



# CLIMATE TRANSPARENCY REPORT

## 2019

Enter Fonder AB

# About the Climate-related Disclosure Indicators

Climate has been identified as a top priority for PRI signatories, with over 70% of asset owners reporting this as the most important long-term trend they are acting on.

The FSB Task Force's guidance on climate-related financial disclosure aim to create a single framework for disclosure on assessment and management of climate-related risk. The recommendations, supported by investors representing US\$22 trillion, identify four main disclosures, Governance, Strategy, Risk Management, Metrics and Targets, and include specific guidance for asset owners and managers.

As a result, the PRI introduced climate-related disclosure indicators that can be used to align with the TCFD recommendations in the 2019 PRI Reporting Framework.

## About this report

This report is an export of only the climate-related indicators from the 2019 Reporting Framework response. The full Public Transparency Report is available here ([https://reporting.unpri.org/surveys/PRI-reporting-framework-2019/-8B75F692-4C6B-46B8-98E5-F3A713EA2DB8/00000000-0000-0000-0000-000000000000/doc/2/-%7C%7C\\*complete\\*%7C\\*public\\*/Merged/](https://reporting.unpri.org/surveys/PRI-reporting-framework-2019/-8B75F692-4C6B-46B8-98E5-F3A713EA2DB8/00000000-0000-0000-0000-000000000000/doc/2/-%7C%7C*complete*%7C*public*/Merged/)). It shows the responses to all the completed climate indicators, even those you chose to keep private. It is designed for your internal review or – if you wish - to share with your stakeholders.

The PRI will not publish this report on its website if you have designated your 2019 climate reporting as “private”. Otherwise, you will be able to access the Climate Transparency Report of your organisation and that of other signatories on the [PRI website](#) and on the [Data Portal](#).

To easily locate information, there is a **Recommendation index** which summarises the indicators that signatories complete and disclose. The report presents information exactly as it was reported as per signatory preference. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory are presented in this report.

## TCFD Recommendations Index

Strategy and Governance - CC			TCFD Recommendation			
Indicator	Reported	Disclosure	Governance	Strategy	Risk Management	Metrics & Targets
SG 01.1	✓	Public				
SG 01.2	✓	Public				
SG 01.3	✓	Public				
SG 01.4	✓	Public				
SG 01.5	✓	Public				
SG 01.6 CC	✓	Public				
SG 01.7 CC	✓	Public				
SG 01.8 CC	-	Public				
SG 01.9 CC	✓	Public				
SG 01.10 CC	✓	Public				
SG 01.11 CC	-	Public				
SG 01.12 CC	-	Public				
SG 02.2	✓	Public				
SG 07.5 CC	✓	Public				
SG 07.6 CC	✓	Public				
SG 07.7 CC	✓	Public				
SG 07.8 CC	-	Public				
SG 13.1	✓	Public				
SG 13.2	-	Public				
SG 13.4 CC	-	Public				
SG 13.5 CC	-	Public				
SG 13.6 CC	-	Public				
SG 13.7 CC	-	Public				
SG 13.8 CC	-	Public				
SG 14.1	✓	Public				
SG 14.2	-	Public				
SG 14.3	-	Public				
SG 14.4	-	Public				
SG 14.5	-	Public				
SG 14.6 CC	-	Public				
SG 14.7 CC	-	Public				
SG 14.8 CC	✓	Public				
SG 14.9 CC	✓	Public				
SG 15.1	✓	Public				
SG 15.2	-	Public				
SG 15.3	-	Public				

Symbol	Status
✓	The signatory has completed this sub-indicator
-	The signatory did not complete this sub-indicator.
	This indicator is relevant to the named TCFD recommendation
Within the first column "Indicator", indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.	

# ORGANISATIONAL OVERVIEW

This section provides an overview of your organisation. These characteristics are used to define your peer groups.

MAIN CHARACTERISTICS	
<b>Name</b>	Enter Fonder AB
<b>Signatory Category</b>	Fund Management - Majority
<b>Signatory Type</b>	Investment Manager
<b>Size</b>	US\$ 0.1 - 0.99 billion AUM
<b>Main Asset Class</b>	>50% Listed Equity Internally Managed
<b>Signed PRI Initiative</b>	2016
<b>Region</b>	Europe
<b>Country</b>	Sweden
<b>Disclosure of Voluntary Indicators</b>	21% from 38 Voluntary indicators

Enter Fonder AB

Reported Information

Public version

Strategy and Governance

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Investment policy

SG 01

Mandatory

Public

Core Assessed

General

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input type="checkbox"/> Formalised guidelines on environmental factors <input type="checkbox"/> Formalised guidelines on social factors <input type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Fiduciary (or equivalent) duties <input type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

**SG 01.3**

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

**SG 01.4**

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

Enter Fonder is a fund management company that since 1999 has engaged in pure active management of equity and fixed income funds and mixed funds. This means that the funds invest on basis of Enter Fonder's own in-house analysis in order to enable clear positive outcomes in relation to the underlying index. The goal is to create best possible long term return taken into account risk factors. As a measure of the degree of active management, we provide "active share" numbers on a monthly basis since 2015 for the equity funds. Investment decisions are based on Enter Fonder's in-house, independent company research.

In Enter Fonder's efforts to generate returns for our clients, sustainability factors play an increasingly important role. We are convinced that companies that do not take social, ethical and environmental concerns in their business involves commercial and brand risks we as investors should be aware of. Since errors in the sustainability area is highly likely to result in increased cost for society they will also have impact on the companies' share price. Enter Fonder works in a structured way to integrate these aspects into our company research and stock valuation and further into the investment process.

**SG 01.5**

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

To ensure that ESG issues have an impact on our investments we have worked out a model to fully integrate the screening results into our Investment Analysis and decision-making process. We continuously at least twice a year screen our equities and fixed income portfolios using Sustainalytic's screening.

In short, the portfolio companies are given a score in the areas Environment, Human Rights and Corporate Governance which adds up to a total ESG-score. The values of the ESG-scores are implemented numerically to Enter Fonders own in-house company research for equities and are thus integrated in our analysis.

In addition to our norm-based screening Enter Fonder do not invest in companies that own fossil assets for exploitation (coal, oil, gas) or in companies that produce pornography. We also refrain from investing in companies where more than 5% of sales come from alcohol, tobacco, weapons and games, and more than 5% originate from the distribution of pornographic material.

No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01



SG 01 CC	Voluntary	Public	Descriptive	General
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<b>SG 01.6 CC</b>	Indicate the climate-related risks and opportunities that have been identified and factored into the investment strategies and products, within the organisation's investment time horizon.
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In pursuit of the global sustainability goals, the management of carbon dioxide emissions will play a key role. The transition to a carbon dioxide-neutral society will result in risks for companies that are not well prepared for this development. These risks can be divided into operational risks and product risks. Enter Fonder uses an approach where each company's exposure to these risks is assessed in order to then be set in relation to their preparedness and management of these risks. In addition to these risk factors, certain key parameters are also identified. These parameters include carbon intensity, risk of stranded assets and involvement in renewable solutions.

Enter Fonder will during 2019 start to quarterly publish a report, with an aggregated result for Enter Fund's holdings, which is compared with a benchmark index consisting of approximately 100 Swedish companies, all of which report enough data to be able to perform this type of analysis.

Since January 2017 we are publishing carbon footprint for our equity funds on our website.

We are also measuring the following datapoints for the companies we invest in for all our funds: water consumption, waste/pollution management and if the company has an existing climate policy.

<b>SG 01.7 CC</b>	Indicate whether the organisation has assessed the likelihood and impact of these climate risks?
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- Yes
- No

<b>SG 01.9 CC</b>	Indicate whether the organisation publicly supports the TCFD?
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- Yes
- No

	Explain the rationale
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We do not yet publicly support the TCFD recommendations but we are considering to do so during 2019.

<b>SG 01.10 CC</b>	Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.
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- Yes

	Describe
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Yes, we will start reporting on climate-related risk and opportunities for all our funds in beginning of 2019.

- No

<b>SG 1.12 CC</b>	Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.
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- Public PRI Climate Transparency Report
- Annual financial filings
- Regular client reporting
- Member communications
- Other

<b>SG 02</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 6</b>
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

<b>SG 02.1</b>	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
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- Policy setting out your overall approach

	URL/Attachment
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- URL

	URL
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{[hyperlink:http://www.enterfonder.se/en/invest/responsible-investment/](http://www.enterfonder.se/en/invest/responsible-investment/)}

- Attachment (will be made public)

- Screening / exclusions policy

	URL/Attachment
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- URL

	URL
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{[hyperlink:http://www.enterfonder.se/en/invest/responsible-investment/](http://www.enterfonder.se/en/invest/responsible-investment/)}

- Attachment (will be made public)

- Engagement policy

	URL/Attachment
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- URL

	URL
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{[hyperlink:http://www.enterfonder.se/en/invest/responsible-investment/](http://www.enterfonder.se/en/invest/responsible-investment/)}

- Attachment (will be made public)

- We do not publicly disclose our investment policy documents

**SG 02.2** Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

URL

URL

{hyperlink:<http://www.enterfonder.se/en/invest/responsible-investment/>}

Attachment

ESG incorporation approaches

Active ownership approaches

Reporting

URL/Attachment

URL

URL

{hyperlink:<https://www.enterfonder.se/wp-content/uploads/%C3%85rsber%C3%A4ttelse-fonder-2018-190313-hemsidan.pdf>}

Attachment

We do not publicly disclose any investment policy components

## Governance and human resources

**SG 07 CC**

Voluntary

Public

Descriptive

General

**SG 07.5 CC**

Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.

Board members or trustees

Oversight/accountability for climate-related issues

Assessment and management of climate-related issues

No responsibility for climate-related issues

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee

Oversight/accountability for climate-related issues

Assessment and management of climate-related issues

No responsibility for climate-related issues

Portfolio managers
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

External managers or service providers
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Other role, specify (1)
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Other description (1)
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Other role, specify (1)

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

<b>SG 07.6</b> <b>CC</b>	For board level roles for which have climate-related issues oversight/accountability or implementation responsibilities, indicate how these responsibilities are executed.
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The Board is responsible for documentation, decision making and making sure that the internal rules are maintained.

CEO is responsible for safe-guarding that companies involved in specific climate related operations are excluded from investments.

CFO is responsible for managing the risk control and to ensure that the internal rules are maintained.

Portfolio managers and analysts within Enter Fonder are responsible for the contact with company management with the portfolio companies in Enters universe.

<b>SG 07.7</b> <b>CC</b>	For the management-level roles that assess and manage climate-related issues, provide further information on the structure and process involved.
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CEO is responsible for updating list of companies that are not approved for investments. CEO distributes on ongoing basis this list of companies among the fund managers.

<b>ESG issues in asset allocation</b>				
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<b>SG 13</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
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<b>SG 13.1</b>	Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).
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- Yes, to assess future ESG factors
- Yes, to assess future climate-related risks and opportunities
- No, not to assess future ESG/climate-related issues

<b>SG 14</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
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<b>SG 14.1</b>	Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.
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- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)

	other description (1)
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- We exclude investments in companies that own fossil assets for exploitation.
- Other, specify(2)
  - None of the above

<b>SG 14 CC</b>	<b>Voluntary</b>	<b>Public</b>		<b>General</b>
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<b>SG 14.8 CC</b>	Indicate whether climate-related risks are integrated into overall risk management and explain the risks management processes for identifying, assessing, and managing climate-related risks.
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- Process for climate-related risks is integrated into overall risk management
- Process for climate-related risks is not integrated into our overall risk management

	Please describe
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We work to prevent Climate change by not investing in companies that own fossil assets for exploitation. We also measure the carbon footprint in our portfolios.

<b>SG 14.9 CC</b>	Indicate whether the organisation undertakes active ownership activities to encourage TCFD adoption.
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- Yes
- No, we do not engage

<b>SG 15</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
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**SG 15.1**

Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

- Yes
- No