO's and in other rare occasions a company will not be covered or fully covered by research from Sustainalytics or the quality of the data supplied by Sustainalytics will be of an insufficient quality. For these companies alternative internal and/or external research and data will be applied.

Limitations to the methodology and data are not expected to affect the attainment of the environmental or social characteristics promoted by the Strategy in any material way.

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## **10. Due diligence**

The companies in which the Strategy invests are systematically screened and monitored prior to the initial investment and continuously during the holding period. The due diligence is based on internal analysis, external research as well as screenings via Sustainalytics.

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## **11. Engagement policies**

Engagement is an integral part of the investment process. It is anchored directly with the portfolio management team responsible for the Strategy. Through engagement sustainable business conduct is encouraged.

The management of a company is engaged directly through meetings or collectively with other investors. This approach provides access to highly qualified specialists with a strong knowledge and a network that can be leveraged in the ongoing engagement with the companies on key issues, including ESG issues such as human rights, labour rights, and environmental issues.

The decision to engage a company in relation to a specific matter and the method of engagement is made based on a proportionality consideration of several factors, including the size of the shareholding in the company, the materiality of the matter, the reliability of the data, the possibility of effecting the behaviour of the company and the resources required to conduct the engagement.

All general meetings of companies in which the Strategy has invested are monitored and voting rights are exercised.

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## **12. Designated reference benchmark**

The Strategy is not constrained by a benchmark as such. The Strategy may however refer to an index when putting the Strategy's performance in context with the market in which it invests. Such index is not consistent with the environmental and social characteristics promoted by the Strategy.

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