

CB FONDER

Active | Ethical | Long-term

CB Save Earth Fund ESG analysis 2017

UN PRI

As a cosignatory of the UN PRI, the six Principles of Responsible Investments are the foundation for investment decisions made by CB Save Earth Fund. We believe that environmental, social and governance (ESG) issues can affect the performance of our investments. We also recognize that applying the principles makes us better aligned with broader objectives of society, something we value greatly. We commit to the following:

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together with others to enhance our effectiveness in implementing the Principles.
6. We will report on our activities and progress towards implementing the Principles.

Strong ESG Practices

Strong ESG practices for us is mainly investing in companies represented in the following indices:

- [WilderHill New Energy Global Innovation Index](#)
- [S&P Global Water Index](#)
- [The Cleantech Index](#)

As defined in the rule books for each index (linked above) they all have rigorous demands in regards to only including companies with strong environmental focus. Furthermore we only invest in companies that are in line with the following policies: UN Global Compact, UN PRI, CB Asset Management Sustainability policy, OECD Guidelines for Multinational Enterprises. By mainly investing in companies represented in these indices the fund has a strong foundation for the environmental aspect of ESG. By only investing in companies that are in line with the mentioned policies, we further narrow our investment universe to only include companies with strong focus on the social and governance aspects of ESG.

Screening Process

CB Save Earth fund is screened internally each year to ensure that all holdings meet the high standards set by CB Asset Management on matters of ESG. The companies are screened by using the UN global Compact principles as the underlying framework. Furthermore we also screen the companies for involvement in specific sectors deemed as controversial in our sustainability policy. CB Asset Management controls for reported incidents of violations against the UN Global Compact, OECD guidelines and conventions regarding human rights, labour rights, the environment and those related to weapons.

The principles in the UN Global Compact cover following ESG matters and are considered in the screening process:

- Human rights
- Labour
- Environment
- Anti-Corruption

Furthermore the companies are screened for any involvement in the following controversial business areas:

- Military weapons
- Alcohol production and/or distribution
- Tobacco production and/or distribution
- Gambling
- Pornography
- Fossil fuels
- Drugs

CB Asset Management evaluates violations and decides what action to take. If it is determined that the company for which the violation is raised is not responsible for any of the actions leading up to the violation, CB Asset Management can hold off on selling the holding in anticipation of preventive actions from the affected company. On the other hand if CB Asset Management concludes that the company for which the violation has been raised is not in the process of remedying it, CB Asset Management excludes the company and sells all holdings of the company in its funds. **See our exclusion list.**

The screening process extends to all holdings in CB Save Earth Fund. Indirect holdings are screened with the same criteria with regards to all holdings in their portfolios. This is to ensure that any indirect holding in CB Save Earth Fund meets the same requirements that are put on the funds direct holdings. Any potential investment is screened prior to the investment being made. This ensures at all times that all holdings in the fund have gone through ESG screening.

Observations

Andritz

In 2014 several concerns were raised against Andritz's decision to secure a 300 million dollar contract for the supply of custom-built parts powering the Xayabury dam on the Lower Mekong River in Laos. The dam is expected to impede fish migration, have a negative effect on the Thai and Cambodian fishing communities and cause the extinction of species found only in the Mekong River. Andritz have been involved in a similar case before, namely the construction of the Ilisu dam on the Tigris River in south-eastern Turkey. The involvement in the projects and the conducted practices can be linked to violations of

- The UN Global Compact Principles 1 and 2 on human rights
- Principles 7 and 8 on environment
- Guidelines II, IV and VI of the OECD Guidelines for Multinational Enterprises
- Chapter 2 of the UN Guiding Principles for Business and Human Rights

For more information on how CB Asset Management assessed this violation and on the actions taken on our part see the **sustainability report for 2017**.

Andritz also develops production systems and industrial process for various products. The company is involved in the development of pitch propellers for naval vessels through its subsidiary Escher Wyss. The annual revenue from this activity is estimated at 3 % which is under the accepted threshold of 5% found in our sustainability policy.

[CSR policy](#)

CSR performance is reported in the annual report.

Ilex Corporation

Through its subsidiaries Ilex manufactures optical components, sealing solutions and coatings for applications in various fields such as manufacturing of semiconductors and scientific research. These products can also be used in manufacturing of military equipment such as guidance systems. The use of Ilex's products in military applications amounts to less than 1% of total revenue which is within the bounds of the sustainability policy set in place by CB Asset Management.

[CSR policy](#)

The company does not report CSR performance.

Aalberts Industries

Aalberts Industries is an industrial production company operating within two business segments, Industrial Services and Flow Control. The company supplies products and services to many business segments, among others are medical, telecom, semiconductor, aircraft, defense and medical. Some of the products and services offered by Aalberts Industries can be considered of dual-use character.

[CSR policy](#)

The company reports CSR performance in the annual report along with their CSR strategy.

American Water Works Company

Through its subsidiaries American Water Works Company provides water and wastewater services in Canada and the United States. Keystone, a subsidiary almost fully owned by American Water Works Company, is a water management solutions company that services production and exploration companies in the Appalachian Basin. Keystone provides water sourcing, transfer, storage, transport and pipeline construction services to companies exploring and producing natural gas. Less than 50% of Keystone's annual revenue is generated from the services to the fossil fuel exploration and extraction industry.

[CSR report](#)

The company reports CSR performance in the CSR report.

Danaher Corporation

Danaher manufactures, designs and markets medical, industrial, professional and commercial products and services. One of the company's subsidiaries, Tektronix, is active in the production of test, monitoring and measurement technology for aerospace and military application. Furthermore the subsidiary provides microelectronic engineering and manufacturing services to the military, one example being missile guidance systems. Another subsidiary, Paall Corporation provides solutions in filtration and separation of fluids for military vehicles and aircrafts. These products can be considered of dual-use character.

[CSR report](#)

The company reports CSR performance in the CSR report found.

Tomra Systems

Tomra is a company specialized in the production of sensor-based solutions for optimal resource productivity. Tomra manufactures equipment for sorting of raw materials which includes machines used in the process of removing non-tobacco materials from cigar filler materials used in the production of cigars. Thus the company's products can be considered as products with dual-use applications.

[CSR policy](#)

The company reports CSR performance in the annual report.

Xylem

As a global water technology provider, Xylem enables customers to treat, transport and use water in residential, commercial, public utility, industrial and agricultural settings. The company produces a range of mixers and pumps for the mineral processing and mining industries along with providing the oil and gas and power generation industries with an assortment of mixers, valves, pumps and actuation equipment.

[CSR report](#)

The company reports CSR performance in the sustainability report linked.

Ansys

No violations to report.

Ansys does not have a publically available CSR policy.

Autodesk

No violations to report.

[CSR report](#)

The company reports CSR performance in the sustainability report linked.

Eurofins Scientific

No violations to report.

[CSR policy](#)

The company reports CSR performance in the annual report.

Geberit

No violations to report.

[CSR policy](#)

The company reports CSR performance in the annual report.

Halma

No violations to report.

[CSR policy](#)

The company reports CSR performance in the annual report.

Infineon Technologies

No violations to report.

[CSR policy](#)

[CSR report](#)

The company reports CSR performance in the annual sustainability report.

Kingspan Group

No violations to report.

[CSR report](#)

The company reports its CSR policy and performance in the sustainability report.

Legrand

No violations to report.

[CSR policy](#)

[CSR performance](#)

Nibe Industrier

No violations to report.

CSR performance and policy is reported in the annual report.

[Annual report](#)

Pentair

No violations to report.

[CSR policy](#)

The corporate sustainability report outlines the company's CSR performance.

Roper Technologies

No violations to report.

[CSR report](#)

The company does not report CSR performance.

A.O Smith

No violations to report.

[CSR policy](#)

The company does not report CSR performance.

Spirax-Sarco Engineering

No violations to report.

[CSR policy & performance](#)

Stewart Investors Asia Pacific Sustainability Fund class B

No violations to report.

[CSR policy & performance](#)

Vestas Wind

No violations to report.

[CSR policy](#)

The company reports CSR performance in the annual report.

ABB

No violations to report.

[CSR policy](#)

[Sustainability report](#)

The company reports CSR performance in the annual sustainability report.

Aqua America

No violations to report.

[CSR policy](#)

The company does not report CSR performance.

BorgWarner

No violations to report.

[CSR policy & performance](#)

The company reports CSR performance in the annual sustainability report.

Calgon Carbon

No violations to report.

[Sustainability report](#)

The company reports CSR policy and performance in the annual sustainability report.

Intertek

No violations to report.

[CSR policy](#)

[CSR report](#)

The company reports CSR performance in the annual CSR report.

Itron

No violations to report.

[CSR policy](#)

[Sustainability report](#)

The company reports CSR performance in the annual sustainability report.

Johnson Controls

No violations to report.

[Sustainability policy & report](#)

The company reports CSR performance in the annual sustainability report.

Ormat

No violations to report.

[Sustainability report](#)

The company reports CSR policy and performance in the annual sustainability report.

Pennon

No violations to report.

[CSR policy](#)

[Annual report](#)

The company reports CSR performance in the annual report.

Schneider Electric

No violations to report.

[CSR policy](#)

[Integrated report](#)

The company reports CSR performance in the annual integrated report.

Severn Trent

No violation to report.

[CSR policy & performance](#)

Siemens

No violations to report.

[Sustainability information](#)

The company reports CSR policy and performance in the annual sustainability information report.

Suez

No violations to report.

[Integrated report](#)

[CSR roadmap](#)

The company reports CSR performance in the annual integrated report.

Trimble

No violations to report.

The company has no public CSR policy.

Umicore

No violations to report.

[CSR policy](#)

[CSR performance](#)

United Utilities

No violations to report.

[Annual report](#)

The company reports CSR policy and performance in the annual report.

Valeo

No violations to report.

[CSR policy](#)

[CSR performance](#)

Veolia

No violations to report.

[CSR policy](#)

[Annual report](#)

The company reports CSR performance in the annual report.